STOCK MARKET MENTOR

Chart of the Day

Here's your trade on the money men.

August 12, 2026

Dan Fitzpatrick turns the spotlight onto the financial sector, noting that while choppy growth equities can entice traders like moths to a flame, major bank stocks offer far cleaner uptrends for investors who want a smooth, reliable payout. Speaker Dan Fitzpatrick urges traders to focus strictly on sector winners rather than settling for lag-lacking secondary names, pointing out that JPMorgan Chase ($JPM) and Bank of America ($BAC) are consistently outperforming while riding above their 20-day Volume-Weighted Average Price (VWAP). While examining Wells Fargo ($WFC), Dan Fitzpatrick questions why it remains stuck in a consolidation pattern compared to its stronger peers, emphasizing that traders should bet on established leaders already making new highs rather than hoping laggards catch up. To manage these trades efficiently, Dan Fitzpatrick recommends utilizing the 20-day VWAP as a core structural trend reference and focusing on disciplined risk management rather than taking excessive risks.

Next Steps:

1. Enforce Technical Timing Filters: Avoid entering broad-market index breakouts during short-term digestion phases; wait for confirmed low-risk pullback entries.
2. Monitor Nvidia ($NVDA) Moving Averages: Keep $NVDA on a watchlist to observe how price reacts around its 200-day moving average support floor before committing new swing capital.
3. Remove Broken Memory Sector Charts: Eliminate SanDisk ($SNDK), Western Digital ($WDC), SK Hynix, and Seagate ($STX) from active buy watchlists due to ongoing structural downtrends.
4. Track Sector Rotation via $NFLX: Observe upside momentum in the Dow Jones Industrial Average driven by relative strength in mega-cap leaders like Netflix.
5. Commit to Systematic Data Tracking: Record entry, exit, position size, and □-risk multiples for active trades to eliminate emotional strategy hopping.

Transcript:

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00:00:02.270 --> 00:00:17.299

Dan Fitzpatrick: Okay, hey, Dan Fitzpatrick here, and I want to look at financials, today, because, I mean, they've… so many stocks, like the growth stocks, all of these stocks, they have been pretty choppy, and they can be a little…

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00:00:17.520 --> 00:00:20.009

Dan Fitzpatrick: Tempting, you know, a little enticing.

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00:00:20.010 --> 00:00:43.300

Dan Fitzpatrick: like, you're… you're a moth, and they're flames, and so you're always kind of sucked back in because, oh, remember the glory days when things were so good. And a lot of them are still doing well, don't get me wrong. I'm not really, like, bearish or negative on those. Instead, I'm just… I'm being a market observer and looking around, saying, well, what am I missing?

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00:00:43.300 --> 00:00:49.969

Dan Fitzpatrick: And one of the things that I think that we are… excuse me… one of the things that…

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00:00:49.970 --> 00:01:09.890

Dan Fitzpatrick: I think, at least I haven't really been looking at, is the financials. They're… these things are… these guys are going pretty good. And the nice thing is, they're generally in these kind of uptrends. If you're a… if you're a, you know, a gunslinger, if you just, like.

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00:01:10.180 --> 00:01:21.910

Dan Fitzpatrick: Stick and move, hit and run, this and that. These aren't really your stocks. Just trade the earnings pops and drops and do that, and you'll be fine. But if you just…

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00:01:22.250 --> 00:01:37.570

Dan Fitzpatrick: you've got a life, and you just want to live your life, but you want to be in stocks that are working, that are going to be paying you off, I've got some of these for you today. So I'll show those to you. Let me share my screen. By the way.

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00:01:37.570 --> 00:01:46.179

Dan Fitzpatrick: If you're not a member of my community, Stock Market Mentor, I want you to be there. I do videos every day.

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00:01:46.180 --> 00:01:56.749

Dan Fitzpatrick: and they're on stocks, they're on options, people are making money. I've had people not have had, I do have, people that have been my subscribers.

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00:01:57.690 --> 00:01:59.579

Dan Fitzpatrick: For 15 years.

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00:01:59.650 --> 00:02:02.689

Dan Fitzpatrick: Most of our members, except the brand new ones.

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00:02:02.690 --> 00:02:27.299

Dan Fitzpatrick: Most of our members have been around for years and years, and there's a reason for that, and it's not because they forgot that they're making monthly payments on their credit cards. It's because what they're doing is they're making money based on what we're doing, and they're also learning how to, trade. Because the bottom line is, while I hope this does not happen, hey, I could pass away tomorrow, and then

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00:02:27.300 --> 00:02:36.409

Dan Fitzpatrick: what are you gonna do? Hey, I wonder what Dan's thinking now. Well, not much, but if you understand how to trade yourself.

