STOCK MARKET MENTOR

Strategy Session

January 7, 2026

Dan Fitzpatrick provides a deep-dive strategy session following his appearance on Fox Business, outlining a structural bull case for 2026. He identifies a significant "group rotation" into the AI infrastructure stack, specifically targeting the **Storage and Memory** sector (the "hidden backbone") as the primary bottleneck for AI models. Dan argues that while AI computing and energy have captured the headlines, memory leaders like **SanDisk**, **Micron**, and **Western Digital** possess massive pricing power and projected earnings growth (exceeding 300% for SanDisk). He also highlights a significant shift in housing policy, noting Trump's legislative push to prevent large hedge funds from buying entire subdivisions, which Dan views as a necessary correction to an "unethical" supply constraint. Technically, he remains highly bullish on the S&P 500, using measured moves and historical slope analysis to project a conservative upside target of **7,415**, with the potential to reach **8,100** by year-end.

Next Steps:

1. Execute the "Memory Stack" Buy: Focus on SanDisk (SNDK) and Micron (MU). SanDisk recently broke out on twice-average volume; Dan suggests holding core positions as 2026 earnings are projected to grow by 325%. For Micron, use the 8-day EMA as your primary stop-loss reference to manage the dislocation from the 50-day average.
2. Monitor the "MSCI Pivot" in Crypto: Watch MicroStrategy (MSTR) and BitMine Immersion (BMNR). The news that MSCI will not delist digital asset treasury stocks removes a major "forced-selling" overhang. Look for a definitive trend change (higher highs and higher lows) before getting aggressively sized in MSTX.
3. Target Mid-Cap Leaders: In a falling interest rate environment, prioritize Mid-Cap ETFs (e.g., MDY) over small caps. Mid-caps are better positioned to capture market share from "big dogs" like Microsoft or Apple, which Dan views as technically overextended or "dead money" right now.
4. Watch for the "Big Correction": Historically, long-term trends like the current 2023–2026 run eventually face a "gut-wrenching" pullback. Prepare for a retest of the 20-day or 50-day moving average on the S&P 500. Use these touches as technical "buying the dip" opportunities rather than exit signals.
5. Track Energy Grids: Keep Mastec (MTZ) and Constellation Energy (CEG) on your watchlist. These are the "powering AI" plays. Do not chase them at current levels; wait for them to tighten their price action close to their key moving averages for a lower-risk entry.
6. Apply the "21% Measured Move": Monitor the S&P 500 for a run toward 7,415. This is a 1-to-1 extension of the 21% bear market drop seen in 2025. Once reached, consider taking partial profits on broad index positions.

Transcript:

0:02: OK, hey, everybody.

0:03: I'm getting this out late, as you probably know, maybe not, I was on Fox Business today, right towards the end of Charles' show, actually, just at the end of Charles's show.

0:15: it was up in LA so it kind of took us a while to get back and, and all that.

0:19: So sorry about the late, video here.

0:23: and I'll show you, hi.

0:27: My one of my.

0:29: Beautiful dogs is here.

0:31: I, I'm doing work, baby, OK?

0:32: All right, thank you in advance.

0:35: Go, PetSmart's doing fine.

0:37: Anyway, so, so, The, the deal was today there was a news bulletin or like a news flash, and I, I think it was, well, I know the one that interrupted the show was that, Trump was asking Congress to, to legislate.

0:59: I don't know exactly how it worked because I was thinking about something else.

1:01: , to keep all these scumbag freaking big, corporations, these big hedge funds from buying entire subdivisions of houses, which has been going on, for a long time.

1:15: And, frankly, it really pisses me off, not what he's doing, but what these scumbags have been doing, and I'm I'm probably being kind when I call them scumbags because there's been this huge housing shortage, as people know, and the price of housing has gone way up.

1:34: So here these dirtbags come in and they'll make a deal with like DR Horton or.

1:39: KB home, any of the big home builders, and not just the big ones, but like the small ones too, and it's a good deal for the home builders where they say in advance, hey, man, we'll buy your whole subdivision and this is what we'll give you.

1:55: so it's a win-win.

1:56: , for everybody with respect to the home builders because they basically they've got like no risk in their project which for a home builder I can tell you from personal experience there's a lot of risk, in building homes, especially in California where you just.

2:14: Never know what the government's going to do.

2:18: but the point is, so, the home builders make out, the big investment, entities make out because they're buying all these assets and they're real assets, they're buying them, at a bargain price.

