

Chart of the Day Here's your trade on Palantir (\$PLTR)

May 4, 2026

Dan Fitzpatrick analyzed **Palantir (\$PLTR)** following its post-market earnings report. Despite a "choppy" and "wild" reaction immediately following the headline, the stock essentially ended the extended session unchanged. Dan highlighted that \$PLTR is currently in a technically weak position, having violated its **200-day moving average** (40-week average on the weekly chart) and failing to reclaim it during recent rallies. He emphasized that the market's internal mechanics—specifically **implied volatility and "Volatility Crush"**—are more relevant right now than the reported financial figures. Dan views the current price action as a "whipsaw" and warns that the stock faces a heavy technical "ceiling" that likely limits upside in the near term.

Next Steps:

1. Identify the Technical Range: Treat \$160.00 as the absolute ceiling (resistance) and \$131.00 as the floor (support) for the coming week.
2. Execute the "Pro Tip" Option Strategy:
 - a. If the stock rallies toward \$160-\$165, look to sell out-of-the-money calls to capitalize on high premiums before they contract.
 - b. If the stock dips toward \$125-\$130, look to sell out-of-the-money puts to benefit from the support floor.
3. Manage Existing Long Positions: If you are currently long, Dan suggests selling into any early morning strength tomorrow, as reclaiming the 200-day moving average is statistically unlikely without a massive change in volume.
4. Wait for the "Volatility Crush": Do not buy options (calls or puts) tomorrow morning. The "unknown" factor is gone, meaning option prices will likely contract sharply regardless of price movement.
5. Preparation for Live Trading: Veterans of the 59-Minute Trader should prepare for the upcoming live session on May 20th, focusing on the opening rotation of high-conviction movers like NVIDIA.

Transcript:

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00:00:01.910 --> 00:00:10.339

Dan Fitzpatrick: Hey everybody, Dan Fitzpatrick here, StockMarketMentor.com, and I want to look at Palantir. Sorry about all this choppy stuff, but this is, in fact, hot.

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00:00:10.750 --> 00:00:24.470

Dan Fitzpatrick: I'm gonna keep it on. So, I've been... we were doing a lot of trading around this during the uptrend. Now the stock has rolled over, they reported earnings, company reported earnings after the bell. First of all.

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00:00:24.470 --> 00:00:34.270

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Dan Fitzpatrick: We'll just look at the weekly chart. This kind of gives you a better sense of what's going on. The stock really peaked, when a lot of other

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00:00:34.270 --> 00:00:48.350

Dan Fitzpatrick: stocks did, last November. And you can see where this is the 40-day moving average, or the 40-week moving average, that's the 200-day, and how this thing, like, right here.

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00:00:51.800 --> 00:00:56.979

Dan Fitzpatrick: Right here was the big C change, because the stock falls through.

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00:00:56.980 --> 00:01:21.410

Dan Fitzpatrick: goes down, and then comes back, and is unable to get back above this, okay? This is a big deal. Now, we're looking at the weekly chart, so we ain't day trading here, but this is a big deal that the stock violated the 200-day moving average, and not by a little bit, like, this is a 21% pullback below the 200-day moving average, and then it rallies up

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00:01:21.410 --> 00:01:28.050

Dan Fitzpatrick: Back to it, and that is a almost a 30% run, and cannot get above it.

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00:01:28.050 --> 00:01:45.370

Dan Fitzpatrick: So this is a big deal for the stock. Now, company reports earnings. This is what the stock looked like, during the regular hours. This is the closing price at \$146.03. Now, we go to include post-market, bam.

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00:01:45.410 --> 00:01:46.410

Dan Fitzpatrick: Alright.

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00:01:46.570 --> 00:01:55.199

Dan Fitzpatrick: Not much change. Not much change at all. Down just a little bit, you can see this wild, jiggly.

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00:01:55.270 --> 00:02:08.049

Dan Fitzpatrick: look back and forth. I looked at the... I watched the numbers coming across the tape, and it was just more interesting to me than anything else, because when it gets right down to it.

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00:02:09.330 --> 00:02:16.760

Dan Fitzpatrick: I'll say it, I really couldn't give a shit. I really don't care what the numbers are. What I care about is,

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00:02:16.760 --> 00:02:29.870

Dan Fitzpatrick: what the price does, what the market does, what the market thinks, and initially get a big, big move higher, probably right on the, on the headline. The algorithms looked and said, oh, beat!

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00:02:29.880 --> 00:02:44.890

Dan Fitzpatrick: and then more stuff comes down, they go the other way. Okay, then we get a nice little volatility squeeze here, almost an hour after the market closes, and then you get a move up, and then another move down. Can you say whipsaw?

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00:02:45.050 --> 00:02:51.979

Dan Fitzpatrick: Sure you can. So this stock is all over the place, but when it got right down to it.

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00:02:52.650 --> 00:02:57.010

Dan Fitzpatrick: It just really hasn't changed that much. So, what are these numbers?

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00:02:57.580 --> 00:03:10.340

Dan Fitzpatrick: 159.97, it's actually... I just kind of wagged this, you know, wild asterisk, guessed it. This was the implied move that the options market makes, which is just, a,

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00:03:11.440 --> 00:03:15.029

Dan Fitzpatrick: The cost of a, of a straddle.