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00:02:36.610 --> 00:02:52.939

Dan Fitzpatrick: You're all good, and I focus on risk management, not on counting money after taking massive amounts of risk and happen to be, hey, it hit on red, I'm good. So, I want you to consider doing that, I promise you, you're gonna do really well.

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00:02:52.940 --> 00:02:57.589

Dan Fitzpatrick: Everybody else does, why not you? By the way, it's 7 bucks, so…

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00:02:57.780 --> 00:03:00.220

Dan Fitzpatrick: Think about it. To, like a…

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00:03:00.820 --> 00:03:18.690

Dan Fitzpatrick: cup of coffee at Starbucks, which, by the way, is close to breaking out. So, looking at JP Morgan. This is trade… if you're using the 8-day, this is the little green line. If you're using that as a reference for the trend, I mean, you can do that, but it hits it all the time.

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00:03:18.690 --> 00:03:32.180

Dan Fitzpatrick: But if you're looking at the 20-day, that's kind of… that can be a better, that can be a better deal. By the way, this little blue line here, this is the volume-weighted average price, of the 20,

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00:03:32.520 --> 00:03:47.690

Dan Fitzpatrick: the 20-day volume-weighted average price. So, when we like to see stocks drifting along up here. So this is in a really good situation, I'll just put it this way. It's above the 20, it's above the 20 VWAP.

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00:03:47.690 --> 00:04:04.260

Dan Fitzpatrick: This is where you want to be. Morgan Stanley, no thank you. Not really my deal. Goldman Sachs, not really my deal. But did I mention JP Morgan is doing pretty good? How about Bank of America is doing pretty good.

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00:04:04.260 --> 00:04:07.350

Dan Fitzpatrick: Use the 20-day VWAP.

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00:04:07.360 --> 00:04:09.079

Dan Fitzpatrick: as your reference.

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00:04:09.740 --> 00:04:15.160

Dan Fitzpatrick: Everybody's a winner up here. By the way, this is, like, at an all-time high.

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00:04:15.430 --> 00:04:19.180

Dan Fitzpatrick: Bank of America, who knew? And Wells Fargo?

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00:04:21.540 --> 00:04:22.620

Dan Fitzpatrick: All set.

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00:04:22.740 --> 00:04:34.290

Dan Fitzpatrick: I'll send an alert here. But this is what… this is what I want you to think about, and then I'm gonna let you go. You could look here at Wells Fargo, and you are,

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00:04:34.420 --> 00:04:51.779

Dan Fitzpatrick: and say, well, I don't want to buy JP Morgan and Bank of America, because they're already running pretty good, so I'm going to wait for Wells Fargo to break out. Okay, I think if it does break out, notice I said if, not when, I'm pretty sure it will, but I don't know. But if it does break out.

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00:04:51.990 --> 00:04:57.089

Dan Fitzpatrick: then you're probably gonna make some money on that. But here's my question.

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00:04:57.720 --> 00:05:14.200

Dan Fitzpatrick: Why is this still in a consolidation pattern? Why is this not moving the way Bank of America is, and the way JP Morgan is? What is wrong with Wells Fargo? It could start moving, but…

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00:05:14.520 --> 00:05:16.920

Dan Fitzpatrick: It's really not. And so…

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00:05:17.410 --> 00:05:37.149

Dan Fitzpatrick: I think that's the most important question you can ask yourself when you are considering buying some of these secondary stocks in a sector or an industry, because the primary ones have gone up too much. And I'll just put it this way. Don't you want to bet on a winner?

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00:05:37.260 --> 00:05:56.860

Dan Fitzpatrick: as opposed to somebody who's placing or showing, or in the middle of the pack, and you're hoping that they can actually overtake the winner. Bet on the winners. And so, that is why I would say Bank of America or JP Morgan. Those are your two

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00:05:56.860 --> 00:06:11.830

Dan Fitzpatrick: Those are your two stocks that you want to be in. And these are for longer-term, I would say kind of longer-term investments. A weekly chart running right up along the upper Bollinger Band, similarly with Bank of America. And these aren't super…

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00:06:11.830 --> 00:06:17.160

Dan Fitzpatrick: volatile stocks. It was at 57 back in the day.

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00:06:17.190 --> 00:06:31.210

Dan Fitzpatrick: Now, this is up 14%, but it's been a nice, smooth ride. So, anyway, those are my suggestions, to you, that you look at those two stocks, and here's the thing.

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00:06:32.240 --> 00:06:33.370

Dan Fitzpatrick: Four words.

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00:06:33.730 --> 00:06:35.880

Dan Fitzpatrick: Let's make some money.