2:35: They're not going to pay, from what I would imagine anyway, they're not going to pay a huge premium for them or anything like that.

2:42: And then it's not as if then they're saying like, hey, now that we own these houses, let's go ahead and sell them.

2:50: OK, that would be just being a developer.

2:53: That's what they do.

2:55: Instead, no, they'll hang on to them, they'll rent them out, they'll have them appreciate in value.

3:00: Meanwhile, two things happen, people that would like to buy have to rent instead.

3:07: Second of all, then, the supply of housing.

3:11: It stays down.

3:13: It's like the demand is there.

3:15: It could actually be increasing.

3:17: The demand is there, but the supply is going away.

3:21: It's literally being, it's subtracting.

3:24: It's shrinking, so the supply is going away, which means that what happens when there's a lot of demand and very little supply.

3:32: Prices go up, people start bidding it up.

3:35: That's just the way it works.

3:37: So this has been a real sweetheart thing for these big freaking corporations, and I've, I've said for a long time because it's been true for a long time, you know, there's no character, there's no ethics in money, and I'm not judging that, that's just the way it is.

3:53: Money wants to do one thing, it's kind of like rabbits, kind of like, some.

4:00: Sorry, I can't stop myself.

4:02: Kind of like some of the fine folks that are immigrating over here, they just want to multiply.

4:08: Let's get, let's get as many dollars as we can, and, you know, and all that stuff.

4:13: So, It, it's a good deal.

4:16: It's a great way to be making some money, but on the human side, there are people making those decisions, saying like, hey, let's do this, and I'll take that argument a step further.

4:27: You can get somebody who at least wants to give the imprimatur of, of ethics, very rare, who says, you know what, we're not going to do that because this is really putting a constraint on the housing market.

4:41: And then somebody else goes, OK, well, cool, well, I will.

4:44: so the bottom line is there's a competition of scumbaggery, and all Trump's been doing is, and I just saw this today again while I'm studying something else, which I'll show you in a second, All I saw is, just before, thank you for your attention to this matter, Trump saying like, hey, we don't want to do that anymore.

5:03: So, anyway, that's, that was the blurb that kind of came on, on the show, which pushed everything kind of to the back, and I just had a couple of minutes with Charles.

5:15: I had a good conversation with him afterwards, and we, we exchanged.

5:21: , like personal, email addresses so that I can be sending him notes.

5:28: And one thing I'll tell you, which, look, it's way better if you can, most people on the air don't do this, they're talking heads, and I don't mean that in any way other than just that that's accurate.

5:40: some of, some of them are different.

5:42: I forget the name of the, the lady on, CNBC in the morning.

5:48: , I can't remember, but anyway, she's sharp as hell, but most of the people that are on the show, they just let the producers look at the notes and, and put them all, you know, basically make the show.

6:02: Charles does it himself, he told me.

6:05: , afterwards today, he goes, man, I was up till 3 in the morning this morning, writing the show, going through all this stuff, and because I had asked him like, and he had these notes in front of him when he was doing the show, and they were really dense, and I said, are you a bullet point guy, or are you a notes guy?

6:23: And he goes, I love reading research, so I read all of it.

6:27: And so I said, all right, I'll send you a bunch of mine because I always have it.

6:31: And so, hopefully, I'll wind up getting on his show a little more often, as long as it's not too much, then it takes away from what I'm trying to do.

6:41: , but anyway, so that's, that was kind of today, and we didn't actually, and here's the other thing, we didn't actually get to talk about the things that I was prepared to talk about and the reason was because I had sent them notes last week and.

6:59: And I didn't know the procedure.

7:02: I sent them notes last week.

7:04: They went ahead and sent them to Charles, and then because of some changes in the market like what's going on, this is a very, very dynamic time in the market where you've got Venezuela one day and then the very next day you've got Venezuela where it's like, yeah, yeah, you know, no big deal, we just want to make money.

7:22: Hey, let's buy some houses, and then, then you've got something else going on and something else and.

7:28: , so because of that, and then the CES conference this week, so because of that, like being topical is kind of a moving target.

7:38: So I'd sent these guys stuff yesterday about what I wanted to do today, which I'll show you in a sec, and.

7:46: Then I get an email from one of the producers about 45 minutes before the show started, I think actually it was, it was later than that, and he goes like, hey, just so you know, these are some of the questions you're probably going to get, and they're questions all about the crap that I sent him last week that I was not planning on talking about.

8:09: So it was a little bit of a, kind of a, I don't know if I could say shit show, but it was kind of a shit show.

