STOCK MARKET MENTOR

Chart of the Day

Here's your 1-2-3- trade on Alto Neuroscience ($ANRO)

August 17, 2026

Dan Fitzpatrick addresses recent choppy trading conditions, emphasizing that maintaining strict discipline is essential to avoid the losses associated with chasing overextended stocks. Dan Fitzpatrick acknowledges that while broad indices like the S&P 500 continue to hit all-time highs, many individual portfolios may experience slower momentum. To capitalize on high-conviction opportunities, Dan Fitzpatrick introduces a three-phase breakout pattern—consisting of an initial earnings breakout, a brief second-day resting or pullback phase, and a third-day continuation move. Utilizing Alto Neuroscience ($ANRO) alongside secondary examples like Nebius ($NBIS) and J.B. Hunt ($JBHT), Dan Fitzpatrick illustrates how high-volume buying signals a viable continuation trade, providing an actionable strategy for active traders.

Next Steps:

1. Execute $ANRO Continuation Trade: Track Alto Neuroscience ($ANRO) as it initiates a Phase 3 continuation breakout above its prior intraday high of $33.67, keeping an initial protective stop-loss anchored just below $31.00.
2. Identify 3-Phase Breakout Candidates: Stalk equities displaying an initial post-earnings surge (Phase 1), a short 1-to-2 day low-volume pullback (Phase 2), and a subsequent high-volume push through prior high resistance (Phase 3).
3. Enforce Strict Risk Controls: Avoid chasing extended green candles directly at opening bells; wait for intraday price action to establish defined risk boundaries before initiating tranches.
4. Join Stock Market Mentor: Sign up for a 14-day trial for $7 at StockMarketMentor.com to access full active trade lists, technical chart breakdowns, and daily strategy sessions.

Transcript:

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00:00:02.590 --> 00:00:18.159

Dan Fitzpatrick: Okay, Dan Fitzpatrick here, StockMarketMentor.com, and I… look, the market's been kind of choppy lately, very much so, at least that's what I see. I see that in my own trading. The… it seems like the only way to make

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00:00:18.320 --> 00:00:26.519

Dan Fitzpatrick: good money these days is to just be chasing stuff and hop on board and just ride it up there. The

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00:00:26.740 --> 00:00:34.369

Dan Fitzpatrick: Problem with that is ult… excuse me, the problem with that is ultimately it's gonna burn you, because that's just undisciplined.

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00:00:34.560 --> 00:00:44.900

Dan Fitzpatrick: trading, and there's a reason why the best traders are disciplined, and that is because they're disciplined. If they weren't disciplined, they wouldn't be the best traders.

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00:00:44.940 --> 00:00:59.059

Dan Fitzpatrick: Think about it. So, the point is, you just kinda… you have to have discipline, and sometimes it's important to recognize that, you know what, there's gonna be times when the S&P 500 is hitting all-time highs.

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00:00:59.420 --> 00:01:10.370

Dan Fitzpatrick: And my account is not. Or my trades, none of them are bad, because if they are, you need to sell them. But, the ones that aren't working out.

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00:01:10.410 --> 00:01:30.219

Dan Fitzpatrick: just kind of really aren't working out. Hope springs eternal, but they're not there yet, so I'm kind of being patient. And the ones that are working are not exactly knocking the cover off the ball. And so that's kind of… and frankly, to be perfectly candid with you, that's where I am. I've got some good stocks.

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00:01:30.750 --> 00:01:35.129

Dan Fitzpatrick: That are working, that's why they're good stocks, but they're not great stocks.

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00:01:35.210 --> 00:01:50.389

Dan Fitzpatrick: There. I've torn the cover off, there you go. I'm not in the best stocks, but I'm in some really frickin' good stocks. But what I want to show you is something that I put on today on our active trade list, and I want to show you why I did it.

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00:01:50.390 --> 00:02:02.540

Dan Fitzpatrick: And then I'll show you a couple of examples, just kind of similar things, so you… so I'm not just pointing to one chart, okay? Now, I'll go ahead and share my screen here, and…

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00:02:02.810 --> 00:02:09.179

Dan Fitzpatrick: The stock that I'm talking about here is Enro. Get this out of the way.

