STOCK MARKET MENTOR

Chart of the Day

Thinking about trading $NVDA? Here's what I think.

August 5, 2026

Dan Fitzpatrick breaks down a divergent session where the Dow Jones Industrial Average surged to a new high—boosted in part by a nearly 4% gain in Netflix—while the S&P 500, mid-caps, small-caps, and Nasdaq took a brief breathing period. Although Dan Fitzpatrick firmly views the general environment as a buy-side market, he stresses that it is not a "buy-me-right-now" market, advising traders to wait for disciplined timing rather than chasing moves. Turning to Nvidia, Dan Fitzpatrick acknowledges that while the company holds its 200-day moving average, the stock remains stuck in a sideways trading range, rendering it uninteresting for short-term profits. Furthermore, Dan Fitzpatrick explicitly warns investors to stay away from the memory and DRAM space—specifically highlighting severe downtrends in SanDisk, Western Digital, SK Hynix, and Seagate—describing them as dead money where traders shouldn't dwell on past performance.

Next Steps:

1. Wait for Technical Timing: Hold cash on fresh broad-market entries until pullback setups offer a low-risk risk/reward entry point.
2. Observe Nvidia's 200-Day Moving Average: Monitor Nvidia's price action around its 200-day simple moving average, avoiding short-term trades while the stock drifts sideways inside a trading range.
3. Avoid Memory and DRAM Equities: Avoid taking positions in SanDisk, Western Digital, SK Hynix, or Seagate, as their technical charts remain in persistent downtrends.
4. Track Dow Momentum via Netflix: Watch for potential upside continuation in the Dow following Netflix's ~4% push to lift the index.
5. Take Advantage of Trial Coaching: Sign up for Stock Market Mentor's 14-day trial for $7 to learn trade management, risk control, and psychological discipline.

Transcript:

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00:00:01.780 --> 00:00:11.130

Dan Fitzpatrick: Hey, Dan here. We got an… had an interesting day in the market today, right off the bat. The Dow actually hit a new high.

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00:00:11.130 --> 00:00:25.270

Dan Fitzpatrick: Whereas the other indexes finally took a breather. So this is, it's kind of a natural thing, in this kind of market. It is a definite buy-me market, but it's also, at least in my view.

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00:00:25.270 --> 00:00:38.859

Dan Fitzpatrick: not a buy-me-right-now market. We want to ultimately have greater participation in stocks, but it has to be at the right time. I just finished a, a strategy session. It was a pretty long one.

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00:00:38.860 --> 00:01:03.080

Dan Fitzpatrick: Where I really spent quite a bit of time coaching you guys, if you're a member. If you're not, you should be. I spent a lot of time coaching you guys on how to manage this type of thing, how to manage your emotions, how to make sure that your actions are congruent with what you know they should be, as opposed to putting yourself in a position where you're going like, damn it, I knew I shouldn't have done that.

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00:01:03.660 --> 00:01:19.729

Dan Fitzpatrick: That kind of thing. So, I talk a lot about that, but just generally speaking, we want to be long the market, but the question is, where from? What are we going to be doing? So, I want to show you, Netflix. So, Netflix…

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00:01:20.790 --> 00:01:38.460

Dan Fitzpatrick: Mmm, okay. Yeah, I got the right deal. Netflix, actually was, I mean, it's up almost 4% today, that's a big deal for Netflix, still in a trading range, but it's the one that actually lifted, the Dow up to new highs.

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00:01:39.090 --> 00:01:42.909

Dan Fitzpatrick: Like, this is what the Dow's doing. It looks like, frankly.

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00:01:43.100 --> 00:01:55.719

Dan Fitzpatrick: That's kind of what I would anticipate tomorrow, that's a typical thing. Spiders, the SPY, already are doing this. The same thing, I mean, the NASDAQ is in a whole other

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00:01:55.720 --> 00:02:14.049

Dan Fitzpatrick: world of trouble here. It's not at a new high, whereas the mid caps and the small caps are, or were, you know, so everything kind of pulled back today, except NVIDIA. NVIDIA's up. So, here's the thing, like, is it time to buy NVIDIA?

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00:02:14.800 --> 00:02:20.010

Dan Fitzpatrick: I'll just say, look, man, you gotta… you gotta get over NVIDIA.

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00:02:21.060 --> 00:02:22.930

Dan Fitzpatrick: It's a great company.

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00:02:23.200 --> 00:02:31.420

Dan Fitzpatrick: news flow is all around, oh, they're done, oh, they're just getting started, all this kind of stuff. China this, China that, and all that.

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00:02:32.120 --> 00:02:37.860

Dan Fitzpatrick: But the stock's in a trading range. For you long-term investors, here's what you really need to know.

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00:02:38.050 --> 00:02:40.870

Dan Fitzpatrick: The 200-day moving average is holding.