8:18: anyway, but it, it was fine.

8:19: but now I know how to communicate better with Charles and, and so hopefully my segments will be better.

8:25: Now, let me get started with, with what I, what I planned on talking about, First of all, just as a general, I'll get my, my video off here, just as a general thesis with respect to 2026, like this is December 2026, so this is the end of the year.

8:48: Like this is literally how I do stuff, because I like to just focus on what is, as you guys know, I talk about it all the time, you know, the charts tell the tale, you have to pay attention to the charts, Because that is the truth, what's happening and everything else, you know, you're just kind of guessing.

9:09: So, my point, was, if you're looking at this and saying, oh, this is the top here, OK, well, you don't know that, and you look pretty damn foolish to say that it is, because, again, there's.

9:24: Nothing to tell you that this is a top.

9:28: We got like 4 trading days ago, some pretty big volume above, average, above the 20-day moving average.

9:36: There's been like increasing volume on the way up for a while.

9:41: Now, I'm not saying this is going to go screaming higher.

9:46: I, I don't, I don't think it will.

9:48: This could even come down.

9:49: I mean, I, I would expect it at some point.

9:52: To come back and touch the 20-day moving average.

9:56: It, it could at some point, touch the 50.

10:00: Now, and the thing about that though, is, as the days march by, and this is actually a weekly chart, but as the days march by, and I don't, and it's not quite right here, I'll, I'll, I'm gonna go ahead and show you the right one.

10:20: Yeah, I'll, I'll just do it, OK, no, I'll do it this way.

10:23: So this is the daily chart, and so what I'm saying is, as the days march by, 50 day moving average continues to rise.

10:30: So this is still kind of trading right along the 50 day moving average.

10:35: You'll notice here, this is the moving average 50 days, but it's a weekly time frame.

10:41: So this was just my screw up.

10:43: I'm glad he didn't show the chart.

10:45: So, but what I know is this.

10:48: Look at this, look at this really, really nice trend.

10:51: This was in 2023, and this goes back even further than that.

10:56: 2023 kept going through 2024 and into 2025 before we get this big correction.

11:04: And at some point we will get a big correction like this, not exactly like this, but we'll get a big pullback on some kind of news.

11:14: Maybe it'll be geopolitical.

11:16: Maybe it'll be just because people got tired of buying.

11:21: Maybe it'll be because the Fed has to raise rates, or they have to lower rates a lot to where people go like, wait a minute, how come they're dropping rates so much, they must know something.

11:32: So there's any number.

11:35: Hey, maybe Anthony Fauci could pull one of the viruses out of his little, you know, little black bag, and let's start again with the masks and the social distancing.

11:46: There could be any number of reasons why this market is going to pull back, but I have to, I have to just be consistent with the experience that I've had throughout the years, as well as just what we see here.

12:02: The trend is your friend.

12:04: You just got to follow the trend, stretch the chart out and say, OK, if this slope continues, where would I expect this to go?

12:12: Well, here it is in December, and I've got 8000 now.

12:17: If I extrapolate this out another month, 8100.

12:20: Now, do I think it's going to go that high?

12:26: I think it could.

12:28: I'm not gonna project or predict that it's going to go that high, but I've just explained a simple charting, method.

12:35: That's just kind of the way, that's kind of the way you got to look at this, right?

12:40: OK, So there's one other slide, I wanted to, I want to show you and.

12:49: , and, and it's this one.

12:53: Again, it's a weekly chart.

12:55: here, the moving averages are correct.

12:57: The red is the 10 week, the, blue is the 40 week or 200 day.

13:02: But if we just do a measured move here, it's pretty simple.

13:06: this is a 21% drop, from top here, so it's an all-time high.

13:11: To low 21% drop and, a bear market, it's the, stocks, or I should say like the S&P is considered to be in a bear market when it has fallen 20 over 20% from, its last high, like from its all-time high.

13:32: and It hit 21%, like for a day, probably not even the whole day.

13:38: So this bear market came for a cup of coffee, and then that was that.

13:43: and then it comes back and corrects.

13:46: So it's one big long V.

13:47: Once this breaks out here, on above average volume, by the way.

13:52: Then you start stretching it the other way.

13:54: Instead of 21% down, you go 21% up.

13:57: And so if I do that from the breakout, not from here, and, and not from here, like it's 21 here, 21 here.

14:05: I mean, it's not quite, but, for you math heads, you know what I'm talking about.

