STOCK MARKET MENTOR

Chart of the Day

Here's your trade on Micron ($MU)....AND...SanDisk ($SNDK)

September 4, 2026

Dan Fitzpatrick breaks down a technical reversal and volatility squeeze sequence in memory and storage leaders SanDisk ($SNDK) and Micron ($MU). Dan Fitzpatrick explains how his initial bearish perspective on both equities quickly pivoted during Friday's session after observing high-volume intraday price expansion above the Volume-Weighted Average Price (VWAP). Dan Fitzpatrick emphasizes that despite typical pre-holiday profit taking, institutional buying pressure drove both SanDisk and Micron to close near their daily high-water marks. Pointing to volatility compression between the 20-day and 50-day moving averages, Dan Fitzpatrick projects multi-week upside expansion ahead of their upcoming earnings reports.

Next Steps:

1. Stalk Phase 3 Continuation Entries: Track SanDisk ($SNDK) and Micron ($MU) at Tuesday's opening bell for high-volume follow-through past Friday's session highs.
2. Monitor VWAP Support Levels: Use the daily Volume-Weighted Average Price (VWAP) as an intraday institutional benchmark; maintain long tranches only while price action holds above this floor.
3. Enforce Risk Parameters: Prepare to scale into full position tranches on confirmed momentum, placing protective stop-loss limits beneath short-term moving average support.
4. Join Stock Market Mentor: Access active trade entry/exit alerts and daily video analyses by taking a 14-day trial for $7 at StockMarketMentor.com.

Transcript:

1

00:00:02.000 --> 00:00:05.869

Dan Fitzpatrick: Hey, Dan Fitzpatrick here, stock market mentor.

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00:00:06.030 --> 00:00:18.260

Dan Fitzpatrick: Look, I want to talk about one of my favorite stocks, like, from last year, and it may become the new favorite from this year, too. And I'm talking about…

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00:00:18.260 --> 00:00:30.909

Dan Fitzpatrick: SanDisk. Let me go ahead and share the screen with you. And by the way, I cover this pretty extensively at, Stock Market Mentor, and if you're not a member, if you haven't been a member.

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00:00:30.910 --> 00:00:39.450

Dan Fitzpatrick: then I invite you to join. It's, like, 7 bucks, dude. That's $5, and then 2 more. So check that out, I promise you.

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00:00:39.510 --> 00:00:50.300

Dan Fitzpatrick: you're gonna be a better trader. If you're not, I'll give you your 7 bucks back, okay? How's that? Anyway, so, let's get started here. So, this is how SanDisk has been looking.

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00:00:50.710 --> 00:01:06.979

Dan Fitzpatrick: For a while, poked above the 50-day moving average for, like, a cup of coffee or so, and then it fell back lower, and it looks like, okay, well, this is a lower high, look out below.

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00:01:07.180 --> 00:01:17.670

Dan Fitzpatrick: Never really did that, though. It got captured here by the 20-day moving average, so this was kind of tightening. Now, here we go. On Monday.

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00:01:17.670 --> 00:01:28.369

Dan Fitzpatrick: heavy volume. High volume Monday, still below the 50-day moving average, but still, doesn't this look like it's kind of setting up for something? And then…

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00:01:28.870 --> 00:01:45.240

Dan Fitzpatrick: By Wednesday, nothing. But we're still waiting. We're waiting, and waiting, and waiting, and here we go. Yesterday, and then finally, bam, today, on heavier than average volume. So, what's interesting is, during

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00:01:45.510 --> 00:01:59.640

Dan Fitzpatrick: This morning, I'm doing this on Friday. This morning I was on IBD Live, talking with, Ali and the guys, and one of the stocks that we were looking at was SanDisk and also, Micron.

11

00:02:04.630 --> 00:02:23.019

Dan Fitzpatrick: There. That looks better. So we were talking about SanDisk and Micron, and I was saying, you know, from a, like, from a fundamental standpoint, there's some stuff going on. Not… I'm not gonna bore you with all the details there, but just not really where you want to be. And meanwhile.

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00:02:23.830 --> 00:02:31.529

Dan Fitzpatrick: As we're talking, I'm looking at… here's a 10-minute chart, so I'm looking at this stock.

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00:02:31.910 --> 00:02:39.529

Dan Fitzpatrick: And… Remember, we start at, like, 6.30, so this thing pops up.

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00:02:40.000 --> 00:02:45.019

Dan Fitzpatrick: Here's a 5-minute chart. We start at 6.30. This thing's moving higher.

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00:02:45.220 --> 00:03:02.980

Dan Fitzpatrick: Keeps on going. Keeps on going. So I think it probably even maybe before even 10 o'clock, after I'd been giving kind of a bearish call on, SanDisk and Micron, basically just like, guys, you know, I don't really think this is quite where you want to be.

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00:03:03.490 --> 00:03:06.140

Dan Fitzpatrick: I raised my hand and said, okay.

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00:03:07.080 --> 00:03:12.300

Dan Fitzpatrick: True confessions, I gotta tell you. I just bought SanDisk and Micron.

