

Chart of the Day

Watch the first video here

October 26, 2026

The meeting served as the first of four sessions introducing Dan's book on the seven deadly trading mistakes and how to fix them. Dan explained that the workshop aimed to introduce concepts from the book and noted that Amazon's approval process had delayed the book's release. He shared a personal story about law school to emphasize that knowing information is different from applying it, and he connected this to trading by stating that technical knowledge must be put into action. Dan listed the seven mistakes: no clear strategy, poor timing, emotional trading, ignoring risk, not tracking trades, over-trading, and trading without a mentor. He focused on the first mistake, trading without a clear strategy, and explained that a strategy is a pre-made decision about repeatable market behavior. He described the three parts of a strategy as the stock, the setup, and the trigger, and he used examples like NVIDIA and Tesla to illustrate these concepts. Dan also introduced his SMART approach, which includes strategy, market, actionable setup, risk, and tracking. He demonstrated how he uses TradeTrack to monitor his trades and calculate expectancy. During the Q&A, Dan answered questions about tracking option trades, using TradeTrack, and whether it is okay to use multiple trading strategies.

Next Steps:

1. Dan: Send out a notice to attendees when the book is available on Amazon.
2. Dan: Email the handout, assignment, and worksheets for the first session to registered attendees.
3. Dan: Provide the presentation slides as a PDF to attendees.
4. Dan: Have Karen send an email to attendees with information on how to join TradeTrack.
5. Dan: Update the active trade list to make it more targeted and focused.
6. Attendees: Rate themselves 1-5 on the seven deadly trading mistakes using the provided self-assessment.
7. Attendees: Write their trading strategy in one sentence and practice it through repetition.
8. Attendees: Complete the homework assignment and worksheets provided in the handout.
9. Attendees: Retake the self-assessment in Session 4 to measure improvement in self-awareness.

Transcript:

1

00:00:00.200 --> 00:00:02.870

Dan Fitzpatrick: Anyway,

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00:00:03.400 --> 00:00:13.700

Dan Fitzpatrick: Okay, guys, we'll get, we'll get started in just a minute. I'll, what did we do? No, I... I was gonna apologize.

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00:00:14.060 --> 00:00:15.020

Dan Fitzpatrick: for...

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00:00:15.130 --> 00:00:32.219

Dan Fitzpatrick: Starting late, but I actually realized, unlike the typical pattern I have, I'm actually a minute early. So, anyway, I will, get started, but I'm... I'm just gonna... I'll let this, I'll let this, recording run. So...

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00:00:32.320 --> 00:00:39.300

Dan Fitzpatrick: One thing, and I'm sure I'll mention this later, but what this workshop is for...

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00:00:39.720 --> 00:00:45.950

Dan Fitzpatrick: is to kind of introduce you to the concepts that I'm doing in the book.

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00:00:46.150 --> 00:00:51.039

Dan Fitzpatrick: And also, I'll just get... I'll stop the share here.

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00:00:51.150 --> 00:00:58.369

Dan Fitzpatrick: Because I've got, my compadre, Scotty, here with his Oracle, Red Bull Racing Hat.

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00:00:58.530 --> 00:01:17.989

Dan Fitzpatrick: So, what... the reason I'm doing this is because... so, I've got this book coming out, and as I understand it, and this is why we're kind of doing a test run on this first one, Amazon's kind of slow, and they... they gave us a certain timeline for approving the book and getting it online.

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00:01:18.060 --> 00:01:29.510

Dan Fitzpatrick: But it... they're just, hey, you know, it's... it's the kind of thing where you call into a, you call into some pl... like, maybe you want to subs... maybe you want to cancel your subscription.

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00:01:29.510 --> 00:01:38.849

Dan Fitzpatrick: Or you got a customer service issue. So they give you a number to call, and you get thrown into the loop, you know, hey, we're experiencing heavier-than-average call volume, which...

12

00:01:39.420 --> 00:01:55.099

Dan Fitzpatrick: when are they not? Heavier than average call volume, so your wait's gonna be longer than usual. And then you sit there and you hear the music. Well, we don't get any music from Amazon, but what we think is the issue is with AI,

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00:01:55.350 --> 00:02:08.550

Dan Fitzpatrick: everybody's writing books, and they're spitting all this stuff in there, and Amazon can kind of pick that stuff up pretty... pretty quick. So, I think it's probably going to be a few days, but we will send out

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00:02:09.039 --> 00:02:22.300

Dan Fitzpatrick: We'll send out a notice and let you know when, when the, when the book is available. And just a quick note, and again, I'll probably mention this during the session here, so...

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00:02:22.300 --> 00:02:29.340

Dan Fitzpatrick: What I'd appreciate is if you... I think the book is, like, \$3.99,

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00:02:29.580 --> 00:02:41.680

Dan Fitzpatrick: And it's... then it's gonna be raised in, I don't know, a couple weeks up to 10 bucks, something like that. And so, I'd appreciate it if you pick up the book, read it, which is why I wrote it.

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00:02:41.680 --> 00:02:51.709

Dan Fitzpatrick: And then give me an honest review. Not of this workshop or anything like that, but just tell me if you, you know, give me an honest review. If it's a...

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00:02:51.810 --> 00:03:02.250

Dan Fitzpatrick: Like, if you don't like the book, say that. It's okay. But I hope that you do, so anyway, I'd appreciate it if you, again, just give me an honest.

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00:03:02.420 --> 00:03:09.379

Dan Fitzpatrick: review, and then we'll... we'll get started. Now, if you have any questions.

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00:03:09.510 --> 00:03:27.220

Dan Fitzpatrick: go ahead and put them in the, the chat or the Q&A. I want you, want you guys to be able to do that, or you can send them, you can send them, to me, personally, but... and Scott, are we all ready to go?

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00:03:27.900 --> 00:03:30.500

Scott McGregor: I'm ready to go, Dan. I'm ready if you are, brother.

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00:03:31.540 --> 00:03:33.160

Scott McGregor: Just gotta see your screen.

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00:03:33.330 --> 00:03:35.649

Dan Fitzpatrick: I'm ready. Okay, let's roll.

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00:03:36.850 --> 00:03:50.510

Dan Fitzpatrick: Alright, so this is our first, the first of four sessions on the 7 deadly trading mistakes and how to fix them. There aren't just 7, they're way, way, way more than that, but...

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00:03:50.600 --> 00:04:05.170

Dan Fitzpatrick: The ones that I'm gonna be demonstrating, today, and ultimately showing you and expanding on the book that I've written a bit, there are seven, and a couple things. I talked to Steve Burns, who has

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00:04:06.760 --> 00:04:08.970

Dan Fitzpatrick: Millions, of

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00:04:09.150 --> 00:04:28.690

Dan Fitzpatrick: followers, and he's got a real popular website, and there, it's NewTraderU, and as you might imagine, this is, new traders typically go there, the content is pretty... and I mean this in a good way, it's pretty remedial, and so when I asked him what are the common

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00:04:28.710 --> 00:04:32.869

Dan Fitzpatrick: Trading mistakes that your subscribers make.

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00:04:33.250 --> 00:04:34.210

Dan Fitzpatrick: he's...

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00:04:34.210 --> 00:04:58.489

Dan Fitzpatrick: he sent me an email, like, within 2 minutes, and told me what they were. And they all made sense to me, but I have some others, and I kind of created my own list, but the whole idea is that, what you want to do in this first one here, the first thing that I'm talking about today, is going to be on picking a strategy. But first, I want you to know the session's recorded.

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00:04:58.550 --> 00:05:13.969

Dan Fitzpatrick: And the replay goes to... if you registered, meaning you're here, you're gonna get the replay, okay? So you'll get an email by that. And I want you, again, to drop your questions into the chat. I'll take as many as I can at the end. Now.

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00:05:14.050 --> 00:05:28.960

Dan Fitzpatrick: I have estimated this at about 40 minutes. We're recording this, and we're having this during the day, the workday, the trading day, and so I respect your time. I've got a lot to share, and I can be a little chatty.

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00:05:28.960 --> 00:05:40.009

Dan Fitzpatrick: We may run over, but it's not gonna go past an hour. I can promise you that, even if Scott has to click end session, and cut me out. So...

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00:05:40.010 --> 00:05:48.319

Dan Fitzpatrick: Anyway... So, nothing... get this, nothing in this series is personalized investment advice.

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00:05:48.430 --> 00:05:57.730

Dan Fitzpatrick: But everything in this series is personalized trading advice. That's what I'll say. So,

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00:05:58.040 --> 00:06:04.310

Dan Fitzpatrick: With that said, my disclaimer's out of the way. So, what we're gonna cover today is...

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00:06:04.950 --> 00:06:19.359

Dan Fitzpatrick: the introduction, what I'm talking about in the book, which is important, and then trading without a clear strategy. So, this whole idea for this, for this session today, is that knowing is not doing, and then

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00:06:19.620 --> 00:06:34.299

Dan Fitzpatrick: who I am, and the 7 mistakes. I'll tell you all about that. How the series works, this first mistake is about strategy, so we're gonna talk about that, and then the three parts of the strategy, the stock, the setup, the trigger.

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00:06:34.960 --> 00:06:42.900

Dan Fitzpatrick: And then, one kick. You say, like, what's that mean? Well, I'll tell you. And then the fix. And also, just so you know.

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00:06:43.080 --> 00:06:53.129

Dan Fitzpatrick: as with all of these, I'm gonna give you homework, I'm gonna give you a handout, and then we're gonna do a Q&A. But the thing about homework is, it's...

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00:06:53.200 --> 00:07:13.179

Dan Fitzpatrick: I learned this a long time in law school when I was practor... when I was studying for the bar, and actually, the way I learned it, I actually golfed a lot. It wasn't really that big a deal. And I'm gonna tell you exactly why. Because the typical way to study for the bar

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00:07:13.180 --> 00:07:33.040

Dan Fitzpatrick: is to take Barbary, B-A-R-B-R-I. Barbary. And it's a... it's a very, very detailed book of outlines. Just a big, huge outline. All the case law, all the information on it. It's just a big outline. It's, like, 2 inches... actually, there were two books that are about 2 inches thick.

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00:07:33.220 --> 00:07:45.400

Dan Fitzpatrick: And you essentially have to memorize as much as that as you can. Okay, well, that didn't work for me. Somebody had told me about this, I guess you could say it was a competing

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00:07:45.770 --> 00:08:05.389

Dan Fitzpatrick: training what's called Bar Passers. And frankly, that Barbary was the most popular one, but Bar Passers was the better one, by far, and it was ultimately so good that Barbary's going, okay, crap, we gotta buy this company. And so they absorbed the company, and essentially...

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00:08:05.390 --> 00:08:18.299

Dan Fitzpatrick: Then it just became Barbary. So what was the difference? And I'm getting back to homework. The difference was that... that Barbary, instead of having the big outline, it had diagrams, like...

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00:08:18.430 --> 00:08:31.930

Dan Fitzpatrick: a couple squares, and then a circle, and then go down here, a rectangle, and follow this around, and then in each figure, and you could get this from the material, you would physically write, this was way before

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00:08:31.930 --> 00:08:42.020

Dan Fitzpatrick: This was back in the 1900s, so it was way before, computers, where everybody's just typing and not thinking, like we've all become stenographers. And...

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00:08:42.020 --> 00:09:01.970

Dan Fitzpatrick: you wrote it down, and the idea was, then, instead of memorizing a big outline, you memorized what you wrote within the diagrams, within these figures, and I'm telling you, this is the thing. Then, when you're actually taking the bar, and of course, we had to take, you know, study tests all the time.

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00:09:02.060 --> 00:09:09.439

Dan Fitzpatrick: When you're taking those tests, you will be writing down an answer, and then you'll be going like, wait a minute.

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00:09:10.510 --> 00:09:17.029

Dan Fitzpatrick: there was a circle over here, and I'm not writing about that. What was in that circle?