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00:02:09.570 --> 00:02:18.960

Dan Fitzpatrick: It's Alto Therap- excuse me, Alto Neuroscience. It's a biotech stock, if the name didn't tip you off. And…

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00:02:19.800 --> 00:02:31.720

Dan Fitzpatrick: this volatility squeeze, I love. Now, this broke out on earnings. I can't say for sure, I mean, this has been on my list for a while. I may have mentioned this…

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00:02:31.900 --> 00:02:39.910

Dan Fitzpatrick: I think I did mention it prior to earnings, and my admonition was, and if I didn't, this is what it would have been.

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00:02:39.910 --> 00:02:56.479

Dan Fitzpatrick: My admonition was, hey, this looks like a really good volatility squeeze, it's setting up pretty nice, you can see it, looks like it's really gonna blow. The problem is, it's earnings, and it's a biotech stock, so the company could absolutely scream.

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00:02:56.480 --> 00:03:06.670

Dan Fitzpatrick: Or, the stock could have you screaming, so you can't really buy it. That's what I either said, or that's what I would have said, and… boom, oops.

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00:03:08.040 --> 00:03:18.689

Dan Fitzpatrick: There went the stock, up really, really nicely. At one point, it was up, like, 15% in a day. Okay, if you caught that, awesome.

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00:03:19.600 --> 00:03:23.749

Dan Fitzpatrick: Then the next day, though, it's like, okay, well, the stock

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00:03:23.830 --> 00:03:27.280

Dan Fitzpatrick: Traded way down, like, from where this closed.

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00:03:27.290 --> 00:03:46.330

Dan Fitzpatrick: the stock traded way down, like, 7%, or so. 7% is a lot after you've chased the stock, so it's like, oh crap, I gotta get out of this stock, and then bam, today comes, and the stock moves higher. And then you look at volume, and you can see that

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00:03:46.330 --> 00:03:52.999

Dan Fitzpatrick: the trading volume on this over the last 3 days. Here's earnings, then a sell-off, and then, today.

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00:03:53.240 --> 00:04:12.420

Dan Fitzpatrick: 3 skyscrapers, green, red, green. And so, this is still big buying here. Now, I can't say, boy, the institutions are sure jamming on this stock, because even with the high volume today, it's less than a million shares. And the average volume

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00:04:12.500 --> 00:04:21.969

Dan Fitzpatrick: Over, what is it, 20 days, the average volume is less than a quarter of a million. So this isn't a super liquid stock, but…

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00:04:22.270 --> 00:04:31.150

Dan Fitzpatrick: it's a trade that's working. Now, this is what I like about it. It's like, oh crap, here's the oh crap pattern. I missed it. Oh, crap.

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00:04:31.500 --> 00:04:33.570

Dan Fitzpatrick: Pullback. Oh, good.

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00:04:33.870 --> 00:04:50.790

Dan Fitzpatrick: didn't get in. Now, the follow-up, boom. This stock is running up. So this is literally like a Phase 1 breakout, a Phase 2 pullback, a Phase 3 continuation pattern, because this broke out above Thursday's intraday high, okay?

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00:04:51.020 --> 00:04:54.330

Dan Fitzpatrick: That's a pretty cool thing, but it is not…

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00:04:54.520 --> 00:04:59.500

Dan Fitzpatrick: a unique pattern in this way. I'll just show you a couple.

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00:04:59.750 --> 00:05:09.749

Dan Fitzpatrick: J.B. Hunt gave you a similar thing. It's less… it's a little bit more muted, than the other one that I'm going to show you, but it's the same…

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00:05:10.100 --> 00:05:28.449

Dan Fitzpatrick: situation where you see the stock ran up and up, and then bam, it broke out above the 50. The next day, it gapped down, ran even higher, sucks you in, and then comes back down here. It's down 2.5%, and you say, well, what's the big deal about that? I'm talking about the pattern, not the…

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00:05:28.450 --> 00:05:30.280

Dan Fitzpatrick: Not the percentages.

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00:05:30.800 --> 00:05:40.160

Dan Fitzpatrick: But this had a little pause, and then finally today, the stock gaps… I don't think it gapped up, I think it was about sideways, and then it trades up.

