STOCK MARKET MENTOR®

Chart of the Day

Here's my take on the memory/data storage space. You'll be surprised.

August 14, 2026

Dan Fitzpatrick provides a technical evaluation of SanDisk and the broader memory storage sector following a period of extreme volatility. Dan Fitzpatrick highlights SanDisk's massive retracement, pointing out how the stock collapsed from $2,300 down to $1,000 before initiating a sideways consolidation. While SanDisk recently generated an aggressive buy signal on heavy volume, Dan Fitzpatrick cautions traders that the stock has now rallied directly into its primary 50-day simple moving average overhead resistance level. Comparing peer equities across the memory sector—including Micron, Western Digital, DRAM, and SK Hynix—Dan Fitzpatrick concludes that Seagate ($STX) presents the most compelling technical structure due to its well-formed base, advising traders to prioritize quality patterns over brand name fixations.

Next Steps:

1. Monitor SanDisk Resistance at the 50-Day SMA: Watch for a confirmed breakout above the 50-day simple moving average before considering new long entries, anticipating a potential fake-out.
2. Track Seagate ($STX) Base Breakout: Focus buying interest on Seagate as it attempts to break out of its technical base, leveraging its superior chart structure compared to memory peers.
3. Avoid Bottom-Fishing Broken Charts: Refrain from buying overextended memory names like SK Hynix or Western Digital ($WDC) until they build proper support bases above key moving averages.
4. Join Stock Market Mentor: Non-members can sign up for a 14-day trial for $7 at StockMarketMentor.com to access full chart analysis and community strategy sessions.

Transcript:

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00:00:01.890 --> 00:00:06.460

Dan Fitzpatrick: Alright, hey everybody, Dan here, and it's been a heck of a week.

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00:00:06.750 --> 00:00:15.570

Dan Fitzpatrick: Hopefully it's gonna be a heck of a weekend, too. So I want to dig right into this and look at SanDisk. It's actually had a heck of a week.

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00:00:15.620 --> 00:00:27.809

Dan Fitzpatrick: And I covered it a few times in, in Stock Market Mentor in our Premium session. So let's get to this, let's get to this right now. Let me share my screen.

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00:00:30.280 --> 00:00:46.290

Dan Fitzpatrick: There, consider it shared. Okay, so, as you know, you better know, like, SanDisk has just been on a tear. I mean, it's made lifetimes here. So we don't need to talk about that, but what has been happening is this stock has been…

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00:00:47.470 --> 00:01:04.320

Dan Fitzpatrick: It really broke trend, right here, traded sideways, came all the way down to a grand, came all the way down from $2,300 to $1,000. That is a heck of a retracement, like, over half. So, this thing got absolutely

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00:01:05.170 --> 00:01:09.589

Dan Fitzpatrick: belly punched, just gut punched. And so…

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00:01:09.680 --> 00:01:29.650

Dan Fitzpatrick: what we've… what we gotta do here is we need to wait for this stock to reset. You're not… you're just not gonna see it do that. It's just not gonna do that. Well, I'll put it this way. I don't think it's gonna do that. With a stock like this, you… you really never know. But this is what I… this is what I wanna tell you.

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00:01:29.680 --> 00:01:31.610

Dan Fitzpatrick: we'll get… I'll do it this way.

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00:01:32.000 --> 00:01:38.320

Dan Fitzpatrick: Okay, what I want to show you is… so this had been in a downtrend, pretty significant low here.

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00:01:38.340 --> 00:01:56.300

Dan Fitzpatrick: This isn't my kind of trade right here. I'm not fixated on SanDisk, I'm fixated on patterns. And there is one pattern I'll show you that's tradable. This ain't it, at least for me. So this isn't what I looked for. Again, I don't like to be fixated on, on chart… I mean, on, stocks.

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00:01:56.300 --> 00:02:03.989

Dan Fitzpatrick: I like to run through a whole bunch of stocks and find just the pattern that I'm looking for that works for me.

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00:02:03.990 --> 00:02:17.190

Dan Fitzpatrick: So, you'll see this thing, it's been trading sideways, the 20-day moving average has been catching up to it. Finally, we get this kind of move, and this was just on Thursday. Heavy volume.

