

Chart of the Day

Here's my current take on data storage.

June 24, 2026

Dan Fitzpatrick provides an executive evaluation of the high-performance technology sector following a pivotal, post-close corporate earnings report from Micron (**\$MU**). Dan Fitzpatrick addresses growing concerns across retail trading forums that the massive, multi-month infrastructure advance is transitioning into a bubble regime, clarifying that Micron's robust guidance forcefully nullified the bearish thesis. He directly corrects mainstream financial talking heads who dogmatically interpret declining free cash flow metrics across mega-cap operators—such as Amazon, Alphabet, and Microsoft—as a symptom of operational distress. Fitzpatrick explains that this capital drawdown is entirely an intentional, high-velocity **Capital Expenditure (CAPEX)** build-out of custom hardware matrices designed to engineer unassailable competitive moats. He outlines how this aggressive spending directly fuels a persistent, non-discretionary institutional demand wave across short-term memory nodes, long-term flash structures (**Western Digital, Seagate**), and AI compute infrastructure ribbons.

Next Steps:

1. Stalk the Micron (\$MU) All-Time High Open: Ahead of the upcoming regular session open, configure active alert filters to monitor Micron as it tests fresh historical resistance blocks, preparing to utilize an intra-day pullback bounce to establish long exposure.
2. Audit and Synchronize the DRAM Tracking List: Review your structural watchlists immediately to ensure maximum correlation alignment with core fixed-income and computing layers, tracking the VanEck Semiconductor ETF (\$SMH) for high-volume continuation signals along the 20-day simple moving average floor.
3. Hard-Code Automated Protection Guardrails: Banish the psychological retail trap of micro-managing active risk boundaries or using emotional mental targets; prior to placing an exchange block order, hard-code an absolute protective stop-loss directly onto your trading dashboard to define your maximum loss parameter to the exact penny.
4. Attend the SMM/OMM Friday Morning Live Open Webinar: Join Dan Fitzpatrick and resident artificial intelligence infrastructure specialist Andy at 8:30 AM PST / 11:30 AM EST for a deep-dive breakdown analyzing real-time institutional option flow dynamics right at the regular session opening bell.
5. Monitor Former Member SMM Portal Notifications: If you are an inactive or former member of Stock Market Mentor, monitor your email inbox tomorrow morning for a highly critical, non-marketing portfolio and administrative platform announcement.

Transcript:

1

00:00:01.640 --> 00:00:09.529

Dan Fitzpatrick: Okay, good afternoon, good evening, Dan Fitzpatrick here, StockMarketMentor.com and Fitzpatrick Trading Group.

2

00:00:09.540 --> 00:00:28.299

Dan Fitzpatrick: Listen, first, before I start, if you are a former member, like, if you're a former member of Stock Market Mentor, watch your email tomorrow morning. You will be receiving an email, and it's not like a marketing email. So, if you get something from me.

3

00:00:28.440 --> 00:00:46.609

Dan Fitzpatrick: Don't ignore it, okay? I think... I'll put it this way. You can thank me later. So, that's that. Now, with Micron, they reported earnings after the bell. Everybody's waiting for, at least I was. A lot of... a lot of people were waiting to see what was gonna happen here.

4

00:00:46.610 --> 00:00:52.950

Dan Fitzpatrick: with Micron, and the big... the big concern was this, like, after... after the big moves.

5

00:00:52.950 --> 00:01:07.140

Dan Fitzpatrick: that these things have had, for just so, so long, and all the hype, everything else. Is this gonna come to an end? Is this move, gonna come to an end? Is it a bubble?

6

00:01:07.230 --> 00:01:11.710

Dan Fitzpatrick: And Micron's earnings, basically

7

00:01:12.250 --> 00:01:21.359

Dan Fitzpatrick: told us that, no, it's not. And this is... this is one of the things that's... that's important. I'm just gonna,

8

00:01:23.960 --> 00:01:25.550

Dan Fitzpatrick: Come on, you can do it.