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00:09:17.200 --> 00:09:30.419

Dan Fitzpatrick: And you'll remember it. Why? Because you wrote it down, because you actively did things. And so, I've taken that to what I'm doing now. I have a book full of

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00:09:30.420 --> 00:09:46.890

Dan Fitzpatrick: stuff. Not gonna show you, it's my book. But I have a book full of stuff that I've written down, and it really, really does help kind of lock in what you're learning. And so, I'm going to give you a handout and a Q&A, and we'll get to a handout and some

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00:09:46.890 --> 00:10:01.410

Dan Fitzpatrick: some... a checklist today. But I want you to do the same thing. That's beyond the scope of this book, as far as writing your own diagrams, but I'll talk about it a bit. So, I'll talk a little bit more about this. Okay.

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00:10:02.710 --> 00:10:16.789

Dan Fitzpatrick: This was... and I even... I forget his name, so I would make one up, but I'm not gonna do that. When I first got into law school, the civil procedure exam was, one of the courses that,

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00:10:16.790 --> 00:10:28.970

Dan Fitzpatrick: you know, a 1L student took. And there's a... it's civil procedure, there's a ton of law, and so I... I didn't know what the heck I was doing. So I just memorized everything.

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00:10:29.290 --> 00:10:43.249

Dan Fitzpatrick: like everything. And so then I get the exam, and I'm answering the questions, and what I'm doing is, I'm writing all the law that's applicable to those questions. And when I got done.

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00:10:43.850 --> 00:11:02.909

Dan Fitzpatrick: I walked out of there thinking, like, I crushed it. If there's anything better than an A+, that's for me. And so then, a week later, when I got the blue book back, it was a C-, and the professor says, wrote in parentheses, wow, you sure know a lot of law.

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00:11:02.970 --> 00:11:03.860

Dan Fitzpatrick: And...

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00:11:03.940 --> 00:11:12.330

Dan Fitzpatrick: The idea... the idea then that I'm applying here is that when you're in law school, and it's the same thing for trading.

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00:11:12.550 --> 00:11:24.829

Dan Fitzpatrick: What you have to do is, you have to have command of the... you have to have command of the facts, you have to have command of the question. Think about this. It's a chart. You have to have command of the question, you have to know

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00:11:24.830 --> 00:11:34.749

Dan Fitzpatrick: the law. You have to know the basics of trading. And then, after you know the law in law school, you say... you write

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00:11:34.750 --> 00:11:50.829

Dan Fitzpatrick: opposing arguments. Okay, this law would argue for this way. However, this law over here argues the opposite. And then you kind of go back and forth, and ultimately, you come to an opinion. You come to a conclusion.

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00:11:50.930 --> 00:11:57.889

Dan Fitzpatrick: I wasn't doing that. I was just writing down the law. Now, how is this directly applicable to trading? Easy.

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00:11:58.200 --> 00:12:13.540

Dan Fitzpatrick: You can read all the books in the world. You can know everything about technical analysis, but are you actually applying what you know to your actions, to actually making a decision? And what a lot of people do is.

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00:12:13.540 --> 00:12:23.360

Dan Fitzpatrick: They don't really do that. They just know a lot of stuff, but they don't know how to put it into play. And that was kind of where I... that was kind of where I started off.

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00:12:23.400 --> 00:12:29.619

Dan Fitzpatrick: And so, after 30... well, I figured this out earlier than,

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00:12:29.980 --> 00:12:33.720

Dan Fitzpatrick: than right now. But after 30 years of trading.

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00:12:33.820 --> 00:12:44.729

Dan Fitzpatrick: I've kind of learned a few things, and not just about my own trading, but more importantly, about all of our subscribers and everybody in Fitzpatrick Trading Group, and...

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00:12:44.730 --> 00:13:01.649

Dan Fitzpatrick: The thing is, I made every one of these mistakes. Every one of them. Now, I want to give you one little tidbit as well. The first time I was on CNBC, here's how that happened. So, Herb Greenberg was a friend of mine, and I called him up.

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00:13:01.650 --> 00:13:17.830

Dan Fitzpatrick: I'd been trading for 4 or 5 years, and I said, Herb, how can I get an agent or something to help me get on CNBC? I'm looking at all these guys, and, you know, compliment, compliment, but I could kind of do that. Like, they're not giving any great insight.

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00:13:17.830 --> 00:13:37.560

Dan Fitzpatrick: And he said, okay, well, you know, I don't want you to get an agent, you know, let me get back to you. So he called me back in about 15 minutes, and he goes, okay, so-and-so is a producer on, I think it was Power Lunch. So-and-so's a producer on Power Lunch, she's gonna be calling you in a few minutes. Now, here's the deal.

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00:13:37.820 --> 00:13:41.180

Dan Fitzpatrick: I told her that you were really good on TV.

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00:13:41.590 --> 00:13:43.490

Dan Fitzpatrick: I'd never been on TV.

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00:13:43.600 --> 00:13:55.249

Dan Fitzpatrick: And I also told her that you'd be great for this segment. And I said, okay, thanks a lot, and he goes, one thing, don't make me look bad. And this is how you do that. Have an opinion.

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00:13:55.250 --> 00:14:03.899

Dan Fitzpatrick: He goes, it doesn't ultimately matter whether it's right or wrong, but have an opinion. The last thing they want is somebody

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00:14:04.190 --> 00:14:15.739

Dan Fitzpatrick: somebody that goes, like, well, you know, yeah, it could be this, but then it could be that either, so, you know. And so, I learned that early on here, that you gotta have an opinion, and even if it's wrong.

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00:14:15.740 --> 00:14:25.820

Dan Fitzpatrick: At least you have one. And in trading, you will know it's wrong pretty quick, because your trading account will tell you, and the chart, will tell you.

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00:14:25.820 --> 00:14:36.959

Dan Fitzpatrick: These are the deadly ones. These are the ones that can really crush you. No clear strategy, and then poor timing. And by the way, these... I look at them as all in sequence.

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00:14:36.960 --> 00:14:49.819

Dan Fitzpatrick: Poor timing, and then emotional trading. Are you trading with your gut? Are you trading with how you feel? Or are you being very analytical about it? And this is a big one here.

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00:14:51.290 --> 00:14:53.040

Dan Fitzpatrick: Ignoring risk.

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00:14:53.130 --> 00:15:09.170

Dan Fitzpatrick: Are you even thinking about risk, or are you just kind of betting on the sure thing? Oh, I know this is gonna go. And then you either don't have a stop, or you got too big a position size, something or other? And then also, mistake number 5 is not tracking your trades.

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00:15:09.170 --> 00:15:20.349

Dan Fitzpatrick: This is a real important one, too. Most people don't track their trades, which is why most people don't make much money in the market, because you have to learn... you have to see what your mistakes are.

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00:15:20.370 --> 00:15:32.949

Dan Fitzpatrick: And then you have to learn what to do to fix those mistakes, and then you have to know whether you're actually fixing them. And that all comes from looking back and seeing what you've done.

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00:15:32.950 --> 00:15:35.579

Dan Fitzpatrick: This is very similar to what

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00:15:35.580 --> 00:15:53.219

Dan Fitzpatrick: some bodybuilders do, and just some athletes, where they will write down, religiously, every workout that they have. And the reason it... and I mean to the detail, and the reason is because then they can look back and see, okay, this is what I was doing a month ago, this is what I was doing

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00:15:53.330 --> 00:16:07.839

Dan Fitzpatrick: 6 months ago, whatever. And then they're able to see trends in what they're doing, and then they can change their workouts accordingly. You need to be really thinking about doing the same thing. If you're just saying, like, well, you know, I like to play the market.

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00:16:08.730 --> 00:16:32.690

Dan Fitzpatrick: That's fine, like, don't think about any of this, just play the market. But if you're really serious about running this, running your trading as a business, you need to be getting a handle on all of these things. You don't want to be over-trading, and also, you don't want to be trading totally alone. That's without a mentor or a guide, and I know a stock market mentor, I'm not talking about me.

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00:16:32.690 --> 00:16:33.800

Dan Fitzpatrick: or Scott.

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00:16:33.800 --> 00:16:41.570

Dan Fitzpatrick: necessarily, though we've been doing this for a long time, and I think we're pretty good. But frankly, if you don't know anybody else.

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00:16:42.050 --> 00:16:58.689

Dan Fitzpatrick: You can use some books. Like, get some books by good traders, and then focus on those. My suggestion is you get, like, a real-life, breathing human being to help you out. But all of these things feed on each other.

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00:16:58.690 --> 00:17:12.509

Dan Fitzpatrick: And you are not gonna be looking at all of these and saying, heck, you know, I make all of them. You probably do to some extent. Well, welcome to the human race, but the more important thing is, you're gonna find, you're gonna look at this and say, oh.

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00:17:12.950 --> 00:17:29.859

Dan Fitzpatrick: This is the one. I get really emotional when I trade, or I have no strategy at all. So, we're gonna actually go in the first one, but this is the structure for all of these, mistakes. We're gonna look at what the mistake is, what it looks like.

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00:17:30.030 --> 00:17:44.519

Dan Fitzpatrick: Alright? And then, why it happens. What's actually going on? And then, finally, the fix. And you're gonna get specific and practical rules that you can apply to your next trade.

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00:17:44.700 --> 00:18:08.529

Dan Fitzpatrick: You can't do anything about the past, however, you can use the lessons that you've learned from the past, assuming you're interested in looking back at your trading history, and then finally, you're gonna be... you're gonna learn how to fix them. And then, I'm gonna give you a handout, we'll be emailing it to you after this course. I'm gonna give you a handout with an assignment and some worksheets, for each section.

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00:18:08.540 --> 00:18:14.539

Dan Fitzpatrick: Okay? For each session. So, this is the thing, and feel free to do this right now.

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00:18:14.920 --> 00:18:24.759

Dan Fitzpatrick: I want you to rate yourself for each mistake. 1 through 5. The lowest score is the weakest

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00:18:24.890 --> 00:18:43.369

Dan Fitzpatrick: you are. In other words, if you're tra... and you can look down here, like, this is me, number one. Number five, I've got this handled, don't worry about it. And so, if, for example, you have no strategy whatsoever, and we're talking about that now, if you have no strategy whatsoever.

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00:18:43.590 --> 00:18:51.090

Dan Fitzpatrick: then you're scoring a 1 here. Now, if you have a very clear strategy, but,

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00:18:51.450 --> 00:18:58.079

Dan Fitzpatrick: So, like, this is a 5, but then you have your strategy, but you get really emotional about it.

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00:18:58.080 --> 00:19:18.950

Dan Fitzpatrick: This is a 1. So you can go through this, but here's the thing. We will retake this in Session 4. That's the last one. So just over the next couple weeks, you know, we're doing this Monday, Thursday, Monday, Thursday. Over the next couple weeks, my goal is to help you be much more self-aware.

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00:19:19.040 --> 00:19:23.849

Dan Fitzpatrick: in what you're doing. Because if, without self-awareness.

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00:19:24.390 --> 00:19:31.980

Dan Fitzpatrick: Well, this is a lesson of... in life, really, but without self-awareness, you don't know where you are, you don't know

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00:19:32.370 --> 00:19:51.780

Dan Fitzpatrick: how you can improve in what you're doing. And so, it all comes with self-awareness, and that's what we're gonna go to, today. Now, when I first started trading, seriously, like, this was the only question that I would ask. I'd get up in the morning, go, how do I make money today?

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00:19:51.780 --> 00:19:53.350

Dan Fitzpatrick: And that was a big...

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00:19:53.490 --> 00:20:09.870

Dan Fitzpatrick: That was a big deal. How do I make... and so it would be like I learned to trade options. And so, of course, anybody who's just learning to trade options does what? They buy calls, because, hey, they've learned that on unusual option activity.

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00:20:09.870 --> 00:20:18.450

Dan Fitzpatrick: They can buy a call for \$2.50 and sell it a week later for \$7.90. And maybe you can.

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00:20:18.460 --> 00:20:24.679

Dan Fitzpatrick: But you can also buy a call for \$2.50, and a week later, sell it.

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00:20:25.380 --> 00:20:41.909

Dan Fitzpatrick: For 7 cents, or 70 cents. So that was the way I first started, and then when that... it was working great during the bull market of the late 90s, but then it didn't work so well when the market shifted. And so, what did I do?

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00:20:42.140 --> 00:20:52.830

Dan Fitzpatrick: I had to start doing something else, and so all the lessons that I learned in that first strategy, just buying calls, they just kind of went by the wayside.