14:10: but, so then you have to just say, OK, it, the excursion down here was 21%.

14:17: So, let me just be conservative and say, I expect a 21% run to the upside, and that gives us 7415 as a target.

14:26: Quite a ways below the 8100, on this, previous slide here.

14:33: but that's the measured move, that's the way it is, you know, you can't like twist the charts, to be something that they're not.

14:41: And so I've given you this.

14:42: But then I also, talked to, to Charles.

14:46: About the catalysts for this year.

14:49: I've talked about these in, in this venue here, but, the new Fed chairman, we're getting rid of, freaking Jerome Powell.

14:58: it's hard to say who's worse, him or Janet Yellen.

15:01: Personally, my edge goes to Janet, but it's close.

15:05: so Trump's going to get somebody else in there, and you can love him or hate him, it doesn't matter to me.

15:09: I don't know him, but there is going to be this bias towards, lower interest rates.

15:14: Trump, that's the only way.

15:16: I, I mean, look, we know this, Trump wants lower interest rates.

15:21: He's the guy, that appoints the next Fed chairman.

15:24: If he can get through, the congressional approval, that'll be a hoot.

15:30: and, but the guy's going to be biased towards dropping rates.

15:33: And so when, when rates drop, when rates fall, that gives juice, to the, basically to the entire market.

15:41: But certainly like the mids and the smalls, like the midcaps, these came out yesterday, in a really nice move, I think, but I'm not sure.

15:52: I think this is actually not an all-time high, but certainly a 52 week high.

15:58: Maybe, yeah, I guess maybe it was, an all-time high.

16:01: So this is a really nice pattern, very constructive pattern, and, and I think,, I think we're going to get more out of the mid-caps, which in a falling interest rate environment, the mid-caps are going to do better, certainly better than the small caps.

16:18: I mean, small caps, by definition, they need money.

16:22: That's why their, their capitalization is small.

16:25: So it will help them as well.

16:26: But the mid-caps, are, they.

16:30: They need money too, but they're also bigger and in a better position to take market share away from like the big dogs.

16:38: No, don't do that.

16:40: yeah, do that.

16:41: Google, buy this tomorrow, you're going to make money.

16:43: I'm not kidding.

16:46: Microsoft, no, don't do that.

16:49: Nvidia, no, don't, I mean, whatever, if you're still in Nvidia, then good for you.

16:54: I can't help you.

16:56: Amazon, I wouldn't buy it tomorrow, but, I, if it could calm down a little bit.

17:01: More, I think you, I think you definitely want to buy it.

17:05: Apple, don't buy this.

17:07: The new iPad that I'm going to get will not save this chart.

17:11: it's going lower.

17:12: I can't believe my wife told me she wants me to get a new iPad.

17:15: I love my iPad.

17:17: but anyway, so this is kind of the, I, I think I probably missed one or two, but this is, oh, and then Tesla.

17:24: , I, I wouldn't be into Tesla, guys, for that's a whole another story.

17:30: And I love Elon Musk.

17:31: I think he's a revolutionary, in a lot of different ways.

17:35: By the way, I've never seen so many Way Moses and this isn't, Musk.

17:39: Waymos is in, Los Angeles.

17:42: It was freaking ridiculous.

17:44: By the way, they all drive pretty well.

17:46: But Tesla, I mentioned it the other day.

17:50: I think they'd do really well if they would just come up with a different body style.

17:54: Every other car company on the planet, kind of changes their style a little bit.

18:03: Not everyone, but most of them.

18:05: Tesla is way past due, like, do something different to get people, to want to be buying new cars, but they're, they're not.

18:15: So, now, Elon, He is smarter than me and he has more money than me, so he probably shouldn't listen to me, but that's the way I feel.

18:24: Anyway, so, that's, that's what I feel about the market and interest rates and the prospects for higher prices this year.

18:33: I'm really, really bullish on this, but I will say I have to say this, I've got to say this, looking you in the eye and say, look, I could totally be wrong about this.

18:48: And so at any given time, you may hear me say, you know what, I really feel like my analysis at the beginning of the year isn't working out, we're rolling over, you want to be careful, this and that.

19:01: I mean, we will have that at certain times.

19:03: This ain't gonna go, in a straight line.

19:06: so that may be the case, and the reason I'm saying this is, I don't want you.

19:10: To misinterpret what I say as being some kind of a prediction.

19:14: Like I laugh at predictors all the time, so I'm not going to become one of them, but this is the way I see this, and it's the Fed, it's, not just like the biggest tax.