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00:03:12.430 --> 00:03:13.360

Dan Fitzpatrick: And…

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00:03:13.860 --> 00:03:29.969

Dan Fitzpatrick: The moral of that story is, hey, if you're a trader, it's never too late to change your mind if you think you're wrong. So, and I have changed my mind on this. The thing that is telling here is we're going into a 3-day weekend, right?

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00:03:29.970 --> 00:03:39.450

Dan Fitzpatrick: We got a 3-day weekend, and typically, you're gonna see stocks kinda take a powder, they're gonna sell off a little bit, because

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00:03:39.720 --> 00:03:51.509

Dan Fitzpatrick: you know, traders are squaring their books. They don't want to go in excessively long or short, and so you'll see just a lot of selling, typically, going on. Under the

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00:03:51.940 --> 00:03:53.959

Dan Fitzpatrick: rubric of, hey, I know.

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00:03:54.390 --> 00:04:02.709

Dan Fitzpatrick: I can always buy it back next week. And so, we didn't see that here. We actually saw SanDisk running up

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00:04:02.710 --> 00:04:19.780

Dan Fitzpatrick: into the close. Big volume into the close, and even going here. So, I mean, you can see, I don't need to narrate it on a 5-minute chart, you can see how this was running up into the close, and essentially closed right at the high of the day. Now, Micron.

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00:04:19.850 --> 00:04:36.899

Dan Fitzpatrick: did the same exact thing. So it runs up early, this yellow or orange line there is the volume-weighted average price. This is like the magnet for stocks under accumulation. They should stay above the VWAP, and then, they should stay above the VWAP.

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00:04:37.650 --> 00:04:55.019

Dan Fitzpatrick: And when they pull back to it, they should bounce. And this is exactly what Micron did. SanDisk didn't even hardly pull back at all. So the fact that they went… I mean, it's fine that these traded above the volume-weighted average price. Awesome. Yay for the VWAP.

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00:04:55.020 --> 00:05:04.410

Dan Fitzpatrick: But what really gets me is the close. These things closed very, very nicely. And so, as I look at these now.

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00:05:04.870 --> 00:05:13.440

Dan Fitzpatrick: I'm telling you, this thing, I got a whole bunch of lines here. I got this thing running about above 1,000.

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00:05:14.080 --> 00:05:15.370

Dan Fitzpatrick: I think it's…

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00:05:16.750 --> 00:05:26.930

Dan Fitzpatrick: I don't think I'm going out on a limb to say that I think this can have a 120, you know, 1200, handle on this. It's gonna take a while.

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00:05:26.930 --> 00:05:38.429

Dan Fitzpatrick: But they don't report earnings for about 25 days, and so it looks to me like this is kind of running into earnings. Similarly, with SanDisk, one thing.

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00:05:38.430 --> 00:05:57.999

Dan Fitzpatrick: that I wanted to show you here was this thing has been trading sideways as well. Nice breakout today. I think it's pretty easy to look at another 15 or 16% up, which is not a small amount, but one thing that I was doing was just drawing these boxes, and this was a big…

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00:05:58.190 --> 00:06:00.790

Dan Fitzpatrick: I guess you could say, like, if you go…

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00:06:02.620 --> 00:06:21.080

Dan Fitzpatrick: to here. This is a big pullback here, right? And then this starts… starts drifting sideways, and you gotta keep this box here, because that was the high. And then I start making these boxes a little smaller, and smaller, and smaller. Still, this is what I do sometimes, just to…

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00:06:21.160 --> 00:06:31.249

Dan Fitzpatrick: To really, identify or to highlight the fact that a stock is in a volatility squeeze. And it's in this volatility squeeze

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00:06:32.440 --> 00:06:38.649

Dan Fitzpatrick: Before you can really look at the Bollinger Bands and say, well, you know, they're pretty… they're pretty tight.

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00:06:39.060 --> 00:06:43.719

Dan Fitzpatrick: They're not. The width is, like, 27%. That's…

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00:06:43.980 --> 00:07:01.910

Dan Fitzpatrick: That's the epitome of not tight. But, when you really, really look at the way this thing's been pinching between the 20-day and the 50-day, I can see this starting to run higher as well. So, I like both of these stocks. I did not pile in, not at all.

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00:07:02.290 --> 00:07:15.850

Dan Fitzpatrick: kind of little wussy trades on both of them, but I like the way these things are trading, and if they continue to run higher on Tuesday, I'll be putting them on the active trade list, and we're gonna be all in. So, again.

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00:07:15.850 --> 00:07:23.219

Dan Fitzpatrick: come on to Stock Market Mentor, also options. I'm doing options now, and I'm selling premiums. I'm not buying

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00:07:23.220 --> 00:07:33.619

Dan Fitzpatrick: crap and hoping that it gets a double or a triple so I can say yay for me. We're just selling options. We're selling time, making money. That's what it's all about.

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00:07:34.120 --> 00:07:41.290

Dan Fitzpatrick: And I want you to be there, okay? Alright, guess what? I want you to have a good Labor Day weekend, I'll see you Tuesday.