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00:20:52.830 --> 00:21:02.340

Dan Fitzpatrick: I couldn't apply them. The only way I could apply them is to go, okay, well, hell, I know what doesn't work, and I'm not gonna do that. And so, I strategy jumped around.

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00:21:02.340 --> 00:21:04.799

Dan Fitzpatrick: One of the things that I did

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00:21:04.990 --> 00:21:22.300

Dan Fitzpatrick: I have to admit it, is for a short period of time, I was trading in, chat rooms. Back then, they were all on JavaScript, and everybody had these, you know, Excalibur, like, all these, you know, the Wild Bull. They had all these stupid names. And...

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00:21:22.300 --> 00:21:30.060

Dan Fitzpatrick: I didn't know it at the time because I was so naive, but it was the epitome of pump and dump within the trading room.

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00:21:30.060 --> 00:21:46.129

Dan Fitzpatrick: they would pick these... and I learned about this later. They would pick these low-liquid stocks, and the guy who was running the chat room would say, oh, XYZ is about to move, it's about to move. And then magically.

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00:21:46.570 --> 00:21:59.760

Dan Fitzpatrick: 15 seconds, 30 seconds later, it screamed up. It moved to... I mean, I mean, people... people were buying hundreds of shares. In a minute, in 2 minutes, it went up.

116

00:22:00.180 --> 00:22:19.180

STOCK MARKET MENTOR

Dan Fitzpatrick: 8,000 shares worth, which is, as you know, like, no liquidity whatsoever. And so I'm watching this, and it's the typical deal that a lot of traders do. Oh, it's gone up a lot, I missed the trade. You know what? I'll see if it keeps going up a little bit more, then I'll buy. And then it goes up a little bit more.

117

00:22:19.180 --> 00:22:25.950

Dan Fitzpatrick: And I'm going like, okay, well, maybe I missed the trade, and then it goes up a little bit more, and I go, like, screw it, let's do it, I'm in.

118

00:22:25.950 --> 00:22:34.460

Dan Fitzpatrick: And then you know what happens. I buy right at the top, stock starts coming down, comes down a lot, and then it settles right back to where it was.

119

00:22:34.660 --> 00:22:39.860

Dan Fitzpatrick: And I'm typing in the chat room. So, when's the stock gonna move again?

120

00:22:40.160 --> 00:22:44.129

Dan Fitzpatrick: And there were actually people that were typing in the ticker.

121

00:22:44.730 --> 00:23:00.100

Dan Fitzpatrick: R-O-F-L-M-A-O, or LOL, because I got totally screwed on just the stock manipulation move. That was a strategy that I used for a short period of time, until I realized it

122

00:23:00.100 --> 00:23:16.590

Dan Fitzpatrick: kind of wasn't work, working. So, what you want to be doing is... feel free to go through all this stuff. Go through all of it. It's no big deal. But what you want to do, ultimately, is master one strategy, because the saying goes.

123

00:23:16.590 --> 00:23:29.260

Dan Fitzpatrick: If you try to catch two rabbits, you're not gonna catch even one. So, we want to decide on what we're gonna do. Now, a strategy is actually a decision that you've already made.

124

00:23:29.330 --> 00:23:34.409

Dan Fitzpatrick: It answers a different question. What specific, repeatable.

125

00:23:34.510 --> 00:23:38.100

Dan Fitzpatrick: market behavior am I trying to exploit?

126

00:23:38.900 --> 00:23:43.970

Dan Fitzpatrick: Okay? It has to be repeatable. If it's not repeatable.

127

00:23:44.540 --> 00:23:52.850

Dan Fitzpatrick: then it's really not a strategy. It's just... you're just trading. And so, when I say a decision you've already made.

128

00:23:53.010 --> 00:23:58.219

Dan Fitzpatrick: You look at these stocks, you look at these setups, and you say, if

129

00:23:58.480 --> 00:24:15.410

Dan Fitzpatrick: this, then that. You've already made that decision. The only thing now you have to do is wait to take action on it, and part of the decision-making is... is not just, okay, I've made a decision to buy this stock.

130

00:24:15.410 --> 00:24:20.619

Dan Fitzpatrick: It has to be based on a certain thing. Now, one thing that I did not...

131

00:24:20.620 --> 00:24:37.090

Dan Fitzpatrick: include in the book, just because, you know, at some point, you gotta... you gotta make decisions, is that, this is a... I believe it's a saying, or it's a phrase, acronym, whatever, that, fighter pilots would use. OODA, O-O-D-A.

132

00:24:37.090 --> 00:24:40.420

Dan Fitzpatrick: observe, Orient. Decide.

133

00:24:41.620 --> 00:24:56.849

Dan Fitzpatrick: this is really directly applicable to trading, too. So, when you've got a stock that you're... a chart that you're looking at, you want to learn how that's moving, and then you want to kind of orient yourself, like, and this would be where I would say.

134

00:24:56.950 --> 00:25:16.070

Dan Fitzpatrick: choose your strategy, and then you make a decision, and then finally you take action on that decision. It's pretty similar to what we're talking about, today, but what you don't want to do is be doing what I started doing at first. How do I make money today? If you're just doing that.

135

00:25:16.070 --> 00:25:23.869

Dan Fitzpatrick: You're really just hoping that you make money, and you've got a brokerage account to fool you into thinking that you're trading. You're not.

136

00:25:23.870 --> 00:25:32.530

Dan Fitzpatrick: And so, at the open, when the market opens every day, and I'm not talking about day trading, although I will say this, if you're trading.

137

00:25:32.530 --> 00:25:34.130

Dan Fitzpatrick: It's during the day.

138

00:25:34.130 --> 00:25:54.490

Dan Fitzpatrick: I'm talking about when the market opens, you've already got your strategy set up, you know what you're looking for. We'll go... I'll show you a couple trades, actually, that I put on just today. You know what you're looking for, you know what you need to see in order to take some action. So, you're not deciding

139

00:25:54.680 --> 00:25:58.499

Dan Fitzpatrick: You're just looking to see if something

140

00:25:58.610 --> 00:26:06.599

Dan Fitzpatrick: basically gets your attention. So, the way I look at it is this. The strategy picks the stock.

141

00:26:06.730 --> 00:26:08.690

Dan Fitzpatrick: Not the other way around.

142

00:26:08.820 --> 00:26:27.039

Dan Fitzpatrick: You can, if you want to, and a lot of people do this, you just find a stock. I remember a while back, I was watching a webinar that Mark Ritchie was holding, and somebody asked, so, how do I buy SanDisk? And of course, the

143

00:26:27.120 --> 00:26:29.370

Dan Fitzpatrick: You know, the real answer is, well.

144

00:26:29.470 --> 00:26:35.369

Dan Fitzpatrick: click buy. But they were asking, For the setup, like.

145

00:26:35.720 --> 00:26:37.720

Dan Fitzpatrick: When do I buy? How do I buy?

146

00:26:37.910 --> 00:26:45.459

Dan Fitzpatrick: And he said, you know, he was really honest, but he was not chastising this person, but he said, you know, it's always...

147

00:26:45.510 --> 00:27:01.880

Dan Fitzpatrick: amazed me and interested me why people would look at a stock, and just, like, I want to buy this stock. He said, I don't look at the stocks, I just have my strategy, and I look for something that suits my strategy. Now.

148

00:27:02.050 --> 00:27:09.549

Dan Fitzpatrick: Mark doesn't know about my SMART approach. I think he's just a smart trader, but what I'm talking about

149

00:27:09.700 --> 00:27:28.220

Dan Fitzpatrick: is doing the same thing. You have a strategy that you're really good at, and then you look for stocks that fit that strategy, rather than finding a stock that you want to buy, and then figuring out a way to rationalize buying it. Now.

150

00:27:28.230 --> 00:27:31.680

Dan Fitzpatrick: One caveat. If you're a long-term trader.

151

00:27:32.120 --> 00:27:37.750

Dan Fitzpatrick: You say, well, my average holding time is a year and a half, and I really, really like this stock.

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00:27:37.930 --> 00:27:45.999

Dan Fitzpatrick: okay, well, your strategy is, I'm gonna buy some of that stock, and then just kind of see how it goes.

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00:27:46.260 --> 00:28:05.470

Dan Fitzpatrick: I don't think that's a complete strategy, but it is a strategy, so if it works for you, then go ahead and do that. But what you first want to do is, again, define your strategy. If you're an option trader, great, so am I. Do you sell credit, or do you buy debits? Do you buy calls and puts, or do you sell?

154

00:28:05.470 --> 00:28:30.370

Dan Fitzpatrick: calls and puts, do you put on credit spreads, things like that. They're totally different, and I'll tell you about that in a little bit, too. Again, trades that I put on today. So, think about it this way. If you walk into Home Depot, and I've done this, much to my detriment and to the mess in my garage, if you walk into Home Depot looking for a damn screwdriver, a Phillips screwdriver.

155

00:28:30.470 --> 00:28:38.269

Dan Fitzpatrick: But you don't have a list, like, this is what I want, this is all I need. You're gonna leave with 300 bucks worth of stuff.

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00:28:38.360 --> 00:28:56.109

Dan Fitzpatrick: Guaranteed, at least \$300, because you're kind of like a kid in a candy store, wanting candy, and so, oh, that looks good, that looks good, that looks good. So you need to have some type of a checklist, and again, if it's a screwdriver, get the screwdriver and move out. Stick and move.

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00:28:56.260 --> 00:29:08.629

Dan Fitzpatrick: But, at least have some type of list that defines exactly what you're doing. And that starts with the strategy, which we'll get into today. So...

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00:29:09.400 --> 00:29:15.310

Dan Fitzpatrick: There's 3 parts to it, and if you miss one, you're gambling. Now.

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00:29:15.610 --> 00:29:22.049

Dan Fitzpatrick: We could say there's 4 parts to this, because... and the first one would be, what's your strategy?

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00:29:22.700 --> 00:29:24.269

Dan Fitzpatrick: I'm not going that.

161

00:29:24.300 --> 00:29:37.159

Dan Fitzpatrick: I'm not getting that granular. The idea is, you have a solid strategy already. You're not just sitting there looking at 6,000 plus stocks, wondering which one to buy.

162

00:29:37.160 --> 00:29:54.230

Dan Fitzpatrick: Hey, which one is... which one got an upgrade? Or something like that. So, you... I assume that you have a strategy. Now you're looking for the stock to fit your strategy, and if it doesn't fit, it's not a candidate. You just need to...

163

00:29:54.600 --> 00:30:00.750

Dan Fitzpatrick: you need to move on. Or, put another way, If the stock don't fit.

164

00:30:02.040 --> 00:30:15.669

Dan Fitzpatrick: If the stock don't fit, this ain't it, and move on. And so, then, once you're looking at the stock, you have a setup within the strategy that you're following, and if it doesn't.

165

00:30:15.810 --> 00:30:23.199

Dan Fitzpatrick: if it doesn't match the setup, then it's not your trade. And for those of you

166

00:30:23.670 --> 00:30:26.410

Dan Fitzpatrick: That know my trading style.

167

00:30:26.620 --> 00:30:38.169

Dan Fitzpatrick: You have seen me in my chart analysis. You've seen me, a lot, be writing, be talking, be showing you a stock that is starting a setup.

168

00:30:38.260 --> 00:30:49.169

Dan Fitzpatrick: Or maybe it's getting further along in the setup, and I will do something like draw an arrow going up, draw an arrow going down, with question marks, and saying.

169

00:30:49.290 --> 00:31:05.810

Dan Fitzpatrick: I don't know which way it's gonna go, but we're sure not gonna do anything until we do know. Another thing that I will do is what I call envisioning, which is to literally take my cursor and draw lines, draw vertical lines along the chart.

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00:31:05.930 --> 00:31:10.890

Dan Fitzpatrick: That essentially say, this is what I see this trade doing.

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00:31:11.030 --> 00:31:24.520

Dan Fitzpatrick: This is what I envision it doing, if I'm gonna make money. Now, as long as it does that, generally speaking, I'm good. But there are a lot of times when it doesn't do that. It goes the other way.

172

00:31:24.880 --> 00:31:36.269

Dan Fitzpatrick: it goes down when I'm expecting it to go up. And so, that's the difference, really, between a busted trade and a good trade. You have to have an opinion. And...

173

00:31:36.630 --> 00:31:40.139

Dan Fitzpatrick: If you don't yet have an opinion.