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00:02:41.030 --> 00:02:56.020

Dan Fitzpatrick: Okay? That's it. It's holding. Back here, this was a shakeout that actually led to a really, really nice run. Stock goes up 40%, right? Okay, but then it ultimately came back to where it was only up

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00:02:56.020 --> 00:03:12.759

Dan Fitzpatrick: 14-15%, so this was a big move, but it retraced right to the 200. This, I think, at some point, you're gonna see it retracing, too. So, I don't really think that this is the time for you to be buying NVIDIA.

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00:03:13.150 --> 00:03:21.849

Dan Fitzpatrick: I'm not interested in buying it for the simple reason that it's just drifting sideways, and I don't care really so much about what I own.

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00:03:21.850 --> 00:03:43.229

Dan Fitzpatrick: what I care about is whether what I own is actually making money. And right now, unless you're just a really, really tight swing trader, and Lord knows there's plenty of liquidity here on Nvidia, but unless you're a really tight swing trader, this is not a stock that's… that's gonna make you money short-term.

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00:03:43.230 --> 00:03:50.230

Dan Fitzpatrick: long-term, I… frankly, I don't even have an opinion on that either. I think anybody…

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00:03:50.660 --> 00:03:52.460

Dan Fitzpatrick: You know, and I mean this…

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00:03:53.100 --> 00:04:12.380

Dan Fitzpatrick: I think anybody who has… who's pounding the table on Nvidia after all this time, I kind of think they're guessing with an exclamation point, as opposed to the… an upward inflection at the end of their sentence. Like, NVIDIA's going to 300?

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00:04:12.560 --> 00:04:14.219

Dan Fitzpatrick: Okay, that's a guess.

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00:04:14.390 --> 00:04:18.629

Dan Fitzpatrick: NVIDIA's going to 300. That's a declaration.

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00:04:18.910 --> 00:04:26.360

Dan Fitzpatrick: I'm not willing to make that guess or that declaration. I think you gotta just watch Nvidia, and see

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00:04:26.360 --> 00:04:41.450

Dan Fitzpatrick: see what it's gonna do, but my point, the point that I'm making here today is, the market's up, you want to be long, Nvidia's an interesting company, it's an interesting stock to watch, but, I will…

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00:04:42.130 --> 00:04:49.900

Dan Fitzpatrick: I'll get into a little more detail here. These are the stocks that I think you want to avoid right now. DRAM,

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00:04:51.080 --> 00:05:01.840

Dan Fitzpatrick: SanDisk reported earnings, you can see where it's down. All it's doing is perpetuating this downtrend here. Wdc, down bigly.

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00:05:01.960 --> 00:05:09.789

Dan Fitzpatrick: Again, same thing. Sk Hynix, you don't want any part of this.

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00:05:09.800 --> 00:05:28.820

Dan Fitzpatrick: And then Seagate, you want no part of this either. So, these trades, and every once in a while, I'll have somebody, in my subscribers ask me about this stuff, and I look at this as… it's just kind of dead money, at some point in the future, it probably won't be, but for now,

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00:05:28.960 --> 00:05:45.929

Dan Fitzpatrick: you know, if you're still looking at this, and you're going like, wow, you know, I know it's gonna do really well, you're the high school quarterback, you know, you're 45 or 50 years old, sitting on your, in your driveway on a lawn chair next to the guy next to you.

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00:05:45.930 --> 00:05:55.040

Dan Fitzpatrick: Both of you drinking bud out of a… out of an ice chest, talking about the good old days, back in high school.

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00:05:55.040 --> 00:05:58.490

Dan Fitzpatrick: You're looking back and reveling.

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00:05:58.500 --> 00:06:11.319

Dan Fitzpatrick: Okay, you don't get to… you can do that all you want on your driveway, your front porch, or even in your backyard, but you don't want to be doing that with stocks, guys, okay? These things have a long way to go.

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00:06:11.470 --> 00:06:35.449

Dan Fitzpatrick: before they might start moving up again, okay? This has been a heck of a move higher. Don't just expect more and more and more from the market, because ultimately it's going to disappoint you, and it's not going to give you what you think you should have, okay? So, that's all I got. Again, if you're not a member, man, 7 bucks for 14 days. I'll promise you this.

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00:06:35.450 --> 00:06:41.909

Dan Fitzpatrick: You spend 7 bucks and say, no way, I'm gonna cancel, spend the 7 bucks, and then hoodwink me.

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00:06:42.050 --> 00:06:46.049

Dan Fitzpatrick: Okay? As soon as you… as soon as you sign up for a free trial.

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00:06:46.050 --> 00:07:06.410

Dan Fitzpatrick: then go in and cancel, okay? You're still gonna get the 14 days for free. You're not even paying $7. So just do that. Like I said, just hoodwink me. I won't even know about it because I don't keep track of that stuff. But I promise you this, if you do just stick around for 14 days, you will absolutely

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00:07:06.410 --> 00:07:12.389

Dan Fitzpatrick: be a better trader. I promise you that. If that's not the case, you know what?

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00:07:13.010 --> 00:07:19.649

Dan Fitzpatrick: I'll give you your 7 bucks back. Just let me know. I'll send you a personal check, alright? I'll see you guys next time.