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00:05:40.290 --> 00:05:54.520

Dan Fitzpatrick: and closes above this close here. So, this is a stock, and you look at the volume, nice, nice, high volume, skyscrapers there. So, this is a stock that's working, but check out, Nebius.

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00:05:55.430 --> 00:05:58.110

Dan Fitzpatrick: This is virtually the same

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00:05:58.230 --> 00:06:08.340

Dan Fitzpatrick: pattern, the same idea as, as we get here. So this is a big move to the upside. Look at the massive volume here. Earnings move.

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00:06:08.470 --> 00:06:09.690

Dan Fitzpatrick: Next day.

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00:06:09.940 --> 00:06:20.939

Dan Fitzpatrick: Okay? Continuation up to here. So, at some point this next day, this was up another over 6%, and then traded from that 6% up.

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00:06:21.080 --> 00:06:41.500

Dan Fitzpatrick: It traded down 10%, 10.5%. So this was a really wild day, and you… if you're saying, like, okay, this was the breakout, then the second day, holy crap, you know, it crushed everybody, and then finally, we get this third day here. Alright, so, when was this? Friday. So we get a breakout.

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00:06:41.760 --> 00:06:48.440

Dan Fitzpatrick: Little pullback, that's a phase two. Now we get Friday, a continuation day, right? Well…

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00:06:49.020 --> 00:07:07.059

Dan Fitzpatrick: Today was a pause, but the stock is trading right along the upper Bollinger Band, so what I'm pointing out to you is you do get these kind of patterns, these… on the second day, he rested. You know, big move on the first day, and then the second day, you look at it and say, okay, well, that's over.

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00:07:07.100 --> 00:07:22.559

Dan Fitzpatrick: I missed that trade, and that's really not the case. The stock is just coiling a bit, and it's gonna bring in more buyers. So, anyway, with Anro, this is what I… I put this on the list, and I think

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00:07:22.780 --> 00:07:36.539

Dan Fitzpatrick: This roof here from Thursday was at $33.67. I think I put this on at 3360, 33.61, something like that, right about where it is right now.

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00:07:36.540 --> 00:07:44.030

Dan Fitzpatrick: And the stop was, just down here. I'm looking at this candle here as being one that's gonna continue, like.

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00:07:44.040 --> 00:07:47.230

Dan Fitzpatrick: High or low, higher low, higher low.

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00:07:47.410 --> 00:07:55.570

Dan Fitzpatrick: I think we're gonna… should continue to get higher lows. So, I would want to protect this trade at the very lowest.

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00:07:55.950 --> 00:08:14.009

Dan Fitzpatrick: with a stop just a little bit below 31, and you can protect it at a higher level if you want. It's your money, your trade, but what I'm just telling you as I'm pointing this out, you get these second-day resting phases, and then a third-day continuation, so don't blow this off.

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00:08:14.010 --> 00:08:17.519

Dan Fitzpatrick: And by the way, I do not think it's too late

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00:08:17.520 --> 00:08:31.580

Dan Fitzpatrick: to buy this. I think, I think you can do just fine with it. So, anyway, a lot of different types of trades going on in the market, and I'm trying to bring you the right ones that work for you. And by the way, you gotta be…

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00:08:31.580 --> 00:08:39.550

Dan Fitzpatrick: a member of Stock Market Mentor, at least join me for 14 days. It's basically free. We've got, just to let you know.

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00:08:39.549 --> 00:08:56.769

Dan Fitzpatrick: We've got a massively high conversion rate, and what that is for you non-marketers, it's if you subscribe to a free trial, I'm not gonna give you percentages, because they don't mean anything, but a very, very high percentage of people stick around.

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00:08:56.770 --> 00:09:12.350

Dan Fitzpatrick: And the reason is because they make money. That's the only reason… I mean, I'm a witty guy. I don't want you to stick around for my humor. I ain't that funny. But people stick around because they're making money, and so I want you to be one of them, alright? So…

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00:09:12.660 --> 00:09:17.800

Dan Fitzpatrick: Hit that button, let's go make some money, alright? I'll see you next time.