9

00:01:26.890 --> 00:01:37.530

Dan Fitzpatrick: Okay, I'm just gonna talk to you here. One of the things about this space is that, the build-out is really, really super expensive.

10

00:01:37.530 --> 00:01:47.980

Dan Fitzpatrick: And the big issue that so many of these analysts are... that so many of these analysts, and talking heads are talking about

11

00:01:48.020 --> 00:02:04.809

Dan Fitzpatrick: is, Capex, that these big companies like Amazon, Meta, Google, a few others, they're spending just a crap load of money, on building out this... their stack, building out this system, and...

12

00:02:05.390 --> 00:02:28.529

Dan Fitzpatrick: How can they do this? Because their free cash flow is shrinking. You can see it on their balance sheets, their free cash flow. That's a bad thing, because that indicates that revenue is declining, profit margins are shrinking, it's just a horrible thing when your free cash flow is declining. And frankly, that's bullshit.

13

00:02:28.530 --> 00:02:37.800

Dan Fitzpatrick: In this case, it is, there's no other way to say it. And this is why. Because free cash flow is cash flow, meaning revenue.

14

00:02:37.800 --> 00:02:49.429

Dan Fitzpatrick: Minus capital expenditures, CAPEX. And so, you can get... and the traditional guys don't... you know, they're all dogmatic. They graduated from Stern.

15

00:02:49.430 --> 00:02:59.329

Dan Fitzpatrick: school of business, or whatever, and they know certain things, but they're not generally traders, and they look at things in a certain way. But this is the deal.

16

00:02:59.520 --> 00:03:10.630

Dan Fitzpatrick: A company can be... have big, drastic declines in their free cash flow if they see an opportunity and they're going like, holy hell!

17

00:03:10.760 --> 00:03:22.840

Dan Fitzpatrick: We gotta get going in this. We gotta build a moat around what we're doing here. All the money that we're bringing in, we gotta spend it on that. Okay, you know what that kind of reminds me of?

18

00:03:24.460 --> 00:03:29.110

Dan Fitzpatrick: kind of reminds me of Amazon. Way back in the day.

19

00:03:29.110 --> 00:03:46.530

Dan Fitzpatrick: when Amazon was selling books, and they weren't making any money. And this dude, Jeff Bezos, he had hair back then, had a nice wife back then. I liked the first one better. But anyway, the bottom line was, they were spending

20

00:03:46.530 --> 00:03:51.489

Dan Fitzpatrick: All their money, and issuing more stock, doing everything he could.

21

00:03:51.490 --> 00:04:08.909

Dan Fitzpatrick: To do what? To get more money in so he could show that he's got great cash flow? No, that was stupid. He was getting all this money in, using all of his revenue to build out things like, I know, logistics. Just the type of thing that would come in handy

22

00:04:08.910 --> 00:04:11.990

Dan Fitzpatrick: When you're basically delivering

23

00:04:12.240 --> 00:04:25.570

Dan Fitzpatrick: milk and eggs to Dan Fitzpatrick, and everything else to you. I can't remember the last time I was in a clothing store, but I do know this. We're going over to Europe in a, in a month.

24

00:04:25.650 --> 00:04:32.439

STOCK MARKET MENTOR

Dan Fitzpatrick: For 10 days. It's gonna be a blast. My wife's buying me all kinds of new clothes for that trip, and do you know what?

25

00:04:33.550 --> 00:04:56.270

Dan Fitzpatrick: She hasn't gone into clothing stores either. We get it all through Amazon, and that means we can buy 3 different pairs of shoes to see which ones fit, return 2 of them, and it costs us nothing. The bottom line is, this Jeff dude was an absolute brilliant genius, and his free cash flow sucked. Oh, and then, what's that thing? AWS?