174

00:31:40.610 --> 00:31:47.719

Dan Fitzpatrick: then just wait until you do. This isn't rocket science. It's just knowing your setup.

175

00:31:47.730 --> 00:31:59.019

Dan Fitzpatrick: Using all the things that you're gonna learn, in the next sessions. And then finally, when you have your setup, that's not enough. You don't buy during the setup. You say, okay.

176

00:31:59.020 --> 00:32:12.840

Dan Fitzpatrick: where's my trigger? Where's my action point? What's the stock have to do for me to click the mouse and say, yeah, I'm going in. But you have to have all 3 of these, and it's amazing how many times you can be tempted

177

00:32:13.180 --> 00:32:32.739

Dan Fitzpatrick: to skip one of these. And by the way, a lot of times, and we'll get into this, in, I think, the next session, when you just kind of skip the setup, or you skip the trigger, a lot of times you can get into a stock that's just drifting sideways. It's not, not working.

178

00:32:32.740 --> 00:32:45.520

Dan Fitzpatrick: But it's not working either. And so, you just... your money's just kind of sitting there in a stock, and you're in... you're in danger, because if it doesn't do what you thought it was gonna do.

179

00:32:45.600 --> 00:33:00.080

Dan Fitzpatrick: Why is that? Because most of the time, it's because it's going to do the opposite thing, you just haven't figured it out yet. And so you have to wait for some type of go signal in order to say, now I'm in. And by the way.

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00:33:00.870 --> 00:33:12.280

Dan Fitzpatrick: Part of that, part of the reason for that is because if you have a go signal, if you have a trigger, then you have a reference point for where you're in.

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00:33:12.280 --> 00:33:26.890

Dan Fitzpatrick: Now you know... but you should know this already, but you've got a risk and a reward level, and on the risk side, you're looking at the stock, you're looking at the position that you have, where you have it, and you're saying, okay.

182

00:33:27.130 --> 00:33:36.220

Dan Fitzpatrick: What do I need to see in order for me to be wrong? What has to happen for me to say, oh crap, okay, trade's not gonna work out, let me get out of it.

183

00:33:36.220 --> 00:33:47.239

Dan Fitzpatrick: there will be a level, and it can either be a deep level, because the stock's super volatile, and you don't want it to be too tight. On a very volatile stock, if you have a tight stop.

184

00:33:47.240 --> 00:34:05.970

Dan Fitzpatrick: You might as well just sell it, because you're gonna get stopped out. But on those volatile stocks, you have to have a small position, because if the stock doesn't move in your favor, you're gonna lose an acceptable amount of money. If the stock does move in your favor because of the volatility, add more. You're gonna make more money.

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00:34:06.320 --> 00:34:15.899

Dan Fitzpatrick: If you're gonna be right, you want to get paid. That's the way this thing works, okay? So, you wanna match the stock, though, to your strategy.

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00:34:16.040 --> 00:34:24.389

Dan Fitzpatrick: Again, we start with strategy first, and then stock. So, if you're trend trading, and I like trend trading.

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00:34:25.040 --> 00:34:42.449

Dan Fitzpatrick: I only want to be in stocks that have the basic framework of the 50-day moving average up, it's above the 200-day moving average, which is also moving up. And there are a couple other things, too, and if you've been around for a while.

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00:34:42.449 --> 00:34:49.249

Dan Fitzpatrick: you know what I'm... you know what I'm talking about. But essentially, you want to be in a stock that's trending.

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00:34:49.270 --> 00:34:57.129

Dan Fitzpatrick: And they just run from lower left to upper right. That's a trend, that's what you want. And then after that.

190

00:34:57.720 --> 00:35:15.369

Dan Fitzpatrick: it comes down to, how am I going to get into this stock? You can buy it on any day if you want, and you're either going to make money or you're not, but the idea is we want to be buying it right, so that we have a tighter, oh crap, I'm wrong, level.

191

00:35:15.650 --> 00:35:24.529

Dan Fitzpatrick: So that we're not risking much money. But I gotta tell you, it is a balance. Because sometimes, when a stock is so strong.

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00:35:24.950 --> 00:35:33.249

Dan Fitzpatrick: you're locked out. You cannot get in. It doesn't let you in, it just keeps running. And in a case like that, a lot of times.

193

00:35:33.930 --> 00:35:41.249

Dan Fitzpatrick: Buyers just gotta buy. Now, that isn't my approach, and I'm not telling you to do that. If I was.

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00:35:41.510 --> 00:35:51.510

Dan Fitzpatrick: You can just click out of here now, because nothing else really matters. It really comes down to when are you finally going to take action? Now, if you're a day trader.

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00:35:51.630 --> 00:35:56.049

Dan Fitzpatrick: That's different, because in that respect, you've...

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00:35:56.050 --> 00:36:15.019

Dan Fitzpatrick: you know, you need a clean mover, in other words, and I teach a 59-minute trader, which is devoted to the first hour of trading, and that takes into account algorithms, it takes into account institutions versus retail buyers, and there are specific

197

00:36:15.020 --> 00:36:16.120

Dan Fitzpatrick: Triggers.

198

00:36:16.120 --> 00:36:31.069

Dan Fitzpatrick: for that. There are setups, and there's triggers for that, too. They're just different. And so, you need to, in that respect, as in all of these, you need to recognize what the patterns are, and then exploit those patterns. Now, if you're a swing trader.

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00:36:31.070 --> 00:36:41.289

Dan Fitzpatrick: You just want to see consistent institutional buying. And these are the... these are the ones, the institutions are the ones that are actually moving the stock.

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00:36:41.290 --> 00:36:55.870

Dan Fitzpatrick: They engage in what I would call buying campaigns. Let's say... and they don't need to buy a certain number of shares. They need to put a certain amount of money to work. And some big firm, maybe it's Citadel.

201

00:36:56.170 --> 00:37:11.489

Dan Fitzpatrick: Maybe it's Fidelity, whatever. Pick your... pick your big firm. And they say, like, you know, we gotta put \$500 million to work in such and such a stock. Okay, if they put \$500 million to work in Tesla, the stock would scream.

202

00:37:11.790 --> 00:37:12.979

Dan Fitzpatrick: for a while.

203

00:37:13.110 --> 00:37:28.280

Dan Fitzpatrick: after they got their fill, then the stock comes back down, because they were the market. And so, institutions, obviously, they know that, and so they have certain ways that they're buying, and they're not... the way they're buying is not to screw you.

204

00:37:28.280 --> 00:37:39.080

Dan Fitzpatrick: They don't know who you are, they don't care about you, all they care about is getting enough stock to go in, to get in. So, you know there's a few different things.

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00:37:39.780 --> 00:37:42.599

Dan Fitzpatrick: You know when institutions are buying.

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00:37:42.850 --> 00:37:55.079

Dan Fitzpatrick: Not just because the stock is trending higher, that's fine, they are. Great. You know institutions are buying when every so often, maybe it's 15 or 20% up, the stock gets

207

00:37:55.080 --> 00:38:05.880

Dan Fitzpatrick: Too far above the 50-day moving average. Too far meaning, how far above did it go the last time, and the time before, before it rolled over? Oh, typically it went up

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00:38:06.580 --> 00:38:20.869

Dan Fitzpatrick: 25%, oh, then the time before that, it was 28%, and the time before that, it was 32%. Okay, so what are you seeing? You're seeing a consistent ebb and flow of

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00:38:20.870 --> 00:38:31.800

Dan Fitzpatrick: the price trend, but with each high, it got a little bit lower than the last. And so, what does that tell you? It tells you that institutions

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00:38:31.800 --> 00:38:42.919

Dan Fitzpatrick: are kind of getting to the end of their campaign, because they don't have to keep buying as much. And so, it's these little nuances like this that you can look at.

211

00:38:42.920 --> 00:38:52.909

Dan Fitzpatrick: and really see what the institutions are doing. There's not that much to it. However, it's really, really super confusing

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00:38:53.450 --> 00:39:03.390

Dan Fitzpatrick: Until you understand what it is. Then it's totally easy. It's kind of like, you know, screwing a... taking a lid off of a mayonnaise jar. First time at it.

213

00:39:03.590 --> 00:39:09.859

Dan Fitzpatrick: you don't know what the heck you're doing. Give it to a baby, and the baby doesn't know. But after a while, once you know, like.

214

00:39:09.960 --> 00:39:28.240

Dan Fitzpatrick: Lefty-loosey, you're done. That's the end of that. So, anyway, this is a little nuance of institutional buying. And then finally, again, if you're a long-term investor, you gotta look at the fundamentals initially, because, okay, this is a stock that institutions are looking at.

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00:39:28.240 --> 00:39:34.100

Dan Fitzpatrick: And then you have to say, it's like, okay, I'm observing, and then I need to get oriented

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00:39:34.140 --> 00:39:43.460

Dan Fitzpatrick: are they actually accumulating? And you'll be able to see that, not in the fundamentals, but you'll be able to see that in the chart. So...

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00:39:43.460 --> 00:39:57.939

Dan Fitzpatrick: You've got to combine fundamentals and technicals. And by the way, the thing that I was just talking about a second ago, about the lower relative highs relative to, say, the 50-day moving average, still pretty good.

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00:39:58.280 --> 00:40:05.150

Dan Fitzpatrick: but not as much as it used to be. That's when the technicals come into play, and you just watch it.

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00:40:05.270 --> 00:40:21.639

Dan Fitzpatrick: You just watch it and see if you need to make a decision or take some action, but if the stock doesn't fit your strategy, then it's not a stock for you, so you just don't want to buy it. So, we'll look at a few here. Okay, and this is in the book.

220

00:40:23.740 --> 00:40:25.469

Dan Fitzpatrick: This was my setup.

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00:40:25.760 --> 00:40:29.640

Dan Fitzpatrick: For NVIDIA. And this was back in...

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00:40:30.060 --> 00:40:43.089

Dan Fitzpatrick: December... December of 2023 and January 2024. My setup is a trending stock, and I see the stock. This is zoomed in so you don't get confused.

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00:40:43.090 --> 00:41:01.249

Dan Fitzpatrick: It's a really, really nicely trending stock. This goes from \$27 up to \$50 in a few months, right? So, it's a nice trending stock, and you can go back further, and you'll see more, more of the same thing. Uptrend, sideways, consolidation, etc. So.

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00:41:01.250 --> 00:41:08.220

Dan Fitzpatrick: All of this in here was just noise. But then we get to here, so this is trading right along

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00:41:08.220 --> 00:41:27.970

Dan Fitzpatrick: the 50-day moving average. Finally, it breaks out. Okay, big deal. It did it there, too. That didn't amount to much. Okay, it did it here, too. A little bit nicer, but it ultimately came back down. So finally, it breaks out again, and I'm looking at this and saying, oh, this could be something. I want to buy right here.

226

00:41:28.150 --> 00:41:32.579

Dan Fitzpatrick: Okay, well, no. I didn't want to buy right there, because so far.

227

00:41:32.840 --> 00:41:46.630

Dan Fitzpatrick: I'm looking at a stock that's still trending sideways. I'm not gonna do anything there, but I see then that it hit this \$50 mark and fell back, okay, just like it did here. So now I've got a solid resistance level.

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00:41:46.740 --> 00:41:53.409

Dan Fitzpatrick: \$50. Where do I set my alert? I don't set my alert to tell me, hey.

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00:41:53.880 --> 00:42:10.969

Dan Fitzpatrick: 50 bucks. I set my alert at about 48, 49, because I want to get the early heads up. Not so I can buy, but so I can look, so I can see if that breakout is going to happen. And again, in a couple slides, I'll show you a couple other things, but...

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00:42:11.430 --> 00:42:33.280

Dan Fitzpatrick: So, this was my setup now. It held the 50, which it didn't do here. Even here, it didn't hold this. This is kind of a shakeout, but that's it for a different time. But it held the 50, then it came back and re-established this. 50 bucks, 50 bucks here, 50 bucks on several times here, then even 50 bucks here.

231

00:42:33.520 --> 00:42:48.079

Dan Fitzpatrick: So this established that \$50 is the resistance to this stock. This is where the supply is, this is where, when the stock gets up to 50 bucks, there's a lot of stockholders that say, hey man.