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00:02:17.190 --> 00:02:29.790

Dan Fitzpatrick: So, this was a buy signal if you're an aggressive buyer. And if you've been sitting here fixated on SanDisk, like you to put your alert there, or maybe even up here, buy the thing.

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00:02:29.870 --> 00:02:34.520

Dan Fitzpatrick: And now, by the end of the day, you're up over 5%. Nice trade, but…

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00:02:34.710 --> 00:02:47.490

Dan Fitzpatrick: What looms overhead? What looms overhead is the 50-day moving average. We don't like the 50 when we're underneath it. That's exactly where the stock closed today. So…

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00:02:48.260 --> 00:02:52.489

Dan Fitzpatrick: This is… look, this is my recommendation. I'm gonna give you two of them.

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00:02:52.490 --> 00:03:09.820

Dan Fitzpatrick: Okay, first of all, join Stock Market Mentor. It costs $7, alright? 7 bucks to join Stock Market Mentor. You get 14 days. I promise you, you're gonna make money in the 14 days that you're with me. If you don't make money, let me know and I'll eat a bug, okay? So, do that.

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00:03:09.820 --> 00:03:11.460

Dan Fitzpatrick: 7 bucks, come on, dude.

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00:03:11.900 --> 00:03:19.529

Dan Fitzpatrick: Second thing is, this stock has to break out above the 50-day and hold.

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00:03:19.730 --> 00:03:34.870

Dan Fitzpatrick: My suspicion is, it may break out, but I think it's gonna be kind of a fake-out. No earnings are on the horizon. You look at the other stocks, okay? DRAM, underneath the 50. Micron, just barely above.

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00:03:35.670 --> 00:03:47.000

Dan Fitzpatrick: Western Digital, not so much. Seagate, probably the best of the bunch, when you really look at this, because this has had, an opportunity

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00:03:47.570 --> 00:04:08.650

Dan Fitzpatrick: to form a base, and now it looks like it's just kind of starting to come out the upside. So, we like this. Like, this is… Seagate's probably the best of the bunch. I just wanted to look at SanDisk, because it's got this key resistance level at the 50-day moving average, and if you're kind of new to trading, or just still…

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00:04:08.650 --> 00:04:10.789

Dan Fitzpatrick: Need to get your, your chart.

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00:04:10.870 --> 00:04:14.759

Dan Fitzpatrick: chops up. This is a real important thing.

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00:04:15.420 --> 00:04:30.300

Dan Fitzpatrick: For you to be paying attention to. And then SK Hynix, like I said, this was the bubble of all bubbles. You just know when SK Hynix says, hey, we want to do… go ADR and trade on the U.S. exchange and get all that money.

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00:04:30.670 --> 00:04:50.239

Dan Fitzpatrick: You just knew that that was going to be the top. That's over the top, boom. And now we're down here. This thing ran… like, this is like SpaceX on steroids. Fell… actually, no, SpaceX went worse. But 35% from top to bottom. So, what it gets right down to is this, of everything I've shown you.

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00:04:51.450 --> 00:05:09.180

Dan Fitzpatrick: be careful about this puppy on Monday, and also ask yourself this. Even if it does break above the 50, how much more juice does it have in it before it's gonna pause, and at least make you kind of sit there for a while? So, if I had to choose between the two.

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00:05:10.060 --> 00:05:12.059

Dan Fitzpatrick: That would be my choice.

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00:05:12.700 --> 00:05:20.330

Dan Fitzpatrick: They're different companies, just be mindful of that. So, alright, that is all I've got for you now. And again.

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00:05:20.760 --> 00:05:40.720

Dan Fitzpatrick: Gotta belong to my community, okay? We got great people over there, great traders. They're gonna help you make money. I can promise you that. I got Scott McGregor. He's a monster. He's been on vacation for 2 weeks. He's gonna come back on Monday and be on fire. And then we've got Andy Kuang, my resident quant.

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00:05:40.720 --> 00:05:47.240

Dan Fitzpatrick: He's a brainiac at options. We're doing those, too. So you gotta be a part of this, alright? So be here.

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00:05:47.250 --> 00:05:50.509

Dan Fitzpatrick: Or don't be here. But if you're not here…

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00:05:51.220 --> 00:05:53.719

Dan Fitzpatrick: you're in the wrong place. Alright, I'll see ya.