19:28: , rebates or refunds or whatever.

19:31: I never get one of those, in history, I guess, like with the Triple B, big, big, big,, refunds and when people have more money, it seems to me it's kind of stupid to be perfectly candid.

19:48: They just go out and spend it.

19:50: Like they never save for a rainy day.

19:52: They just go, oh, free money.

19:53: I'll go out and buy something, and that's good for the economy.

19:56: It's bad for the individual, but you know, you're going to pay the price later.

20:00: Nobody's going to come to save you.

20:02: , but, so, big, big, tax refunds is going to help the economy.

20:08: Lower interest rates are going to help the economy.

20:11: Also, just the fact that this is an election year, the current, especially with a compliant Congress, the administration, and this happens.

20:21: In every administration they're going to be doing everything they can to juice the economy.

20:26: It's going to be big, so there's a lot of reasons for the market to continue to go higher.

20:32: When I hear people say, and really sharp analysts and all that say valuation, valuations are stretched in the.

20:40: , they're stretched in the, like the semis, the tech space and all that.

20:47: and so we're looking for cheaper stocks and we can't find them.

20:54: my feeling, and I felt this way actually.

20:59: Since I worked with John Bollinger over 20 years ago, my feeling is, you're looking in the wrong place.

21:08: If you, if you're looking for cheap, Go to Ross, go to Nordstrom Rack.

21:14: But if you want to find stocks that are going higher, get the more expensive ones.

21:19: There's a reason why they're more expensive, because they're in demand.

21:23: And so this idea, and you'll hear people talk about this sometimes, on the air, and, and that's fine.

21:29: They'll say like, oh, I'm we're looking for value, see, we're rotating into value and all that.

21:36: That's fine, but by definition, value stocks are not going to be moving very much, because if they were, they wouldn't be low-value stocks.

21:44: So you got to be looking at the high-value stocks, the ones that are really expensive.

21:50: In the context of the chart, if you see the chart, you know, really start, really start to go parabolic, then you got to, look, you're a trader.

22:00: You, you look at charts, you don't just look at freaking spreadsheets.

22:03: , so this, this is what you have to do if you want to be, if you want to be making money, you have to take a stand.

22:12: You have to decide what am I gonna do and how am I doing it.

22:16: And so my approach this year is that I want to be long, and I want to be long tech.

22:22: I don't want to muck around, with all.

22:24: All the crap that hasn't gone anywhere.

22:28: I, I just don't.

22:29: And so we want to be along the stuff that's moving, the things that are, that are just continuing to run, irrespective of evaluations, but that actually leads me to the fourth catalyst, which I think is, is actually the biggest, and that is this AI, revolution, whatever you want to call it.

22:49: AI is like the internet of, this decade.

22:54: , it's, it, it just really is, and in a lot of different ways, some of the companies are very rich, you know, very, very highly valued, but I think about what's happening in AI and the impact that it's having, not just on, on our lives, but also on the market itself, and I, pardon me, and I think about.

23:18: , I think about the, that book by Hemingway, The Sun Also, Rises, my, one of my, my late friend Michael Tanya, one of his favorite books, And, maybe one day I'll see Mike again, but it, it ain't gonna be this day.

23:38: So, in there, one guy filed for bankruptcy, went bankrupt and somebody else says, well, how'd you go bankrupt?

23:45: And he goes, in two ways.

23:46: I went two ways, gradually at first, and then all at once.

23:50: OK, I see that happening.

23:52: With AI, it's been going along for a while.

23:55: We've been hearing about it for several years.

23:57: I use, AI.

23:59: I don't just use chat GPT.

24:01: I use Grok.

24:03: I also use, by the way, Co-Pilott by Microsoft.

24:07: these are, are really, really, really, really strong, They're, they're really, really strong, AI bots.

24:17: they do, they just do a, a really, really great, a really, really great job.

24:22: So they make my job easier on a lot of fronts.

24:25: Well, it's the same thing with other people too.

24:28: I don't think I was an early adopter, but I'm definitely not a late adopter.

24:32: But, AI is going to really, really help, not just eliminate jobs because it will, but it's also going to help these companies, get more money to the bottom line.

24:45: In other words, it's going to increase, their earnings.

24:49: And when earnings increase, what happens?

24:53: To the valuation of the company, well, you could say, oh well, it gets, you know, the stock gets pricier and this and that.

25:00: Well, yeah, the price goes up because what was a relatively cheap stock, as earnings start to move higher and higher and higher, that cheap stock becomes even cheaper.