232

00:42:48.450 --> 00:43:06.549

Dan Fitzpatrick: here's my train car, I'm gonna go ahead and dump it in the back of the car. They're selling, and so what do I need to do to buy? I'm gonna buy right here, right? In anticipation of this move higher. No, I'm not. I don't have a trigger. All I have is a setup, okay? So...

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00:43:07.600 --> 00:43:11.290

Dan Fitzpatrick: This is where we go. This was the next move.

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00:43:11.390 --> 00:43:22.930

Dan Fitzpatrick: Okay, this is where the stock was trading here, at \$50. This was the next move. This was the breakout buy, right here. When it runs above 50, and if you look here.

235

00:43:22.930 --> 00:43:40.740

Dan Fitzpatrick: the volume was probably about 30% higher than average volume. And then the very next day, we had even more volume. So, this is when this stock is off to the races. If you're trading it in here, you're probably getting stopped out a lot, unless you're just holding it, but you're probably getting stopped out a lot.

236

00:43:40.740 --> 00:43:43.929

Dan Fitzpatrick: And then by the time you get the actual breakout.

237

00:43:44.060 --> 00:43:49.310

Dan Fitzpatrick: Maybe you've moved on, or maybe you're so beaten up by the price action.

238

00:43:49.310 --> 00:44:06.959

Dan Fitzpatrick: that you don't even believe it. Now, has anybody dealt with this kind of stuff before? But, in fact, I'm going to ask you, as I go through these, I want to see emojis. Go ahead and confess your sins. Tell me if you've done this type of thing, if you've been in and out.

239

00:44:07.190 --> 00:44:10.649

Dan Fitzpatrick: Before a stock actually breaks out here.

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00:44:10.980 --> 00:44:27.720

Dan Fitzpatrick: It... yeah, I see... that's good. True confessions. You know, think about yourself in the confessional. Bless me, Father, for I have sinned. So, we get in here at the right time, and then you're making a good amount of money, almost 50%, what, in a month and a half?

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00:44:27.720 --> 00:44:35.909

Dan Fitzpatrick: Or something. So... but you have to wait for the trigger, right? So, this is what I looked at just today, and...

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00:44:36.890 --> 00:44:47.380

Dan Fitzpatrick: I have no idea what Tesla is doing right now, but this was my setup. I've seen the stock run up here. I had a little bit of,

243

00:44:47.570 --> 00:45:02.979

Dan Fitzpatrick: You know, I'll say it, little anecdotal evidence, too. My wife drives a Tesla Model X, full self-driving, which is... it's... you almost feel guilty about it, because you just say, like, where you're gonna go, and then kick back and...

244

00:45:03.890 --> 00:45:21.870

Dan Fitzpatrick: just ride in the car while somebody else drives you. It's really nuts. And it actually... this isn't a pump for Tesla. It actually anticipates where you want to go. We... we kind of have a certain routine of what we do on Sundays, so we'll get into the car.

245

00:45:22.000 --> 00:45:41.820

Dan Fitzpatrick: And the car ba... it just says, hey man, you wanna go here? Sure, we'll do that. Then afterwards, oh, you want to go here for breakfast? Sure, we'll do that. It just tells... it's really, really easy. And so, the anecdotal evidence is 3 of her friends have ridden in her car, and they're all gonna buy

246

00:45:41.820 --> 00:45:43.790

Dan Fitzpatrick: full self-driving Teslas.

247

00:45:43.990 --> 00:45:50.199

Dan Fitzpatrick: as soon as their auto leases run out. And so, I look at that as latent demand.

248

00:45:50.420 --> 00:46:02.410

Dan Fitzpatrick: Does it mean I'm gonna buy the stock? Absolutely not, but it's something that I think about. So I'm watching how this stock ran. Nice move to the upside, then it runs right into...

249

00:46:02.680 --> 00:46:09.210

Dan Fitzpatrick: this area of supply from 450 Down to about...

250

00:46:09.650 --> 00:46:29.560

Dan Fitzpatrick: 390, something like that. You can call it 400 if you want, but this is really where the supply is, right around, actually, like, 365, right up here. And so the stock comes up here. What had been really, really crappy support, but it was support, now turns into resistance. And you'll see a low here.

251

00:46:29.590 --> 00:46:32.099

Dan Fitzpatrick: A little bit higher low, not by much.

252

00:46:32.160 --> 00:46:38.520

Dan Fitzpatrick: But it's coming up, testing the 150-day moving average, and I'm thinking.

253

00:46:39.050 --> 00:46:58.230

Dan Fitzpatrick: Okay, that's fine, but that's a 150-day moving average. A lot of people don't even look at that, but they do look at the 200-day moving average. So, I'm seeing where this stock traded, right here. The pivot is right here at 388.56. That was the high here. I think it was on...

254

00:46:58.660 --> 00:47:06.090

Dan Fitzpatrick: I forget when it was on. I think it was the 1st, October 1st. But then this came down here.

255

00:47:06.140 --> 00:47:10.509

Dan Fitzpatrick: To 1016, fine, nothing... who cares about that?

256

00:47:10.510 --> 00:47:29.059

Dan Fitzpatrick: Because it almost hit this low. But when it starts moving up again, now it gets my attention. It comes up here to the 150, volume's still okay. You got one big selling day here, heavier than average volume, and then that didn't amount to much. So now, I'm saying, okay.

257

00:47:29.160 --> 00:47:30.950

Dan Fitzpatrick: If Tesla

258

00:47:31.120 --> 00:47:41.120

Dan Fitzpatrick: breaks through 200 bucks. If it does that, then I want to be involved. And so, what do I want to do?

259

00:47:41.920 --> 00:47:43.680

Dan Fitzpatrick: I'm thinking, okay.

260

00:47:43.780 --> 00:47:56.599

Dan Fitzpatrick: If it runs up above here, then I want to buy some calls, because I think this move is real. So I'm going to buy some calls on it, and then participate when the stock runs up here, right?

261

00:47:57.000 --> 00:47:57.920

Dan Fitzpatrick: Wrong.

262

00:47:58.340 --> 00:48:04.169

Dan Fitzpatrick: It's not my strategy. My strategy is selling options, not buying them.

263

00:48:04.340 --> 00:48:07.290

Dan Fitzpatrick: And so, what do I do? I say, alright, well.

264

00:48:07.490 --> 00:48:11.270

Dan Fitzpatrick: Rather than bet on a further move to the upside.

265

00:48:11.680 --> 00:48:23.309

Dan Fitzpatrick: Maybe what I'll do is sell a bull put spread down here, and bet, and you could say it's a bet, bet that this breakout's gonna hold, wherever it holds, I don't know.

266

00:48:23.510 --> 00:48:24.320

Dan Fitzpatrick: But...

267

00:48:24.750 --> 00:48:32.459

Dan Fitzpatrick: I'm betting that the stock isn't gonna come down to, say, \$370. It's not gonna fall back into here. So...

268

00:48:32.460 --> 00:48:49.839

Dan Fitzpatrick: My strategy is to look at a stock like this, I'm waiting for the setup, I'm looking for a bull put spread, and then when I see the stock take off, that's probably going to bring in a lot of buyers and push this higher. I want to bet that those buyers push the stock up high enough

269

00:48:50.030 --> 00:48:52.380

Dan Fitzpatrick: To where it's not gonna pull back

270

00:48:52.670 --> 00:49:11.530

Dan Fitzpatrick: to hit my, my bull put spread. And why am I betting that it won't pull back? Because I know something like this leaves a lot of buyers behind. And so, if and when the stock starts retracing a bit, there's gonna be a lot of buyers that say, oh, I get the second bite at the apple.

271

00:49:11.860 --> 00:49:19.939

Dan Fitzpatrick: I'm gonna buy. And that should keep it above here. And if it doesn't, well, then I've got a trade that's not working out.

272

00:49:20.070 --> 00:49:21.100

Dan Fitzpatrick: And I...

273

00:49:21.640 --> 00:49:38.479

Dan Fitzpatrick: You know, I have to figure that out. Now, this is something that I actually drew a while back. This is my envisioning thing here, where I'm saying, like, I don't know whether it's gonna go up or down, but this is my action point.

274

00:49:38.480 --> 00:49:51.969

Dan Fitzpatrick: So, I go back and look at this trigger, and now I'm in the trade. Also, volume now. I just snapped this, about half an hour before I started this session, on the, 26th.

275

00:49:52.310 --> 00:50:09.189

Dan Fitzpatrick: And it's almost up at daily average volume, and so it's trading at 62% heavier than average volume. So this is going to be well above average volume by the end of the day. In my mind, that confirms the upside move, and it actually confirms my trade.

276

00:50:09.190 --> 00:50:17.680

Dan Fitzpatrick: Now, Victoria's Secret. This is the same setup that we saw in NVIDIA, right here.

277

00:50:18.860 --> 00:50:25.950

Dan Fitzpatrick: Okay? We got... you could say, oh, well, this is a pivot point. Well, Last August.

278

00:50:26.330 --> 00:50:39.859

Dan Fitzpatrick: I think that... that train's kind of left the station. There's plenty of time in all this selling, for the folks that bought right at the high to liquidate. What I care about more is this little setup here.

279

00:50:40.010 --> 00:50:48.189

Dan Fitzpatrick: We've got a little volatility squeeze here. We've got lows, we've got a higher low, and then a higher low still.

280

00:50:48.320 --> 00:50:59.259

Dan Fitzpatrick: these last two right along the 50-day moving average. Now, where's my trigger? I drew this red line just to show the lower highs. My trigger...

281

00:50:59.680 --> 00:51:16.950

Dan Fitzpatrick: is buying above this pivot. \$93.28. So I bought some calls on this, right? No, because that's not my strategy for this trade. I mean, because of what I do, I kind of have to have several strategies, because I'm...

282

00:51:17.080 --> 00:51:27.490

Dan Fitzpatrick: doing options for Option Market Mentor, along with Andy, and then I'm doing stocks along with Stop Market Mentor, along with my trusted sidekick, Scott.

283

00:51:27.490 --> 00:51:41.170

Dan Fitzpatrick: Who, by the way, is an assassin when it comes to trading, I can tell you that for sure. So, anyway, my decision here was not to buy calls, it's not to sell, puts, it's just like, let me buy the stock.

284

00:51:41.240 --> 00:51:49.470

Dan Fitzpatrick: And so I buy the stock for all these reasons, and I think it's gonna work out, but if it doesn't, you know, it's really okay.

285

00:51:49.600 --> 00:52:04.020

Dan Fitzpatrick: I'll figure it out. But this is... this is, Bruce Lee mentioned this, and I've talked about this before. Think about it from a trading standpoint. I fear the man who's practiced one 10,000 kicks one time.

286

00:52:04.200 --> 00:52:06.300

Dan Fitzpatrick: One time.

287

00:52:06.840 --> 00:52:25.429

Dan Fitzpatrick: And so, then, the question is, how about the man who has practiced one kick 10,000 times? That's the whole deal here. You gotta have one strategy again and again and again. And the way I teach this is with my SMART.

288

00:52:25.970 --> 00:52:37.149

Dan Fitzpatrick: approach, and this just happened to be... I wasn't saying, like, hmm, let me come up with a... with a phrase for smart. This actually just came throughout the...

289

00:52:37.150 --> 00:52:48.370

Dan Fitzpatrick: months, and actually the last few years, me trying to develop my own trading strategy that I could teach, and it just so happens that these were the 5 letters that came out of the Scrabble board.

290

00:52:48.370 --> 00:53:07.469

Dan Fitzpatrick: And it made, you know, it made sense. So, the first thing we're doing here, and this is today, your strategy and your stock. Does the stock fit the strategy? The next section, we'll get into the next time, is the market. Does the market support the trade? By the way, look down here.

291

00:53:07.760 --> 00:53:13.899

Dan Fitzpatrick: If the answer's no, There's no trade. So, does the market support the trade?

292

00:53:14.060 --> 00:53:15.449

Dan Fitzpatrick: If it does.

293

00:53:15.510 --> 00:53:28.070

Dan Fitzpatrick: Fine. Move on to the A part. And by the way, the market's not just, what's the S&P doing, or what's the NASDAQ doing? You gotta go deeper than that and say this sector that, oh, I'm buying a semiconductor stock.

