

Chart of the Day Solar is close to breaking out \$TAN

May 5, 2026

The **Solar ETF (TAN)** is showing signs of awakening after a "sleepy" period characterized by sideways trading from late February to mid-April. Technically, the ETF has formed a **cup pattern** supported by a series of clear **higher lows**. Today's price action included a notable **pickup in volume**, suggesting that institutional interest may be returning to the sector. Scott is specifically watching for a breakout above the February highs to confirm the next bullish leg.

Next Steps:

1. Set a Price Alert: Place an alert at \$61.03, the high from February.
2. Wait for Confirmation: Look for a definitive close above \$61.03 on higher-than-average volume before committing new capital.
3. Monitor Earnings: Audit individual holdings within the ETF (e.g., First Solar, Enphase) for upcoming earnings reports, as these could cause "gap and trap" volatility or downside reversals.
4. Build a Watchlist: If the breakout occurs, start identifying the strongest individual solar stocks to leverage the sector's momentum.

Transcript:

[0:00] Hey everyone, good evening. It's Scott

[0:02] at scottrades on x with

[0:04] stockmarketmentor.com

[0:06] and your chart of the day. Want to take

[0:08] a look at the tan solar ETF. This is

[0:12] ticker TN. Now solar has been a bit of a

[0:16] sleepy sector here. You can see how the

[0:18] last couple of weeks it has just been

[0:20] consolidating in and around some key

[0:22] moving averages. So this this ETF

[0:24] basically went sideways from the end of

[0:27] February to the middle of April. Now we

[0:31] see it's developed a nice cup pattern

[0:34] with some clear higher lows and today a

[0:37] nice pick up in volume. And so what I

[0:40] want to see from the TAN ETF is a

[0:42] breakout here out of this cup pattern

[0:45] taking out the highs from back in

[0:47] February. So I have an alert on tan at

[0:50] 6103

[0:52] and I think it makes sense to set an

[0:54] alert there and then look for a move and

[0:57] a close above 6103

[1:00] coming on volume. Now some of the solar

[1:03] stocks do have earnings. So, you got to

[1:05] be careful of some potential gap and

[1:08] downside reversal moves. But if this can

[1:10] break out, then you certainly want to

[1:12] keep some solar stocks on your radar for

[1:15] the next leg of this bull market. So,

[1:18] that's just one of many things we're

[1:20] looking at tonight at

[1:21] stockarketmentor.com.

[1:23] My name is Scott McGregor. Give me a

[1:25] follow on Twitter, [scottrades](https://twitter.com/scottrades). I'll see

[1:27] you next time.