25:14: If you're looking at it in the traditional valuation model, which is, price earnings ratio.

25:21: It's one of the stupidest, earnings, 11 of the stupidest, fundamental, ways you can look at the value of a stock.

25:31: It, it's just kind of silly.

25:32: and by the way, why would I say that?

25:35: Hey, OK, the value of a company, right?

25:39: So a stock moves, 15% in 2 weeks.

25:44: OK, so the PE is going to change.

25:46: What's happened to the company?

25:48: Not a damn thing.

25:49: Nothing has happened to the company.

25:53: OK, so, what I'm saying is nothing, nothing has changed in the company, yet suddenly, the, the company is really, really expensive.

26:02: So it really doesn't make sense to me, to be, to be looking at things in this way, but you kind of have to.

26:09: As institutions do.

26:11: Also, I've said this before, I triggered a few people, but that's OK.

26:15: I'm sure they're over it.

26:16: I do believe, and have for a while, the stock market is one big flipping Ponzi scheme.

26:21: It's all a Ponzi scheme.

26:23: People go like, oh, Bitcoin, you know, it's not worth anything.

26:27: Do you really think the S&P 500 is worth anything?

26:32: What is it worth?

26:32: What's it worth to you?

26:34: Nothing.

26:35: You can own a boatload of it, but if it goes up or if it goes down, It doesn't impact you.

26:42: this could go to zero if all the companies in, in the S&P, went to zero, and they could, it's, we wouldn't be around to know about it because, Noah would come floating by on his ark.

26:55: But the point is this is all just as valuable as a popcorn fart because it's just prices.

27:03: We're all just playing video games, but the rules are that institutions are buying these stocks so they can make money.

27:12: They're in on the Ponzi scheme.

27:13: Hell, they control it.

27:15: but when it gets right down to it,, for you to be looking at a company and saying, oh, I'm buying this because it's a really, really deep value.

27:23: This is a fair value for the stock.

27:26: If you're not looking at the chart, in determining what a fair value is.

27:32: It's my humble belief that you're just, you're just wishful thinking.

27:38: You're not thinking about things straight because the only reason a stock is where it is, because that's where people, are willing to buy and sell it, it's, that's where they're transacting right now.

27:51: And so, if you're, but I, I've said this before, like Bill Gates, you know, dirtbag that he is, he never gave me, any windows for free.

28:03: I don't know.

28:04: Google, those guys, I've owned their stock for a long time.

28:06: I don't get a dang Christmas card from them.

28:09: They don't know about me.

28:10: So the point is, these companies that you own, let's just be perfectly honest, the only reason you own them, the only reason if you really wanted to admit it, the only reason you own these stocks is because you think somebody is going to pay you more money for it.

28:30: Just laying it out there, and that is, in my mind, that is an unbreakable argument.

28:37: You can't break it other than, and you can try by saying, well, yeah, but, but hedge funds do this or institutions.

28:44: I, I know, I get it.

28:46: I get it, but.

28:49: These stocks are intrinsically inherently worthless.

28:54: That's why.

28:56: We trade the charts.

28:59: so, but to get back on track, I seem to be, digressing a lot, so I apologize for that.

29:06: So we've got new Fed chairman, we've got tax rebates.

29:10: By the way, we also get like no tax on tips or overtime, which is actually kind of a big deal.

29:16: I actually reached out to my accountant and wanted to know if I could take advantage of that because I work more than 40.

29:22: , and he just said, no, Dan, you own your own business, but nice try.

29:26: I like the way you're thinking.

29:27: Don't ever do that again though.

29:30: so there's that, and then the last thing is this AI.

29:33: I think it's going to be a real revolution, but I think a lot of the story is,, I, I think people are looking in the wrong direction because they haven't changed, direction, and this is what I'm talking about.

29:50: I'll get into this, and this was what I was going to talk with Charles about today.

29:57: This is the way I look at the AI.

30:00: Industry, it's the AI infrastructure, it's a stack.

30:05: Everybody's looking at AI computing.

30:07: Oh, Nvidia, blah blah, blah.

30:08: OK, great, and Microsoft and Amazon and Google and MCI.

30:12: These are the ones they're like, they make the chips right here.

30:16: They do the models, they do inference like these are the companies that are kind of on the front line.

30:21: They're the obvious ones, the obvious ones, you go, AI, oh.

30:26: Nvidia, and then it can be, you know, Taiwan Semi, some of these others, SMCI.

