

## Chart of the Day

Here's your trade on the most shorted stock in the world \$MSTR

February 26, 2026

Scott highlighted MicroStrategy (**\$MSTR**) as a high-conviction setup for a potential short squeeze. Currently the most shorted stock in the market, \$MSTR has been in a prolonged downtrend since July 2025 but has recently begun "bubbling" underneath key resistance levels. Scott noted that after a volume-backed pop off the lows and a successful test of the 8-day Exponential Moving Average (EMA), the stock is now consolidating in a tight range. If the shorts are forced to cover, Scott sees a clear path for the stock to run toward its next major overhead hurdle.

### Next Steps:

1. Set an Alert at 139.40: Monitor \$MSTR for a decisive move and a daily close above 139.40. This level represents the breakout point where short-sellers are likely to move "offside" and be forced to buy back shares, fueling the squeeze.
2. Target the 50-Day Moving Average: If the breakout triggers, use \$149 as your primary profit target. This is where the 50-day moving average currently sits and will likely act as a magnet for the price during a squeeze.
3. Confirm with Bitcoin Momentum: Since \$MSTR trades in high correlation with the crypto market, do not trade the breakout in a vacuum. Watch Bitcoin for simultaneous strength to confirm that the move in "Strategy" has the necessary tailwinds to reach the target.
4. Use the 8-Day EMA as a Dynamic Stop: Scott noted that buyers recently stepped in at the 8-day EMA. If you enter on the squeeze, consider using a close below this orange line as your signal that the immediate momentum has failed.
5. Watch for "Inside Day" Resolution: Today's "quiet inside day" signifies a period of contraction before a secondary expansion. Be prepared for increased volatility once the price breaks the high of this narrow range.

### Transcript:

1

00:00:02.120 --> 00:00:03.840

Hey everyone, good evening.

2

00:00:04.100 --> 00:00:09.640

It's Scott at ScottTradesOnX with StockMarketMentor.com and

3

00:00:09.640 --> 00:00:10.860

your chart of the day.

4

00:00:11.100 --> 00:00:12.720

I want to take a look at MSTR.

5

00:00:13.100 --> 00:00:14.300

This is strategy.

6

00:00:14.820 --> 00:00:18.120

Now strategy and MSTR is actually the most

7

00:00:18.120 --> 00:00:21.300

shorted stock in the market right now.

8

00:00:21.420 --> 00:00:23.620

There is a ton of people that are

9

00:00:23.620 --> 00:00:26.940

short this stock because it's been good to

10

00:00:26.940 --> 00:00:27.820

be short strategy.

11

00:00:27.960 --> 00:00:30.860

The stock has basically gone down since July

12

00:00:30.860 --> 00:00:32.040

of 2025.

13

00:00:33.020 --> 00:00:35.080

Now the last couple of weeks we've been

14

00:00:35.080 --> 00:00:39.820

grinding around a short base here between let's

15

00:00:39.820 --> 00:00:41.860

say 100 and 140.

16

00:00:42.760 --> 00:00:44.780

And just yesterday we had a nice pop

17

00:00:44.780 --> 00:00:47.380

up off the low on decent volume.

18

00:00:47.840 --> 00:00:49.280

Today we had a bit of a quiet

19

00:00:49.280 --> 00:00:50.160

inside day.

20

00:00:50.280 --> 00:00:51.460

They dipped it down to the 8 day.

21

00:00:51.540 --> 00:00:53.340

The buyer showed up where they needed to

22

00:00:53.340 --> 00:00:55.780

and now we're just kind of bubbling underneath

23

00:00:55.780 --> 00:00:56.860

that 21 day EMA.

24

00:00:56.860 --> 00:00:59.520

And so I certainly think that we could

25

00:00:59.520 --> 00:01:01.700

get a bit of a short squeeze if

26

00:01:01.700 --> 00:01:05.640

MSTR can get above and stay above 139

27

00:01:05.640 --> 00:01:07.820

.40. And so I'm going to set an

28

00:01:07.820 --> 00:01:11.040

alert here on MSTR at around 139.40

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00:01:11.040 --> 00:01:12.540

and look for a move through in a

30

00:01:12.540 --> 00:01:14.240

close above and see if we do get

31

00:01:14.240 --> 00:01:16.580

a squeeze that I think if we do

32

00:01:16.580 --> 00:01:19.140

could bring us up to that 50 day

33

00:01:19.140 --> 00:01:22.140

moving average which is right around \$149.

34

00:01:22.820 --> 00:01:25.400

So that's your setup here on MSTR looking

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00:01:25.400 --> 00:01:29.400

for a short squeeze that causes anyone offside

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00:01:29.400 --> 00:01:32.440

to buy the stock and squeeze it up

37

00:01:32.440 --> 00:01:33.800

to that 50 day moving average.

38

00:01:34.020 --> 00:01:35.580

Now we're probably going to have to see

39

00:01:35.580 --> 00:01:38.760

Bitcoin move in tandem so watch Bitcoin for

40

00:01:38.760 --> 00:01:41.260

confirmation and if we get that I think

41

00:01:41.260 --> 00:01:43.100

you got a trade here on strategy.

42

00:01:43.700 --> 00:01:45.440

So that's just one of many things we're

43

00:01:45.440 --> 00:01:48.640

looking at tonight over at [StockMarketMentor.com](http://StockMarketMentor.com).

44

00:01:48.780 --> 00:01:49.880

I hope that was helpful.

45

00:01:50.120 --> 00:01:50.960

I'll see you next time.