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00:03:15.080 --> 00:03:27.959

Dan Fitzpatrick: Buy the at-the-money call, buy the at-the-money put, how much does that cost? Bam, that's the cost of the straddle. Strap it up to the upside and to the downside. That's where the options market anticipates the maximum

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00:03:27.960 --> 00:03:36.159

Dan Fitzpatrick: excursion will be. So, the options market was looking for a big move in Palantir.

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00:03:36.440 --> 00:03:38.060

Dan Fitzpatrick: But it's not getting it.

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00:03:38.210 --> 00:03:52.170

Dan Fitzpatrick: So, I think that this is a great example of what stocks do after they've peaked, they've come back down. Technically, this really sucks right here. Like, this is in a really, really bad position, and so...

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00:03:52.170 --> 00:04:03.459

Dan Fitzpatrick: the best... if you happen to be long this stock, there's two things that... that would be really, really cool for you to do. First, the stock runs up here tomorrow morning. Second, you sell.

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00:04:04.030 --> 00:04:05.060

Dan Fitzpatrick: That's it.

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00:04:05.180 --> 00:04:12.550

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Dan Fitzpatrick: This is the upside ceiling here at 160. I seriously doubt it's gonna get up there. However, nobody asked me.

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00:04:12.750 --> 00:04:32.719

Dan Fitzpatrick: The market didn't ask me. This may go to \$5,872 tomorrow. We don't know. But the options market is saying that 160 is the ceiling for this. The options market is also saying 130, or we'll say 131, is the floor for this. So, I think we can expect this to be trading

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00:04:33.390 --> 00:04:51.020

Dan Fitzpatrick: within this range tomorrow and throughout the rest of the week. Now, there's such a thing called volatility crush, where the options market is anticipating a big move, so the price of calls and puts is really, really high. Then, as soon as the numbers actually come out, and they have.

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00:04:51.370 --> 00:04:56.650

Dan Fitzpatrick: That's when the price of options gets really, really cheap, really low.

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00:04:57.010 --> 00:05:06.349

Dan Fitzpatrick: Why? Because people know what the stock's doing. There's no more of an unknown. There's no longer an unknown out there to where,

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00:05:06.350 --> 00:05:20.609

Dan Fitzpatrick: traders feel like, well, shoot, man, if I'm selling this... if I'm selling these calls, or if I'm selling these puts, I need to get a lot of money for them, because I don't know what the stock's really gonna do. Okay, once the stock makes its move.

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00:05:20.720 --> 00:05:28.260

Dan Fitzpatrick: Then a lot of that uncertainty is played out, and the options prices will really, really contract heavy.

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00:05:28.620 --> 00:05:34.860

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Dan Fitzpatrick: One thing that you can do tomorrow, just a little bit of kind of a pro tip, Okay, so...

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00:05:35.340 --> 00:05:44.489

Dan Fitzpatrick: you're not short or long, hopefully, long options going into this. If you are short, hopefully they're the 160 and the 130s.

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00:05:44.490 --> 00:05:59.790

Dan Fitzpatrick: But let's say you're not. Then the idea is you've got an edge here when you know that this 160 is the ceiling, 130 is the floor. So if, for example, the stock starts to come back down, and you're an option trader.

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00:05:59.890 --> 00:06:14.590

Dan Fitzpatrick: Sell some out-of-the-money puts. On the other hand, if the stock starts to come back up here, then sell some out-of-the-money calls. Maybe go not 160, maybe go 165, maybe not go 130, maybe go 125, but

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00:06:14.710 --> 00:06:22.320

Dan Fitzpatrick: the stock really has to move a lot in order for you to make this counter-trend trade. If it doesn't do that.

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00:06:23.020 --> 00:06:24.559

Dan Fitzpatrick: Then, frankly.

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00:06:24.830 --> 00:06:42.999

Dan Fitzpatrick: I just don't see much of a trade here. You can day trade it, and we do this, by the way, I'll be doing another, live trading session on NVIDIA, and there's a couple other, I think it's Analog Digital, a couple other stocks. I'll be doing a live trading session in a few weeks.

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00:06:45.140 --> 00:06:46.590

Dan Fitzpatrick: On the 20th.

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00:06:46.700 --> 00:07:00.259

Dan Fitzpatrick: We've done several of these lately, and every single one of them, we've absolutely crushed it. We've made a lot of money. This one will be no different, so if you are interested in this, you have to have taken the 59-minute trader course.

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00:07:00.260 --> 00:07:23.890

Dan Fitzpatrick: course. You can look at that on our website. I'm not pitching it here. If I was pitching this, you would know it because I would be really obvious about it. But if you have taken the 59-minute trader course, you are eligible to get in, so you'll probably be getting emails about this in the next, probably, couple weeks or something like that. But if you want to make money.

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00:07:24.100 --> 00:07:36.400

Dan Fitzpatrick: Trading the opening rotation, you can do it with me. And again, I got a pretty darn good track record, and I don't intend to screw it up, this time. So, anyway, that's all I got for you.

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00:07:37.070 --> 00:07:38.839

Dan Fitzpatrick: And, so...

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00:07:38.990 --> 00:07:52.179

Dan Fitzpatrick: I hope you guys have a great... hope you had a great day, hope you have a great evening. Let's make the rest of the week a really nice one. Be thankful for all the gifts that we have, and if you don't know what gifts you have.

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00:07:52.640 --> 00:07:57.610

Dan Fitzpatrick: Think again, because we actually all have a bunch of them, okay? Alright, I'll see ya.