30:35: This is all AI computing and this is the thing that everybody gets lathered up about, rightfully so.

30:42: But they get all lathered up about it.

30:45: Because it's the cool part.

30:47: It's the cool part of things.

30:49: Oh my God.

30:51: These big GPUs that Jensen Wang is building have like a billion billion bytes, and they do this and that and the other thing.

31:01: it's amazing, unbelievable.

31:04: That's what everybody's focused on.

31:06: That's why, that's why you still look at freaking Nvidia.

31:09: Every day, because this is the sexy stuff right here.

31:14: But then lately, and I mean lately, I don't know, hell, probably, at least 3, probably even 6 months, people have been talking about energy, like to do all this AI computing, you got to have a lot of energy.

31:26: And that's why some of the nuclear, some of the nuclear names, are coming back, all, all, they've been going for a while, but, like, this one.

31:37: , next era Energy, we've got Constellation.

31:42: we've got Vista.

31:45: No, thank you.

31:45: The, the other two so far are pretty good.

31:48: I think you want to stay away from Vista.

31:50: Eaton, you want to stay from this as well.

31:53: talent, let this kind of settle out a little bit, but this could work, and then Mastec, is still in a really nice run.

32:01: So of the energy providers, you can look at MAStec.

32:05: , you can look at, Nextra, though you don't have to jump in on this one.

32:10: It's going to be here for a while.

32:13: and you can look at Constellation, like none of these are like, oh, I got to buy them right now.

32:17: They're awesome opportunities.

32:19: So.

32:20: Again, we've got the AI computing, we've got the energy providers, that have to, they've got to build the grids in order to power all of these things, and that's a massive issue.

32:32: It's a huge issue.

32:33: We do have a real situation with electricity, and here's the thing.

32:41: We actually have enough electricity.

32:43: There's plenty of electricity to power all these things.

32:47: The problem is then you're not going to be able to use your blow dryer in the morning because they're sucking it all from us.

32:53: So they've got to build all this stuff, and, that's why we're looking at these stocks.

32:58: But 11 thing that nobody, not, I shouldn't say nobody, but not too many people are talking about.

33:05: , is the storage and memory part of the stack.

33:11: This is, in my view, this is like the hidden backbone of AI.

33:17: The storage and memory stocks are, this is where the real bottleneck is, and this is why Micron, Seagate, Western Digital, PSTG, Sandisk.

33:32: That's why these are all working really well because there's kind of the market.

33:37: These stocks have been doing well for a while.

33:39: It's not like nobody has known what's going on, but the story is just now kind of starting.

33:45: , to, to really hit the airwaves about this huge massive bottleneck we have in storage and memory.

33:56: And when everybody needs something, we'll go back to housing, when everybody needs something.

34:02: And there's not too much of it around.

34:05: Somebody's going to say, I'll pay you more money for it.

34:09: And then it's on and on.

34:11: So these companies, whether it's, you know, hard, hard disk, what is it, hard disk drive storage, or whether it's NAN, flash, all of that stuff, these all have major pricing power, and they've got all the demand.

34:29: That you could ask for and then some despair.

34:32: And so this is the area right here, storage and memory, that I think is really where we want to be.

34:40: A lot of this stuff, it's, it's had its big move.

34:43: Maybe it'll have another, I'm sure it will.

34:45: But right now, these are the stocks that are working really well.

34:49: And by the way, then, to get back to, the S&P.

34:55: 9 out of the top 10 stocks in the S&P are in the IT information technology space.

35:04: That's AI.

35:06: And so 9 of the 10 top stocks, that means that as AI does well, The S&P is going to do well.

35:19: So this is really kind of the biggest reason why I'm really bullish on the S&P on the market is because storage and memory, and you think about that, well, what is that?

35:30: OK.

35:31: This is all the brain, OK?

35:33: This is the oxygen, this is the brain of, of AI, this is the energy.

35:39: Think about it in a human condition.

35:40: So this is my brain, OK?

35:43: This is the food that I eat, my mitochondria and all that stuff.

35:48: this, that's what provides the energy for my brain to work.

35:51: OK, so I got a great brain.

35:53: I got plenty of energy, but I got no memory.

35:57: So all these wonderful computations that I'm doing, like, can I even do them?

36:01: Because I can't remember what they were, I can't use reasoning, I can't do anything with this beautiful, wonderful brain that I have with plenty of energy, because I have no memory.

