STOCK MARKET MENTOR

Chart of the Day

Screw silver and gold! Here's your trade on copper!!!

August 20, 2026

Dan Fitzpatrick focuses on trader development and pattern recognition over mere stock picking, emphasizing that cultivating disciplined trading decisions is essential during choppy market conditions. Reviewing a setup shared by a Stock Market Mentor community member, Dan Fitzpatrick highlights Ero Copper ($ERO), which rose 6% to 7% on heavy volume following strong earnings. Dan Fitzpatrick details how the stock previously compressed toward its 200-day simple moving average before completing a three-phase breakout sequence—a Phase 1 volume pop, a Phase 2 pullback, and a Phase 3 continuation. To capture the trade with defined risk, Dan Fitzpatrick advises setting a price alert above recent highs near $33.60–$33.70, allowing traders to enter on a confirmed continuation breakout.

Next Steps:

1. Set Price Alerts: Place a breakout alert on Ero Copper ($ERO) near $33.67 to catch a confirmed Phase 3 continuation move.
2. Stalk Phase 3 Entries: Wait for price action to cleanly break through resistance before initiating a long position rather than chasing unconfirmed intra-day spikes.
3. Define Protective Risk Limits: Establish a tight stop-loss floor below the Phase 2 pullback low to limit downside risk on the trade.
4. Join Stock Market Mentor: Sign up for a 14-day trial for $7 at StockMarketMentor.com to access full technical analysis, active trade updates, and daily trading sessions.

Transcript:

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00:00:02.410 --> 00:00:23.129

Dan Fitzpatrick: Hey, I'm Dan Fitzpatrick, StockMarketMentor.com, and today, I want to look at a copper company. But first, just to mention, I've been spending a lot of time working with our traders, trader development as opposed to just picking stocks. It's been kind of a choppy market, as you know, unless you're brand new to trading.

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00:00:23.350 --> 00:00:34.460

Dan Fitzpatrick: been… it's just a hard market, but it's been a… kind of a choppy market, but we've been getting some… I've been getting a lot of feedback from people, talking about how… how much they have learned

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00:00:34.700 --> 00:00:43.219

Dan Fitzpatrick: And how better they are at their trading performance, their trading behavior, their trading decisions. And so.

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00:00:43.340 --> 00:00:55.710

Dan Fitzpatrick: I'm just telling you right off the bat, if you're not a member of Stock Market Mentor, it's 7 bucks for 14 days. I mean, throw me a bone, 50 cents a day,

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00:00:56.820 --> 00:00:59.359

Dan Fitzpatrick: I mean, you're trading for free.

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00:01:00.050 --> 00:01:19.199

Dan Fitzpatrick: give me a half a commission of 7 bucks, alright? I promise you, you're gonna be better. It'll be an awesome 7 bucks, we'll put it that way. Alright, so I'm gonna get right into it here. One of our members, I'm probably embarrassing the heck out of her, because she did not know that I could do this, but I can, because

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00:01:19.240 --> 00:01:41.440

Dan Fitzpatrick: it's my business. It's my website, my community. She had posted some of her stocks that she was holding in the trading room today, and so I was just going through them, and the one that really got me here is Arrow Copper. Now, it's up 7% today, but the thing that I like about… there's so much I like about

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00:01:41.530 --> 00:01:48.840

Dan Fitzpatrick: this chart that I'll kind of break it down for you here. Okay.

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00:01:49.090 --> 00:01:50.770

Dan Fitzpatrick: You can see here.

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00:01:50.900 --> 00:02:04.700

Dan Fitzpatrick: I'll move this out of the way. Okay, this was just bouncing off the 200, really, really, in a real steady fashion, and then it fell below, and by the way, then at the same time, you're getting this series of, of, like.

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00:02:06.540 --> 00:02:18.930

Dan Fitzpatrick: not… I guess they're slightly lower highs, but, you know, if you gotta squint your eyes, you've kind of lost the plot here. Let's just say that the stock has basically been compressing.

12

00:02:18.930 --> 00:02:30.219

Dan Fitzpatrick: Down closer and closer to the 200-day moving average. Highs are kind of getting more muted, which means that, the buyers are not as eager

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00:02:30.220 --> 00:02:31.920

Dan Fitzpatrick: To buy the stock.

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00:02:32.360 --> 00:02:49.739

Dan Fitzpatrick: As they were, say, back here, and sellers are coming in, they're not waiting for the stock to run higher before they go to sell. So you're getting this more of a general agreement between buyers and sellers as far as what the transactional price is. Okay, so then it gets down to here.

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00:02:50.040 --> 00:02:50.910

Dan Fitzpatrick: Okay?

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00:02:51.800 --> 00:02:54.730

Dan Fitzpatrick: Should get a bounce. Don't get a bounce.

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00:02:55.090 --> 00:02:59.640

Dan Fitzpatrick: So, now, what do we do here? Okay, this is not where you want to be.

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00:02:59.830 --> 00:03:06.430

Dan Fitzpatrick: Okay? Still not where you want to be, not where you want to. Damn it, I'm sure glad I'm not there, that's not where I want to be.

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00:03:06.550 --> 00:03:24.949

Dan Fitzpatrick: Now, we're back up here. Now it's back up above the 200. This is only one day, so who cares? Average volume. Now we got here, and now we've got earnings here, and this was up a pretty, pretty big chunk of change. What, 5-6%? Now people care.

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00:03:24.960 --> 00:03:29.249

Dan Fitzpatrick: And you get more volume here. So the real buy point here.

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00:03:29.410 --> 00:03:40.849

Dan Fitzpatrick: if you're just trading this chart, this was the real buy point at about $30.50, okay? And then since that time, the stock's just run up, okay? So it runs up to here.

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00:03:40.980 --> 00:03:55.309

Dan Fitzpatrick: Okay, that's kind of a phase one… that's the first phase of my breakout, my volatility squeeze. The phase one breakout, phase two pullback. How far is it gonna go? If it doesn't go too far, that's a good thing.

23

00:03:56.140 --> 00:04:08.479

Dan Fitzpatrick: Okay, still going. Oh, looks like maybe that's the bottom. So this is the second stage, right here. Second phase of the breakout. Phase 1 pop, phase two drop. Now we want to see if we get some continuation.

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00:04:08.570 --> 00:04:21.540

Dan Fitzpatrick: Baby, looking to me like we're good. So, I think this could… this is definitely a stock that you want to watch tomorrow. Yeah, it's up 6%, but it's been making these moves. And so, I don't own this stock.

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00:04:21.930 --> 00:04:23.380

Dan Fitzpatrick: Carla does.

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00:04:23.540 --> 00:04:32.230

Dan Fitzpatrick: I'm gonna go ahead and set an alert here, and if my alert gets hit, and maybe you might want to set the… set that alert too.

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00:04:32.490 --> 00:04:48.060

Dan Fitzpatrick: then maybe we can all go play, in this, sandbox here with everybody together, okay? Right now, this is Carla's toy, but if it breaks out above here, maybe we'll all be playing, okay? Now again,

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00:04:48.060 --> 00:04:55.520

Dan Fitzpatrick: Really, really mean this, you need to be a stock market mentor guy, okay? We're getting new people coming in all the time, and if you're not one of them.

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00:04:55.520 --> 00:05:01.350

Dan Fitzpatrick: You're missing the boat, baby, that's all I'm gonna tell you, okay? Alright, so, I'll see you there.

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00:05:01.510 --> 00:05:05.339

Dan Fitzpatrick: Tomorrow morning. Option Market Mentor, peeps, trade in the open with Andy.