26

00:04:56.480 --> 00:05:14.490

Dan Fitzpatrick: That's another one that Bezos invested a crap load of money in, and now what... we use Amazon, we use their web services. Deal, I would never use anything else. They've got the market cornered, they've got a big moat

27

00:05:14.490 --> 00:05:20.849

Dan Fitzpatrick: Around what they're doing. And it all came from a rapidly declining

28

00:05:20.900 --> 00:05:31.830

Dan Fitzpatrick: free cash flow. So, what's Amazon doing now? It's the same thing, just in a different industry. Same thing with Google, same thing with Microsoft.

29

00:05:31.830 --> 00:05:42.550

Dan Fitzpatrick: And Andy, by the way, our resident expert on all things AI, has been with Microsoft in their AI department, for division for.

30

00:05:43.120 --> 00:05:47.650

Dan Fitzpatrick: I don't know, 6 or 7 years, and he and I are going to be doing a webinar

31

00:05:47.650 --> 00:06:11.060

STOCK MARKET MENTOR

Dan Fitzpatrick: on Friday morning. He doesn't know this yet, this part of the webinar, but I'm gonna have him spend some time explaining to people exactly how all of this stuff works together, so if you're an Option Market Mentor member, I think you gotta be there. Anyway, so the bottom line, though, is these big companies are spending money. They're spending a massive amount of money on this.

32

00:06:11.060 --> 00:06:22.190

Dan Fitzpatrick: And we can see that in the way these stocks are trading, in the way they're reacting. So, you're gonna have, you're gonna have stocks, like,

33

00:06:22.710 --> 00:06:35.539

Dan Fitzpatrick: Let me show you... I'll show you my screen again. So, you're gonna have stocks like Micron just continue to move higher. And yesterday, because of Korea, the KOSPI, and SK Hynix.

34

00:06:35.570 --> 00:06:59.189

Dan Fitzpatrick: It really, really took... I think the index went down 10%, which is a big deal, and so it knocked everything down. Well, we're not back to where we were before. This is still down 8%, so it's got a ways to go, but because of Micron, it's... it's gonna run... this should run back up, and we're gonna continue along the 20. Similarly.

35

00:06:59.190 --> 00:07:14.420

Dan Fitzpatrick: with Micron, this will hit a new all-time high tomorrow, no question about that. Seagate and Western Digital. So these things are all doing really well, and that really just obliterates this whole bare version of

36

00:07:14.420 --> 00:07:25.180

Dan Fitzpatrick: this is a bubble. Oh, I'm getting... and you hear this a lot, too, from old farts like me, you know, oh, this reminds me of the bubble in 2000.

37

00:07:26.180 --> 00:07:27.150

Dan Fitzpatrick: Yeah.

38

00:07:27.820 --> 00:07:29.589

Dan Fitzpatrick: the internet bubble.

39

00:07:30.240 --> 00:07:54.689

Dan Fitzpatrick: we were in the infancy back then. Was there an internet bubble? Sure. When you've got a website called theglobe.com, and it has no business model whatsoever, but it does have a .com, that was kind of stupid. A lot of these companies never made a dime, but they... their business model was incinerating as much cash as investors would give them.

40

00:07:54.690 --> 00:07:58.660

Dan Fitzpatrick: And they executed their business models flawlessly.

41

00:07:58.660 --> 00:08:02.889

Dan Fitzpatrick: This is not that. These companies

42

00:08:02.950 --> 00:08:18.539

Dan Fitzpatrick: make money, and they make a lot of them. You can understand the technology, you can know where it's going. Now, ultimately, these stocks, and I think Micron will probably be the canary in the coal...

43

00:08:18.560 --> 00:08:26.580

Dan Fitzpatrick: coal mine, which, by the way, the canary's doing just fine, still. But these stocks will ultimately tell us

44

00:08:26.580 --> 00:08:51.269

Dan Fitzpatrick: when the market has topped, when the bubble, and I don't think there is a bubble, I just think there's a bunch of pissed off people who wish they got in down here and they didn't, and now they're mad, and so they're saying, like, oh, the stock's up, these... these are frothy, they're up too high, so it's a bubble, oh boy, are you people gonna lose money when, when this rolls over. And all they're really doing is they're just pissed off at themselves.