294

00:53:28.070 --> 00:53:41.149

Dan Fitzpatrick: How's the semiconductor sector? What's the SMH? How's that really doing? What are the rest of the stocks doing? And you're not looking at that like, oh, well, maybe I can find a better trade in the semis. No, you found your stock.

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00:53:41.150 --> 00:53:51.839

Dan Fitzpatrick: you're looking at, it fits your setup, but now you want to see whether the market, whether you're swimming upstream or downstream. The thing about swimming downstream.

296

00:53:53.780 --> 00:53:55.240

Dan Fitzpatrick: It's easier.

297

00:53:55.500 --> 00:53:59.319

Dan Fitzpatrick: Salmon are really, really good at swimming upstream.

298

00:53:59.570 --> 00:54:13.629

Dan Fitzpatrick: But right when they start to get up to the top, it doesn't really work out too well for the salmon, because there's bears up there with empty stomachs and open mouths. So, you need to have the market helping you out.

299

00:54:14.390 --> 00:54:31.560

Dan Fitzpatrick: Then, as I've talked about today, it has to be actionable. You can't just say, like, well, I got a hunch, you know, about this one, so I'm gonna buy a bunch, and we'll see what happens. It has to have an actionable setup. And that means, by the way, that if it turns out, and listen to me, I'm giving you pearls here.

300

00:54:31.970 --> 00:54:42.789

Dan Fitzpatrick: If it turns out that the action actually happens, that you get a trigger, you were looking at the setup, you were seeing the stock at a lower level, and you're going like, okay.

301

00:54:42.940 --> 00:54:50.149

Dan Fitzpatrick: I got a feeling this is gonna work out, so I'm gonna get a head start on it. If it turns out, then, that the trade worked.

302

00:54:50.340 --> 00:54:58.319

Dan Fitzpatrick: That's great, you got a head start on it, you're making a little more money. But if you waited until you actually got the trigger.

303

00:54:58.460 --> 00:55:01.480

Dan Fitzpatrick: You didn't really risk that much money.

304

00:55:01.730 --> 00:55:08.970

Dan Fitzpatrick: But what you did was, you sacrificed a small percentage of profit

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00:55:09.260 --> 00:55:28.100

Dan Fitzpatrick: in return for certainty in the trade. And that is the exchange that you make. That's the deal with you make. That's the deal that you make. And by the way, just to finish that point, part of this strategy can be, oh, well, here's a pullback buy. But again, I'm not talking about that now. This isn't like.

306

00:55:28.100 --> 00:55:50.699

Dan Fitzpatrick: the complete trading course here. But there is a part of a setup strategy where you can buy on a little pullback, but that is actually the part of this breakout strategy. But again, I don't want to confuse you. Bottom line is, if it grows above the pivot point, we're good. Let's go for it. And so, before you enter the trade.

307

00:55:50.700 --> 00:55:54.729

Dan Fitzpatrick: You need to have your risk defined. You need to know.

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00:55:54.930 --> 00:56:13.560

Dan Fitzpatrick: How much is the stock gonna pull back before I get the trigger? Dan, you're wrong on the trade. The stock is not seeing things the way you see. Okay, that's my risk. Now, I have to look at the other side, and you can't make a stock prediction as far as where it goes.

309

00:56:13.560 --> 00:56:31.619

Dan Fitzpatrick: But you can look at the chart, you can see all of these different things that I talked about, and a lot more, too, and say, okay, if this breakout, or whatever your trade is, if it's gonna work, then the stock has to go to here, wherever it is. And then you look at the chart, and you go.

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00:56:32.080 --> 00:56:46.380

Dan Fitzpatrick: Can I envision it going here without putting my hands together and praying to the gods of Wall Street? If it can go to where you really need it to go in order for this to be a good trade, great. But if it can't.

311

00:56:46.750 --> 00:56:58.629

Dan Fitzpatrick: just pass on it. Again, every single thing has to be yes, not a no. And then finally, at the end of the trade, I want you to be tracking it. You've got to do that. So...

312

00:56:59.380 --> 00:57:11.050

Dan Fitzpatrick: What we're looking at here is to decide on one strategy, you pick a lane, and you stay in that lane. You match your stocks to your strategy. If it doesn't fit, move on.

313

00:57:11.050 --> 00:57:26.019

Dan Fitzpatrick: you define your setups clearly. Like I say, I'll set an alert, and I'll typically set it a couple points, or maybe one or two percentage before where the action point is. And at this point, and maybe you're here.

314

00:57:26.110 --> 00:57:41.929

Dan Fitzpatrick: Maybe you'll certainly get there. At this point, I don't need to draw little diagrams and say, oh, by here, or whatever, oh, this is the pivot point. You can, after a while, you can just look at the chart and you know what you're seeing. A lot of times, I do it in my videos because

315

00:57:41.930 --> 00:57:53.240

Dan Fitzpatrick: it's a good teaching mechanism, but ultimately, you're going to get to a point where you don't need to do that. You hit an alert, you look at the chart, you go, oh, okay, I know what to do. And then you wait for the trigger.

316

00:57:53.240 --> 00:57:58.340

Dan Fitzpatrick: and eliminate the almost trades. Again, 4 out of 5 is 1 too few.

317

00:57:58.340 --> 00:58:17.320

Dan Fitzpatrick: And then you want to be practicing through repetition. You don't want to always be moving around, and the idea here is don't be sitting every single day saying, how do I make money? Instead, you want to be executing when you see something to execute, but if you don't see anything.

318

00:58:17.950 --> 00:58:19.580

Dan Fitzpatrick: There's nothing to do.

319

00:58:19.790 --> 00:58:28.150

Dan Fitzpatrick: Okay? And except to wait. And think about this. Where is... what's the best use of your money? Let me know.

320

00:58:28.290 --> 00:58:32.000

Dan Fitzpatrick: Is it... Losing money on a trade?

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00:58:32.420 --> 00:58:43.110

Dan Fitzpatrick: Or is it keeping your money on the sidelines because you can't see a trade that works for you? Now, if you put your money in a trade, and it doesn't work.

322

00:58:43.470 --> 00:59:08.160

Dan Fitzpatrick: For some, that's okay, because they got a nice adrenaline rush, you know, they got that dopamine fix, and it's awesome. But that's not what good traders do. That's what new traders do that never, get to a point where they can be old traders. So, this is, anyway, what I want you to do. Go back and take that self-assessment, which you'll get a, you will get a, an email version of that

323

00:59:08.160 --> 00:59:15.290

Dan Fitzpatrick: PDF version. And again, rate yourself on all five, seven mistakes, Print it out.

324

00:59:15.540 --> 00:59:22.129

Dan Fitzpatrick: Keep it on your desk when we go through, not this Thursday, but the following Thursday.

325

00:59:22.550 --> 00:59:24.000

Dan Fitzpatrick: With a new sheet.

326

00:59:24.160 --> 00:59:49.019

Dan Fitzpatrick: See if you've got a difference here in what you're doing. And I want you... you should be able to do this in one sentence, and it might be a run-on sentence. Write your strategy, whatever it is, in one sentence on all of these things. I trade, like, uptrends. I trade strong markets, or I trade weak ones, because I like to sell bear call spreads, or I like to short.

327

00:59:49.020 --> 00:59:49.860

Dan Fitzpatrick: Whatever.

328

00:59:49.860 --> 00:59:55.780

Dan Fitzpatrick: You set... you set your trading out, you set your strategy out.

329

00:59:55.990 --> 01:00:02.420

Dan Fitzpatrick: in one sentence. You've got to be able to do that, and if you can't do that, then...

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01:00:03.050 --> 01:00:05.469

Dan Fitzpatrick: You don't have a set strategy.

331

01:00:05.770 --> 01:00:07.509

Dan Fitzpatrick: My strategy is.

332

01:00:07.680 --> 01:00:20.659

Dan Fitzpatrick: I buy breakouts from volatility squeezes when the stock is above the 200-day moving average, the 50-day moving average is above the 200-day moving average. Both moving averages are being

333

01:00:20.660 --> 01:00:40.390

Dan Fitzpatrick: are trending higher. The stock doesn't necessarily have to be above the 50-day moving average, but it would be preferred, and the stock has to have been consolidating a little bit, just to show me that there's a rest in the buying, and then I wait for the breakout, showing me that the buying is resuming.

334

01:00:41.550 --> 01:00:58.690

Dan Fitzpatrick: That's basically my strategy. I didn't have to read it off, I know it cold. You should be doing the same thing. And also, just run through this list. Again, you're gonna get a copy of this, so you're gonna get a copy of the,

335

01:00:59.140 --> 01:01:04.599

Dan Fitzpatrick: Of this session, so go back and look at it, and you should be...

336

01:01:04.600 --> 01:01:20.170

Dan Fitzpatrick: I'll tell you, even by Thursday, if you do this, and please do it, doesn't matter to me, but it does matter to you, if you do some of this, work by Thursday, you're gonna have a much better handle on what you're trading. And in fact, on Thursday.

337

01:01:20.260 --> 01:01:22.870

Dan Fitzpatrick: At some point, maybe it'll be at the beginning.

338

01:01:23.370 --> 01:01:45.650

Dan Fitzpatrick: But at some point, I'm going to ask you, in the Q&A, in the chat box, what is... what's the problem that you had been having the most difficulty with, and has it changed? And maybe the answer is, no, I'm still dealing with it. Or, no, actually, I found a different problem that's even worse. But I want you to be accountable, not to me, but yourself.

339

01:01:45.650 --> 01:01:49.399

Dan Fitzpatrick: Okay? So, I want to take some questions here. We got...

340

01:01:49.880 --> 01:01:59.459

Dan Fitzpatrick: What, I went 1 minute over on the hour, so, sorry about that. But, Scott, though, actually, just going one minute over, that's pretty good, isn't it?

341

01:01:59.460 --> 01:02:03.449

Scott McGregor: I mean, I was expecting 30 or 40, so 1 minute is totally...

342

01:02:03.450 --> 01:02:07.859

Scott McGregor: Totally doable. Okay, Dan, we do have a few questions here. First off.

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01:02:07.860 --> 01:02:27.940

Scott McGregor: I'm gonna go... so we have the chat room, and then we have the Q&A box. Guys, now's a good time to put your questions in the Q&A box. One question from the chat room, though, Dan, from Morris, asking about tracking option trades and stock trades. Do you track both option trades and stock trades, or just stock trades?

344

01:02:28.340 --> 01:02:46.920

Dan Fitzpatrick: I definitely track stock trades. The thing about option trades is, it's a little bit... I do track option trades, too, but this is how. It's a little bit easier for me, actually, to track option trades, because, I don't do that many of them.

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01:02:47.180 --> 01:03:00.159

Dan Fitzpatrick: I'm just focusing on, like, I'm practicing what I'm preaching and what I'm teaching. I just focus on the, quote, blue-collar option strategies, which is kind of like the wheel, which is...

346

01:03:00.240 --> 01:03:23.900

Dan Fitzpatrick: selling calls and puts. You buy a stock, and then you sell a call against it. If you get... if you get this stock called away from you, great, you made money on what you sold, as well as the capital gain. Then you can do... kind of do the same thing again. Or, I'll sell puts, and if the stock stays above the put level, great, I make money, I'll do it again. If the stock falls below the put.

347

01:03:23.900 --> 01:03:30.130

Dan Fitzpatrick: then I get more stock put to me, and because I had a specific strategy for buying the stock.

348

01:03:30.130 --> 01:03:39.250

Dan Fitzpatrick: That's okay, too. I'll sell a call against that. So I have a specific strategy, but it's not an everyday strategy. It's...

349

01:03:39.380 --> 01:03:42.019

Dan Fitzpatrick: Maybe make a couple trades a week.

350

01:03:42.310 --> 01:03:47.400

Dan Fitzpatrick: And frankly, if I wasn't, doing options for Option Market Mentor.

351

01:03:47.640 --> 01:04:05.819

Dan Fitzpatrick: I probably wouldn't change much. Maybe I'd go in a little bit bigger size, because I don't have to monitor everything for somebody else. But those are the trades that I put on, and with the Option Market Mentor, trading tool, you can also look really, really easy.

352

01:04:06.290 --> 01:04:10.899

Dan Fitzpatrick: click on a tab and see, like, close trades from Dan.