36:13: And that is, to me, this is why I'm saying everybody's looking at, oh, it's a powerful brain, oh, there's a lot of energy, oh, nuclear, bad, you know, Karen Silkwood, that kind of stupid stuff.

36:26: but then it gets down to memory and it's like,, I got a pretty powerful, PC.

36:32: It's got a lot of memory on it.

36:34: So we really want to be focusing on this, and that leads me to all of these different stocks.

36:40: Now this was, this is today's stock, but it's not the closing price.

36:44: It's just these were the slides that I had, that I had intended to cover, but as it turns out, Charles never even saw this.

36:52: So with Sanddisk, OK.

36:55: , they used to be, they were at one point bought by, Western Digital.

37:01: and then about 10 years ago, they let them back into the wild again.

37:06: and so,, this is what the chart looks like now, you know, this is a daily chart.

37:13: So, and you can see Sandusk just broke out here.

37:17: So, these guys are kind of the big dogs in, in, in Flash, right?

37:22: So this was in a, a nice consolidation phase.

37:25: , nice breakout yesterday, big breakout yesterday.

37:29: it's, it's pulled back, a little bit today, but then ultimately this closed up, so this was a nice continuation on heavier than average volume, almost, twice average volume.

37:42: I put this on the list.

37:43: I don't have the, I think I did put the prices in there.

37:46: You can check the ATI page, but, I think this is a really, really good.

37:52: I think this is a really, really good opportunity, and here's what their earnings per share growth is projected to increase in 2026 325%.

38:04: If it does, Do you really think this stock is expensive here?

38:09: No, it's massively cheap because their earnings are 325% higher this year.

38:17: So that's why I say, even though, yeah, oh, we're really late on this, $40 here, and now it's up to $250.

38:26: Yeah, I mean, you'd have been really late on buying Google, Amazon, Microsoft, Q Qualcomm, Cisco, any of these stocks after they'd doubled or gone up 3 or 400%.

38:40: You'd have been really, really late.

38:43: Until you move forward about 10 years or even 3 years or whatever.

38:48: so what's late?

38:50: I, I don't know what, I don't know what the definition of this is.

38:54: It's really just where are you buying in the breakout.

38:57: So I think this is a stock, that we can be, that we can be holding.

39:03: And yeah, I mean, I, I do, I, I think this is gonna work.

39:07: I think this is gonna work really well.

39:09: now, Micron, this has been just running along the upper Bollinger band.

39:14: I've pinpointed the eight-day EMA here as maybe a good reference for your stop because it's actually quite a ways above the fifty-day, moving average.

39:24: So, like, where do you put your stop?

39:26: I got to figure out someplace.

39:28: So, so I put it there.

39:31: , and, Micron closed at a little under 3:40.

39:37: Yeah, so it closed a little bit below where, where it is here.

39:41: And this was where we, where we put it on the list, like 336-88, and I suggested the stop down there.

39:49: and so I'll just kind of go with that.

39:52: but you can see here, EPS growth 280%, up down volume ratio, 1.3.

39:58: In my mind, anything that's like 1.3 or higher is a really, really good thing because it shows strong institutional buying.

40:07: Here on Western Digital, we've got 1.4, up down volume ratio, 56% earnings projected, which by the way, is still really, really good, but you can see all the institutional buying here.

40:20: Big breakout yesterday, pullback, whoops.

40:28: Pullback today.

40:30: Yeah, it closed at 2:01, so right about here.

40:32: Pullback today.

40:34: This is, I'd wait and watch for this, see how it works tomorrow, and I'll be around so I can watch with you.

40:39: and then like finally, Seagate, another big breakout, and then a pullback today.

40:45: The thing that I like about this is like, look at these charts.

40:51: They're all, they're all working pretty well.

40:56: and this gives me a sense of an industry group or a sector theme like we saw in the quantum computing, a while ago where you had these stocks like.

41:06: , like Rigggetti.

41:10: They were all blowing out here at the same time.

41:18: They were all pushing right here.

41:20: And so now that's what I'm seeing with sand disc.

41:23: So we're all start, we're all kind of moving in the right direction, and that's why I'm really, really bullish on these stocks.

41:30: So, guess what?

41:34: That's all I got for you.

41:36: I don't know how long I've been going, but I think it's been a heck of a lot longer than, than I usually do.

41:40: So if you're still here, thanks for hanging with me.

41:44: If you're not still here, hey, look what you missed, OK?

41:47: So, all right, that's all I got for you guys.

41:50: I will see you, Mano.