

Chart of the Day Here's your trade on Micron (\$MU)

March 18, 2026

Dan Fitzpatrick from StockMarketMentor.com analyzed Micron's recent earnings performance, noting the stock had more than doubled following strong earnings results of \$478 per share. He discussed the company's significant gross margin improvement and increased capital expenditure, while explaining that the stock was experiencing selling pressure due to high Capex levels despite strong earnings guidance of \$18.75. Dan shared his trading strategy, revealing he had implemented a covered strangle by selling the 505 calls and 430 puts, which would expire worthless if the stock remained within a specific price range, effectively reducing his cost basis while generating option premium. He also announced plans to participate in the next day's 59-minute traders session where they would trade Micron, SanDisk, Western Digital, and Seagate stocks.

Next Steps:

1. Karen: Be available for 59-minute trader alumni to reach out for more information about tomorrow's trading session (contact via karen@stockmarketmentor.com)

Transcript:

WEBVTT

1

00:00:01.720 --> 00:00:15.210

Dan Fitzpatrick: Okay, Dan Fitzpatrick here, StockMarketMentor.com, and we're looking at Micron today. Now, this stock has been on its hair since the last earnings report. It's...

2

00:00:15.420 --> 00:00:25.409

Dan Fitzpatrick: more than doubled. Like, from back here, they report 478, by the way, 478 a share in earnings.

3

00:00:26.260 --> 00:00:36.109

Dan Fitzpatrick: So, as of today, the high. It was up 112%. So, the company reports earnings, and they're...

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00:00:36.890 --> 00:00:40.580

Dan Fitzpatrick: There's something like... Stupid.

5

00:00:40.930 --> 00:00:43.880

Dan Fitzpatrick: like they're stupid high.

6

00:00:44.020 --> 00:00:55.290

Dan Fitzpatrick: I'm kind of looking through here. Sorry, I should have had this crap, figured out. I thought it was... thought it was right here. Anyway, so their gross margin doubled.

7

00:00:55.380 --> 00:00:58.040

Dan Fitzpatrick: Okay? Or almost doubled. That's awesome.

8

00:00:58.040 --> 00:01:22.500

Dan Fitzpatrick: Their Capex, increased a lot. That's... you... yeah, when there's a lot of demand for your stuff, then that's what's going on. And this is probably one of the reasons why the stock, has, why the stock's, selling off, is they, they had great earnings, but they've got kind of a higher, capital expenditure. But anyway, so their...

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00:01:25.740 --> 00:01:32.710

Dan Fitzpatrick: This is what I'm saying. Their, EPS, guidance.

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00:01:32.750 --> 00:01:57.650

Dan Fitzpatrick: is \$18.75. I think their guidance here, I thought I had it off the top of my head, but I don't, I just checked. Let's just say, from here, I think it's, like, to 12-something or other. This is a monster increase, but it's a... this is a sell the news market right now, so here's... here's what... what we're gonna do, actually. Like, here's what I did today.

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00:01:57.920 --> 00:02:08.990

Dan Fitzpatrick: I put on... I own some of the stock, and I put on, what's called a covered strangle, where I sold, actually not the 500, but I sold the 505,

12

00:02:09.570 --> 00:02:11.229

Dan Fitzpatrick: calls.

13

00:02:12.410 --> 00:02:18.430

Dan Fitzpatrick: that expire on Friday. And I sold, actually the 430.

14

00:02:20.730 --> 00:02:25.239

Dan Fitzpatrick: puts on this. So, I'll fix this box here.

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00:02:25.510 --> 00:02:30.039

Dan Fitzpatrick: And so, as long as the stock tomorrow

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00:02:30.470 --> 00:02:41.020

Dan Fitzpatrick: stays within this box, the options that I sold are gonna expire worthless, and that's awesome. And they also, then.

17

00:02:42.500 --> 00:03:06.549

Dan Fitzpatrick: they will, pay down my cost... this is a member's cost basis. Mine's... I think mine's about there, maybe \$4.50, it's the same. But, they'll pay down the cost basis on the stock here. And so you could say, oh crap, you know, you bought at \$451.50, and now it's at \$439. Yeah, but if you took in, like, 11 or 12 bucks in premium.

18

00:03:06.560 --> 00:03:11.099

Dan Fitzpatrick: That you're gonna be able to take off the table on Friday.

19

00:03:11.300 --> 00:03:16.919

Dan Fitzpatrick: Then what you really do is say, like, well, let's just do that again next week.

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00:03:16.920 --> 00:03:36.029

Dan Fitzpatrick: And so that's the way you can trade a stock like this. And by the way, I'm actually going to be online tomorrow morning with our 59-minute traders, trading the opening rotation. So we'll be trading this, we'll be trading SanDisk, we'll be trading,

21

00:03:36.220 --> 00:03:38.190

Dan Fitzpatrick: Western Digital.

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00:03:38.190 --> 00:03:57.829

Dan Fitzpatrick: I don't know what that is. We'll be trading, Seagate. All of these stocks should give us a pretty big move tomorrow. So, I'm gonna be there. Hopefully you will be, too, if you're a 59-minute trader alumni. You definitely should, be there, because I'm, I'm, of course, nothing's ever promised.

23

00:03:57.890 --> 00:04:20.610

Dan Fitzpatrick: But I'm pretty sure, we're gonna make some money. And so you can go to the, you can go to the homepage, and get more information on that, or, just talk to, Karen, reach out to Karen at karen at stockmarketmentor.com. Okay, that's all I got for you. I hope you all had a great day, and have an even awesomer

24

00:04:20.610 --> 00:04:21.519

Dan Fitzpatrick: Weekend.

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00:04:22.710 --> 00:04:23.610

Dan Fitzpatrick: an evening.