45

00:08:51.270 --> 00:09:09.589

Dan Fitzpatrick: They don't think this is gonna end. And it's not. Not anytime soon. So, what I'm telling you is, these are still stocks that you want to be in. I was just talking, in my strategy session about this. I was actually talking about

46

00:09:11.530 --> 00:09:16.590

Dan Fitzpatrick: TG Therapeutics, as far as when we got in. And I was saying, look.

47

00:09:16.840 --> 00:09:19.630

Dan Fitzpatrick: If you didn't get into something early.

48

00:09:19.840 --> 00:09:25.000

Dan Fitzpatrick: But you still want to buy it. The question isn't, geez.

49

00:09:25.320 --> 00:09:32.440

Dan Fitzpatrick: I'm not getting in early, what am I gonna do? No, you didn't get in early. Embrace the horror. The question is.

50

00:09:32.890 --> 00:09:48.519

Dan Fitzpatrick: Am I in too late? Am I buying too late? Because there's only one chance to get in to a stock early, and that is either just before it breaks out, or just after it breaks out. But if the breakout is real.

51

00:09:49.070 --> 00:10:03.750

Dan Fitzpatrick: you're gonna have plenty of time to hop on the bandwagon after it gets going. So your question isn't like, oh crap, what do I do? I didn't get in early. Your question is, if I get in now.

52

00:10:03.750 --> 00:10:12.719

Dan Fitzpatrick: am I getting in too late? And the more your answer leans towards, I think it is too late.

53

00:10:12.730 --> 00:10:17.130

Dan Fitzpatrick: the more cautious you should be, okay? In a bull market, though.

54

00:10:17.270 --> 00:10:26.590

Dan Fitzpatrick: We want to be aggressive. We want to be aggressive, I'll say it again. You want to be aggressive, but with your aggression.

55

00:10:27.510 --> 00:10:45.450

Dan Fitzpatrick: with your aggression, you also... you always have to temper that with risk management. And what I mean by that is, you can be really, really aggressive in a trade, but just make sure that you've got a stop that defines what your loss is, because if... if you take a big loss.

56

00:10:45.450 --> 00:10:48.229

Dan Fitzpatrick: It can take you out of the game.

57

00:10:48.230 --> 00:10:59.449

Dan Fitzpatrick: for months, years, or just permanently, if you take a big loss. And I've seen people do that, and it kind of breaks... it kind of breaks my heart. So, go ahead and be aggressive.

58

00:10:59.770 --> 00:11:17.270

Dan Fitzpatrick: Be aggressive in what you're doing, but never discount risk. Every single trader that's a champion trader, that's a world-class trader, a world-beater, every single one of them does the same thing. They think about risk first.

59

00:11:17.460 --> 00:11:21.659

Dan Fitzpatrick: Always risk first. Once you define your risk.

60

00:11:22.090 --> 00:11:28.089

Dan Fitzpatrick: you're good to go. Think about a race car driver. If they know the guardrail.

61

00:11:28.210 --> 00:11:32.179

Dan Fitzpatrick: around the cliff. They know it's solid. They know it's not gonna...

62

00:11:32.180 --> 00:11:54.879

Dan Fitzpatrick: It's not gonna break. No matter how hard it's hit. They can really step on the gas and go around that corner, because they know what their risk is. The risk is a dent on the right side of the car. They know they're not gonna slide off the hill. Think about your trading that way, too. Make sure you've got guardrails up so you know what your maximum risk is, okay? Alright, guys, that's all I got for you.

63

00:11:54.880 --> 00:12:02.380

Dan Fitzpatrick: Members, doing that webinar tomorrow at 8.30 a.m. my time, 11.30 Eastern.

64

00:12:03.390 --> 00:12:05.630

Dan Fitzpatrick: Yeah, I think it's at 8.30.

65

00:12:05.950 --> 00:12:11.470

Dan Fitzpatrick: I'll let you know. It's either at 8 or 8.30, one of the two, but I'll let you know tomorrow. Alright, take care.