353

01:04:11.100 --> 01:04:28.799

Dan Fitzpatrick: And I can go into the notes on each trade that I have closed, and see the whole trade, what have I done, what was my rationale for closing it, either for a profit or a loss, and that's been a... that's a really, really good tracking mechanism for me

354

01:04:28.800 --> 01:04:31.889

Dan Fitzpatrick: right there. Now, in addition to that.

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01:04:31.960 --> 01:04:38.859

Dan Fitzpatrick: We are... I've got, Renee, a lady named Renee, who's a monster trader. Some of you

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01:04:39.070 --> 01:04:52.270

Dan Fitzpatrick: hopefully have seen her videos on tracking your trades. She loves TradeTrack, and what we're instituting, we're actually working on it right now, is to be instituting an option tracking

357

01:04:52.290 --> 01:05:01.969

Dan Fitzpatrick: mechanism for trade track as well. It was just really engineered for stocks, but we're making that into a tracker for options, too.

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01:05:02.000 --> 01:05:07.139

Dan Fitzpatrick: I don't expect that to take too much longer, because I'm kind of flogging the...

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01:05:07.630 --> 01:05:16.520

Dan Fitzpatrick: flogging the plow horse a little bit and saying, we gotta get this thing rolling. So, that's what I do right now. I would recommend... but here's the thing.

360

01:05:17.030 --> 01:05:34.759

Dan Fitzpatrick: if you're doing all kinds of different strategies for options, it's probably going to be pretty hard for you to, to track those, because you're just all over the place. So, what I'd suggest is focusing on one strategy and absolutely track those. Absolutely.

361

01:05:35.390 --> 01:05:52.120

Scott McGregor: Okay, fantastic. And then to follow up on that, Beau is asking about special software that you use to track your trades. Dan, why don't you tell us about Tradetrack.com, and how people can leverage that website to do exactly what you're saying?

362

01:05:52.120 --> 01:05:57.190

Dan Fitzpatrick: Yeah, I can... I can do that. Let me pull a...

363

01:05:58.030 --> 01:06:07.110

Dan Fitzpatrick: Well, I can get... I don't need the PowerPoint anymore, so let me just get... get rid of that. Okay, going for trade track now.

364

01:06:15.900 --> 01:06:16.880

Dan Fitzpatrick: Okay.

365

01:06:17.520 --> 01:06:29.610

Dan Fitzpatrick: I haven't, I'm doing some... we're doing some stuff on this, so, some of these are... are good trades, some of them... some of them are not. Though, this is how... this is how I would look at these, so...

366

01:06:29.610 --> 01:06:39.020

Dan Fitzpatrick: I'm saying, like, okay, I want to see which trades I put on, like, which are the most recent trades I put on. So I'll...

367

01:06:39.900 --> 01:06:43.410

Dan Fitzpatrick: I'll look at it this way. And you can see, I mean.

368

01:06:43.620 --> 01:06:56.069

Dan Fitzpatrick: this is not a complete picture, because we're working on programming, but I can sort it this way. I can look at my duration of trades, and so, like, again.

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01:06:56.360 --> 01:07:10.259

Dan Fitzpatrick: don't look at these so much other than what I'm talking about here. But what I want to know when I look at this is, are the trades that I'm holding for the longest time actually making the most money?

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01:07:10.420 --> 01:07:18.840

Dan Fitzpatrick: And some are, some aren't. Again, some of these might be this, this, this much money.

371

01:07:19.020 --> 01:07:35.779

Dan Fitzpatrick: Because we were doing some coding on it and realized that that trade was closed 5 months ago, or something. So, again, don't pay attention to this. I look at where my R's are, like, how much money did I make per, the money that I'm risking?

372

01:07:35.780 --> 01:07:51.709

Dan Fitzpatrick: And so I can do this, and I look at a lot of this stuff all the time. It also tells me how much money I can expect to make on any given trade at any given time. And so, right now.

373

01:07:51.840 --> 01:07:53.010

Dan Fitzpatrick: I've got...

374

01:07:53.110 --> 01:08:12.879

Dan Fitzpatrick: an expectancy of \$15,418 on my next trade. I can calculate all this, and it's based on what my average gain was, what my percentage win-loss ratio was, and then what my average loss was. So this tells me that year-to-date.

375

01:08:13.080 --> 01:08:17.709

Dan Fitzpatrick: I'm making \$92,500 on this account.

376

01:08:17.890 --> 01:08:29.879

Dan Fitzpatrick: This is the kind of stuff that you want, because if you know, for example, that based on not what you hope, not what you dream, not what you think, but based on what you've actually done.

377

01:08:30.270 --> 01:08:32.689

Dan Fitzpatrick: If you look at this and say, wow.

378

01:08:32.770 --> 01:08:45.640

Dan Fitzpatrick: If I just keep trading the way I have been trading, I gotta make some trades, because with each trade, I'm expected, not guaranteed, I'm expected to make 15,000. Now.

379

01:08:45.700 --> 01:08:56.890

Dan Fitzpatrick: You can also say, okay, well, that's fine year-to-date, good for me. I'm doing great. But you can say, alright, well, what about the last 3 months? Let's see what that looks like. All right.

380

01:08:57.140 --> 01:08:58.660

Dan Fitzpatrick: That's a little different.

381

01:08:58.779 --> 01:09:12.400

Dan Fitzpatrick: Because now, just over the last 3 months, crap, my expectancy is, I'm gonna lose money, I'm gonna lose almost \$300. Not as bad as the other one is good, but this can tell me

382

01:09:12.510 --> 01:09:21.139

Dan Fitzpatrick: how my performance is done versus 6 months ago, or 9 months ago. And, for those of you that remember.

383

01:09:21.960 --> 01:09:37.420

Dan Fitzpatrick: my training, or I think it was a Saturday study session where I talked about the performance of the active trade list over the first quarter, the second quarter, and the third quarter, that we could see that

384

01:09:37.430 --> 01:09:42.319

Dan Fitzpatrick: using the worst part first. The third quarter.

385

01:09:42.319 --> 01:09:59.179

Dan Fitzpatrick: was really not good at all. I think it might have even lost money, or at least it didn't make much money at all. The second quarter was pretty good. Relative to the third quarter, it was awesome. But the first quarter was smokin' hot.

386

01:09:59.210 --> 01:10:15.199

Dan Fitzpatrick: And so, what does that tell us? It tells you... tells us that over the year, the performance of this list of trading ideas has suffered. It has gone down, okay? That's good information to know.

387

01:10:15.670 --> 01:10:26.820

Dan Fitzpatrick: what does it tell me? Oh, well, I need to shore up my trading, or I need to do this, or I need to do that. Of course it does. Absolutely. However, it tells me more than that.

388

01:10:26.940 --> 01:10:45.470

Dan Fitzpatrick: It tells me what the trend is in my trading, and then I compare that to what the market's doing. And if the market has been pretty tough over the last few months, I think, okay, well, how was it during the first 3 months, and then the next 3 months? And if it was different.

389

01:10:45.740 --> 01:10:49.239

Dan Fitzpatrick: then I look at my results and say, okay.

390

01:10:49.740 --> 01:11:04.699

Dan Fitzpatrick: I got what was going on. I was doing SART, not SMART. I wasn't looking at the overall market. So again, this helps. So, what do we do? Like, let's say we want to put on a trade. We want to add a new trade.

391

01:11:05.520 --> 01:11:07.789

Dan Fitzpatrick: I can just, like, let's say...

392

01:11:09.540 --> 01:11:12.290

Dan Fitzpatrick: Let's say I want to do that VSXY.

393

01:11:12.830 --> 01:11:14.570

Dan Fitzpatrick: Might as well put it in.

394

01:11:14.670 --> 01:11:15.650

Dan Fitzpatrick: Okay?

395

01:11:16.460 --> 01:11:20.799

Dan Fitzpatrick: All right, VSYX, put in at 9505.

396

01:11:23.030 --> 01:11:35.839

Dan Fitzpatrick: And there's more to this, like, you can use a trade calculator and all that, but I'm not gonna do that here. And then the current stop is \$88.50, so I put that in. Okay. Fill out the shares.

397

01:11:38.120 --> 01:11:55.020

Dan Fitzpatrick: Okay, 200 shares. Okay, so this... I'm buying this at \$95.05, my stop is at \$88.50, I'm putting in 200 shares. This is what my total cost of the trade is, okay? How much am I risking if I get stopped out based on my position size?

398

01:11:55.020 --> 01:12:01.270

Dan Fitzpatrick: I'm risking, \$1,300. My percent risk on the trade is almost 7%.

399

01:12:01.510 --> 01:12:07.430

Dan Fitzpatrick: That's okay, okay? Hope for the best. This is just for you guys.

400

01:12:08.300 --> 01:12:15.679

Dan Fitzpatrick: Okay? So I'm adding a new... I can just add this. Now, what if I'm saying, okay, well, you know, I don't want to risk

401

01:12:16.580 --> 01:12:34.680

Dan Fitzpatrick: 19,000. You can go to a trade calculator, which, again, I'm not going to show you. This is not intended to market TradeTrack, though I shouldn't even need to market it. But, instead, I'm saying, well, I want to risk, like, 10,000's my max. Okay, well, let's start at 100, then. Okay, so...

402

01:12:39.300 --> 01:12:40.090

Dan Fitzpatrick: Fair.

403

01:12:40.220 --> 01:12:43.369

Dan Fitzpatrick: I'm risking \$10,000, or I'm risking...

404

01:12:43.970 --> 01:12:58.139

Dan Fitzpatrick: trading, \$10,000, but I'm risking \$694, and I'm, that's dollar-wise, and I'm risking 689%. So then I add the trade.

405

01:12:58.390 --> 01:13:04.660

Dan Fitzpatrick: And then it goes right on the list. So, that is how I do, that's how I use TradeTrack.

406

01:13:05.670 --> 01:13:09.109

Scott McGregor: Okay, and then someone is wondering, is the book available now?

407

01:13:09.440 --> 01:13:11.769

Dan Fitzpatrick: No, it was supposed to be.

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01:13:12.010 --> 01:13:18.939

Dan Fitzpatrick: It was supposed to be, that's why they put it out, Let me actually... I gotta...

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01:13:23.630 --> 01:13:41.769

Dan Fitzpatrick: Okay, no, not yet. It should be... I mentioned this at the beginning, it was supposed to be out, actually, Saturday, but Amazon's saying, you know, well, it's gonna be a little delay, call volume is heavier than normal. And so, when it is, I'll go ahead and let you know.

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01:13:41.770 --> 01:13:46.170

Dan Fitzpatrick: I would expect it to be literally any day now. So...

411

01:13:46.290 --> 01:13:58.709

Dan Fitzpatrick: Hopefully it will be, we'll see. So, okay. And, yeah, and we'll, we'll let you know. Sorry about that, because I know I've been saying for the longest time, hey, you know, it's ready to go, it's ready to go. So...

412

01:13:59.130 --> 01:14:22.350

Scott McGregor: No problem. And then Anthony has a great question here, Dan, saying, I day trade certain strategies, the first and second hour of the day, and I swing trade and trend trade with different strategies. Is that too much? And does Anthony need to decide on one strategy? Should he be just a day trader, or just a swing trader, or just a trend trader?

413

01:14:22.350 --> 01:14:24.850

Scott McGregor: How do you manage those various strategies?

414

01:14:24.850 --> 01:14:32.260

Dan Fitzpatrick: Okay, yeah, that's a really good question, but it's actually an easy answer. Anthony, how are you doing?

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01:14:32.440 --> 01:14:44.020

Dan Fitzpatrick: How are you doing... because they are different, they're different strategies. How are you doing in these two strategies? Are you... is it really, really tough? Are you losing money?

416

01:14:44.020 --> 01:14:52.689

Dan Fitzpatrick: on, on your strategies. Are you losing money in day trading? Or is the, as the saying goes, is the juice not worth the squeeze?

417

01:14:53.200 --> 01:14:55.130

Dan Fitzpatrick: You're making a little bit of money.

418

01:14:55.260 --> 01:15:10.950

Dan Fitzpatrick: But man, you're spending a lot of time on it. Or are you making, money on day trading, but because of day trading, because that's your deal, which is admittedly a short time frame, then are you struggling on your swing trading?

