

Chart of the Day

Here's your trade on Enphase (\$ENPH)

February 17, 2026

Dan highlighted a high-conviction setup in Enphase Energy (\$ENPH), marking a potential turning point for the battered solar sector. After a long period of institutional accumulation, the stock recently surged on massive volume—trading 50 million shares, or five times its daily average—following an earnings report that, while fundamentally "crappy," exceeded the market's low expectations. Dan notes that the stock successfully avoided a "gap and crap" reversal, instead undergoing a healthy three-day pullback that has now transitioned into a fresh move higher. He identifies this as a high-probability, defined-risk trade where the immediate technical floor has been established, offering a clear entry point for a momentum swing back toward recent highs.

Next Steps:

1. Execute the \$ENPH Long: Initiate a position in Enphase Energy (\$ENPH) at current levels, as the stock shows signs of reclaiming its post-earnings momentum.
2. Define Risk Management: Place a protective stop-loss at \$41.60–\$41.70. This allows for natural volatility while ensuring you exit if the stock undercuts its recent intraday lows, representing a managed risk of approximately 8%.
3. Set Initial Profit Targets: Look for a primary move of 10% to the upside (\$49.00–\$50.00 range) as the stock attempts to clear its post-earnings peak.
4. Monitor Sector Sympathy: Watch the Invesco Solar ETF (\$TAN) for broader confirmation; a rising tide in the solar sector will provide the necessary tailwinds to sustain \$ENPH's breakout.
5. Watch the "Strategy" Tutorial: If you haven't already, review Dan's latest one-hour session on "Trading Without a Strategy" to ensure you are avoiding the number one mistake traders make during sector rotations.

Transcript:

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00:00:02.020 --> 00:00:14.689

Dan Fitzpatrick: Alright, hey everybody, Dan Fitzpatrick here at StockMarketMentor.com. I just finished teaching an hour session for our subscribers on the first deadly mistake

2

00:00:14.730 --> 00:00:34.129

Dan Fitzpatrick: that traders make, and that is trading without a strategy. So, guys, if you're a member, definitely, check it out. This is a really, really important, thing for you to know. So, and if you're not a member, here's how you can get that, information, without joining as a full-time member.

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00:00:34.280 --> 00:00:48.979

Dan Fitzpatrick: hoodwink me. Sign up for a free trial, it's 7 bucks, which is close to free. Sign up for a trial for 14 days, then you can watch the video, and then after that, you can say, Ha!

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00:00:48.980 --> 00:01:01.520

Dan Fitzpatrick: Got one over on Dan, and then you can cancel, okay? So you got a free tutorial, for \$7. But my bet is, of course, I don't think you're gonna cancel, so I'm actually hoodwinking you.

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00:01:02.890 --> 00:01:17.990

Dan Fitzpatrick: One way or another, one of us is gonna get hoodwinked. So, alright, I want to look at Enphase today. One of our venerated members, gee whiz, brought this up to me just as we were leaving. This is not my typical...

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00:01:17.990 --> 00:01:23.999

Dan Fitzpatrick: type of a trade, but it is a trade, and I think it's a really good one. So, solar,

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00:01:24.000 --> 00:01:26.980

Dan Fitzpatrick: All these stocks have been absolutely crushed.

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00:01:26.980 --> 00:01:45.009

Dan Fitzpatrick: But they're starting to... starting to move again, and end phase is in a really good spot here. So this has been a... kind of a classic institutional accumulation phase right here. Then the company reports earnings that were better, better than expected.

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00:01:45.010 --> 00:01:55.810

Dan Fitzpatrick: Still pretty crappy, but, they're better than expected. And so what happens? The stock pops up here on earnings. Massive.

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00:01:56.020 --> 00:01:59.770

Dan Fitzpatrick: Volume. For this stock, \$50 million.

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00:01:59.940 --> 00:02:11.219

Dan Fitzpatrick: Shares traded? That's, like, 5 times what the normal volume is of 9 million shares, so this is massive volume. The stock did not gap in crap.

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00:02:11.380 --> 00:02:19.400

Dan Fitzpatrick: it drifted around here a bit, and then it pulled back for 3 days. I mean, 4 days if you want to be...

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00:02:19.680 --> 00:02:35.359

Dan Fitzpatrick: you know, anal retentive, but really just 1, 2, and then 3. And now it's got... now it's running up here. So, this is actually a pretty good trade, a defined risk trade. You can be buying the stock

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00:02:37.760 --> 00:02:43.560

Dan Fitzpatrick: right here. And you can be looking at setting an exit

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00:02:43.910 --> 00:02:51.480

Dan Fitzpatrick: You don't even have to play around with the 50-day moving average. If the stock falls below these last intraday lows.

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00:02:52.710 --> 00:02:59.979

Dan Fitzpatrick: I mean, that would kind of be enough if you want to really, really play it tight. But since it is this close.

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00:02:59.980 --> 00:03:19.340

Dan Fitzpatrick: you put your stop down here around 41.60, \$41.70, you're risking 8%. If the stock doesn't continue... if the stock doesn't continue higher from here, I wouldn't make this trade. But if it does continue higher, this could be a pretty nice trade for you. You get another 10% on the upside.

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00:03:19.340 --> 00:03:41.669

Dan Fitzpatrick: pretty easily. So, anyway, it's just an easy trade for you, at least easy to understand. Hopefully, it'll work out. That'll make me look really smart, and it'll make you some money. So we'll see what happens. And by the way, again, go ahead and hoodwink me, man. Seven bucks. I won't know when you cancel. I don't track that kind of stuff Karen does, okay?

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00:03:41.670 --> 00:03:43.950

Dan Fitzpatrick: Alright guys, I will see you all.

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00:03:43.970 --> 00:03:45.010

Dan Fitzpatrick: Next time.