419

01:15:11.690 --> 01:15:29.350

Dan Fitzpatrick: Because you're always looking at it from a day trader's perspective, and you're looking at the 1-minute and the 5-minute chart, and you're thinking, okay, well, I gotta get out of this. The stock's, stock's moving lower, and then later you zoom out at the daily chart, or certainly the weekly chart, and you go like.

420

01:15:29.470 --> 01:15:43.319

Dan Fitzpatrick: what was I doing? There's nothing wrong with this stock. So, the answer really comes down to, how are you doing? Because I think that, and this is what I coach, that I think it's better

421

01:15:43.440 --> 01:15:51.850

Dan Fitzpatrick: for people to focus on one strategy. However, once you... once you get that strategy down.

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01:15:51.930 --> 01:16:07.600

Dan Fitzpatrick: It's really okay to zoom out and pick up a different strategy, but you have to first have one that works for you, so then you're augmenting it, as opposed to just kind of mixing things up. And you think about.

423

01:16:08.390 --> 01:16:16.330

Dan Fitzpatrick: I don't know, this just came to mind. You think about a baseball pitcher. Okay, somebody has a wicked curveball. That's their bread and butter.

424

01:16:16.530 --> 01:16:27.719

Dan Fitzpatrick: Well, they're not gonna throw a curveball every time, because there's some batters that love to hit curveballs. So they get a... they have a second pitch. Maybe it's a... you know, maybe it's a greaseball.

425

01:16:28.680 --> 01:16:50.450

Dan Fitzpatrick: Maybe it's a fastball, maybe it's a slider, whatever. But they have something else in their arsenal. So you can be doing the same thing in trading, but I think it's better to first decide on one. But again, don't let me discourage you from doing both strategies, but the overall question is, are you still... are you doing well in both of them? And if you're not.

426

01:16:50.730 --> 01:16:58.790

Dan Fitzpatrick: Don't practice the one that you're the worst on to make it better. Practice the one that you're the best on to make it great.

427

01:16:58.850 --> 01:17:14.399

Dan Fitzpatrick: That's the... that's a problem that a lot of people have, and not just in, not... not just in trading, but in life, or in business, or whatever, where they find, well, what's my weak spot? Okay, I'm gonna... I'm gonna work on that, I gotta shore that up. No.

428

01:17:14.400 --> 01:17:24.340

Dan Fitzpatrick: what's my strong spot? Okay, cool, I'm already good at that, let me be great. I'll subcontract the stuff that I'm weak in to somebody else. So, anyway, that's,

429

01:17:25.100 --> 01:17:27.229

Dan Fitzpatrick: That's what I've got to say about that.

430

01:17:27.520 --> 01:17:39.390

Scott McGregor: Okay, and then we had a question, I answered it, just in a direct message here, Dan, but if people want information on how to join TradeTrack, should they just email karen at stockmarketmentor.com?

431

01:17:40.680 --> 01:17:42.160

Dan Fitzpatrick: Yeah,

432

01:17:43.120 --> 01:17:56.510

Dan Fitzpatrick: I will have... I'll actually have Karen, send out a... yes, the answer is sure. You know, email Karen at stockmarketmentor.com, and she can help you with that. But I will also send out, a...

433

01:17:56.510 --> 01:18:04.850

Dan Fitzpatrick: I'll send out an email, or I'll have Karen do it, letting you know how to do that. It's pretty easy to do, so, you know, we'll get that done.

434

01:18:05.200 --> 01:18:13.590

Scott McGregor: Okay, and then from Chris, asking about the slides from the presentation, will you be making that available to people when they get the recording?

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01:18:14.950 --> 01:18:17.550

Dan Fitzpatrick: I hadn't planned on it, but... sure.

436

01:18:17.810 --> 01:18:27.609

Dan Fitzpatrick: They're not a secret. So, yeah, I'm happy to... I'll just give them to you in a PDF. So, yeah, that's fine. Thanks for asking. I hadn't... again, I hadn't even thought about that, but why not?

437

01:18:28.360 --> 01:18:31.980

Scott McGregor: And then Steve is asking, how long did it take you to write the book?

438

01:18:31.980 --> 01:18:38.069

Dan Fitzpatrick: Well, good question. First of all, I don't have it here. My...

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01:18:38.350 --> 01:18:53.099

Dan Fitzpatrick: My blue collar... we'll go to the next one. My blue-collar option book is 300 pages, and it's done, except for, like, the cover art, the acknowledgements.

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01:18:53.610 --> 01:18:59.370

Dan Fitzpatrick: I think there's a couple things still to put in the appendix. I tend to be a little bit...

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01:18:59.540 --> 01:19:05.919

Dan Fitzpatrick: scattered, mania, whatever, and I'll go from one thing.

442

01:19:05.920 --> 01:19:20.989

Dan Fitzpatrick: To the next, which, by the way, is what killed me in trading, until I figured, like, okay, well, no, I need to... if I'm gonna be frenetic about something, it shouldn't be trading. But... so I've got that written, and I've got my Trade Smarter Don't trade at all.

443

01:19:20.990 --> 01:19:28.120

Dan Fitzpatrick: book, probably about 70% to 80% there, so I've been doing other things other than...

444

01:19:28.280 --> 01:19:44.039

Dan Fitzpatrick: this 7 Mistakes book, but to answer, that's the long-winded answer. The short, term, or the short answer is, this should be done, in the next, you should be able to get this within the next week, but how long did it take me?

445

01:19:44.330 --> 01:19:57.410

Dan Fitzpatrick: It literally took me, over a year, probably a year and a half, but this is why. First of all, I wasn't working on it full-time, obviously. But also, it started out

446

01:19:57.750 --> 01:20:08.989

Dan Fitzpatrick: I'd talked to Steve Burns about it. It started out as kind of like a lead generation book, maybe... maybe 15 pages, maybe 20 pages, but then the more I looked at it.

447

01:20:08.990 --> 01:20:18.300

Dan Fitzpatrick: the more I realized, okay, well, I want to put this in there, too. Oh, well, this is important. And after a while, it just grew to this something, it grew to this,

448

01:20:18.900 --> 01:20:34.530

Dan Fitzpatrick: into a totally different thing. And that's when I thought, okay, I'm not gonna do a... I'm not gonna use this just to generate attention. I'm gonna make this into a book that people can actually use, not just look at. And so...

449

01:20:34.890 --> 01:20:36.710

Dan Fitzpatrick: That's why it took so long.

450

01:20:38.010 --> 01:20:38.760

Scott McGregor: Okay.

451

01:20:39.120 --> 01:20:57.400

Scott McGregor: A question here from Beau, saying, thank you, it's been a few years since I was a member of SMM. Do you send out alerts when you enter a trade? And is it easy to log into the website to see a handful of open trades or watch lists for stocks that are waiting for an action trigger?

452

01:20:58.520 --> 01:21:09.149

Dan Fitzpatrick: Okay, good question. Let's see if we can come up with an answer. First of all, Scott, how do you... how do you send out your trades? I mean, you're a crypto. Crypto god.

453

01:21:09.640 --> 01:21:32.239

Scott McGregor: Yeah, so my trades get sent out via email and in the Telegram channel, and then we have a static page where people can see all of our open ideas, and if there... and then every day, typically at the end of the day, we'll send out an update email with all of our open ideas, and so at Crypto Market Mentor, people can look to see if there's any good ideas or actionable trades.

454

01:21:32.240 --> 01:21:33.999

Scott McGregor: Within the sheet every day.

455

01:21:34.000 --> 01:21:43.410

Dan Fitzpatrick: Okay, great. And then for Stock Market Mentor, yeah, if we put on a trade on the active trade idea list, I'll go ahead and send out an email.

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01:21:44.520 --> 01:21:52.039

Dan Fitzpatrick: Put this in the... in the video, or send it out, open this on the active trade list, and then, for example.

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01:21:52.040 --> 01:22:05.100

Dan Fitzpatrick: This one, we just put out, VSXY, I just covered this earlier in this session, put out VSXY today at 9505. So this was the note that went out, and you can look at it right here.

458

01:22:05.450 --> 01:22:19.110

Dan Fitzpatrick: explains the whole trade. This gives you, when you think about it, this gives you everything you need. I'm telling you what the strategy is. Don't go into the market here just because we gotta keep the length there short, but...

459

01:22:19.140 --> 01:22:33.150

Dan Fitzpatrick: Market's fine. And then, is it actionable? I explain what the actionable, trigger was. And then definitely be looking at the risk-reward, and that gives us the R multiples here.

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01:22:33.150 --> 01:22:42.799

Dan Fitzpatrick: Right now it's a flat trade, and then it tells us what the stop is, and how much our risk is if we are stopped out. So, that's the way...

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01:22:42.800 --> 01:22:50.999

Dan Fitzpatrick: we track the trades that I send out, and then I am making... I'm gonna be changing this as far as

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01:22:51.000 --> 01:23:05.459

Dan Fitzpatrick: giving stocks, again, that are even... that are still, like, working, but for whatever reason, we didn't get a perfect entry, things like that. So I'm gonna make this more targeted, as it is right now. These are...

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01:23:05.460 --> 01:23:21.029

Dan Fitzpatrick: just stocks that I feel like were, were, warranted at that time, keeping in front of you. And so, I will... you can go in, look at this, and say, okay, what was a realized.

464

01:23:21.030 --> 01:23:39.190

Dan Fitzpatrick: P&L. This kind of stuff does not apply to where I closed the trade out. It's something else. So, that's how you would look at this type of thing. So, if that helps, hopefully. But again, I'm going to be changing this to make it more focused, so that if somebody goes here and goes, like.

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01:23:39.830 --> 01:23:54.479

Dan Fitzpatrick: Okay, well, I... I don't have any of these stocks now, what do I do? You can look over here and say, okay, well, I'm gonna apply what I learned, what I know about trading, to this list of stocks, and see if I can find the right setup

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01:23:54.480 --> 01:24:00.770

Dan Fitzpatrick: And apply the smart trading strategy. So that's what I'll be doing. We're working on that as well.

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01:24:02.530 --> 01:24:04.569

Scott McGregor: Awesome, Dan, that's all we have for questions, my friend.

468

01:24:04.570 --> 01:24:22.709

Dan Fitzpatrick: Okay, that's it, huh? Alright, man. So, I'll say it again. With the... without the Q&A, it was a buck. It was... it was, 60 minutes. It was 1 hour. So, let me pat myself on the back. Guys, was this... did this work for you? Is this, is this, time well spent?

469

01:24:25.740 --> 01:24:26.939

Scott McGregor: Lots of emojis coming in.

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01:24:26.940 --> 01:24:35.150

Dan Fitzpatrick: Okay, I'll take it. I'll take it. I don't see... I'm so happy I don't see any poopies, and just because I said that, don't be a...

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01:24:35.150 --> 01:24:47.549

Dan Fitzpatrick: Don't be a wise acre and send one. So, yeah, and if you, if you've got any thoughts on this, you can go ahead and email me at Stock MarkDan at stockmarketmentor.com. I read them all.

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01:24:47.550 --> 01:24:56.250

Dan Fitzpatrick: Or just Karen at stockmarketmentor.com. So, I appreciate you guys coming. This has been a, you know, an awesome...

473

01:24:56.470 --> 01:25:07.980

Dan Fitzpatrick: Awesome experience, and I'm really, really excited about, about getting this book out. It will be... it's the first of many. This is the hard...

474

01:25:07.980 --> 01:25:18.119

Dan Fitzpatrick: cover, and again, like, the Kindle version's gonna be... I think it's \$3.99, so hopefully you're happy to spend 4 bucks on me.

475

01:25:18.770 --> 01:25:22.119

Dan Fitzpatrick: So, Scott, you're awesome, brother. I appreciate it.

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01:25:22.120 --> 01:25:32.140

Scott McGregor: Great session, man. I'm looking forward to the other ones. I think this is a real powerful book that's really gonna help people, so thanks for writing it, Dan. I appreciate that, and I know everyone else will, too.

477

01:25:32.140 --> 01:25:44.379

Dan Fitzpatrick: Yeah, well, thanks. I... yeah, thank you very much. It's been kind of a labor of love, but sometimes you also hate the one that you love, so it depends on how things go. So, alright, everybody, have an awesome day.