



## Strategy Session

July 25, 2025

Dan emphasized staying aligned with the current strong market trend and advised traders not to overthink profitable positions. He highlighted the importance of the 8-day EMA as a key support level during trending moves and discussed two-sided fear: fear of losing profits and fear of missing out. Dan analyzed opportunities in homebuilders as position—not momentum—trades, and reviewed setups in stocks like Tesla, OKLO, Amazon, AI, and others, noting strategies such as selling puts for income and using measured moves for price targets. He also emphasized distinguishing between trades and investments, stressing that daily monitoring of long-term holdings can lead to impulsive decisions. Finally, Dan showcased several stocks (e.g., GE Vernova, DoorDash, Vertiv) from his new “launching pad” scan and wrapped up with a reminder of his golden rule: **“Don’t lose your dough.”**

### Next Steps:

1. Traders to focus on trend-following setups using the 8-day EMA as a key guide for entries and exits.
2. Avoid over-managing winners; let strong trades like OKLO and Amazon continue to develop.
3. Homebuilders (e.g., XHB) to be treated as position trades, not momentum trades—wait for second entry opportunities after pullbacks.
4. Monitor Tesla and similar stocks for recovery after earnings disappointments, consider put spreads or hedged trades.
5. Review trade setups and risk levels for active names: OKLO, LIDOS, AI, Amazon, FNGU, and RECURSION.
6. Keep an eye on watchlist candidates like Vertiv, GE Vernova, DoorDash, and LE Systems for potential breakout trades.
7. Use price alerts (e.g., \$460 on LE Systems) to stay organized and respond to trade opportunities without forcing entries.
8. Differentiate between investments and trades to avoid emotional decisions—long-term holds don’t need daily scrutiny.
9. Take advantage of strong market trends but maintain discipline with position sizing and stop-loss placement.
10. Revisit Dan’s “First Rule of Trading”: *Protect your capital above all else.*

### Transcript:

0:00: All right, everybody, Dan here.

0:03: The market's just really strong here and my suggestion is just don't overthink it.

0:08: As long as you see, the eight-day exponential moving average is just one that, that we tend to use, that's this one.

0:19: As long as you see this acting as support, there's really no reason to like don't overthink it and see how it's acting as support here we'll check this out.

0:30: It's support all the way up and each each day here you could say, oh well this is the top, this is the top.

0:38: Look at this.

0:38: Oh my gosh, it's right back where it was here.

0:41: Look at the 8th day.

0:45: Still going, so my point is, don't be overthinking it.

0:51: It can be difficult sometimes.

0:53: I get it.



0:55: It can be difficult to stay in when you've got, let's say you got really nice profits and you really don't want to let them go.

1:04: There's two sides of fear.

1:06: There's the fear of losing money and then there's the fear of missing out on profits.

1:11: And so I'll just say, a lot of as long as you're in a nicely trending stock, the trend will virtually always last longer than you think it will.

1:23: Because if it doesn't, that means that you've top ticked the stock, and that's extremely difficult to do.

1:30: I've done it one time.

1:33: Since 1996.

1:36: Not that I haven't tried, so, a couple things first of all, the home builders.

1:42: I think these are These have potential here.

1:46: I mentioned the other day on this breakout.

1:49: , like here, and this was on, on Tuesday, you can look at all of them, They all kind of did, they all kind of did, the same thing.

2:04: they all just kind of broke out, but.

2:08: Then they pulled back and I had mentioned that I wouldn't that I, I see these breakouts like above the 200 day moving average but you don't want to chase them and this was something that I was talking about this morning in another context but you don't want to chase these breakouts from bases because most of the time, not all the time, but most of the time they will pull back and give you a second chance.

2:33: And that's just a simple function of whatever the big buying pressure was to squirt this thing higher at some point that buying pressure, it's institutions typically they'll say you know what, we can't keep bidding against ourselves we got what we got.

2:51: Let's take our foot off the gas and see what happens and then that's what we're seeing here.

2:56: So this pulls back and then now you're finding some support here, right?

2:59: OK, so with the XHB.

3:02: We see the same thing.

3:04: You get a breakout and then a pullback.

3:06: So these are not momentum trades.

3:10: These are position trades if you are, if this is the type of thing that, that kind of gets your blood going, again, it would be more of a position thing.

3:23: This is still well below.

3:26: Like the the most recent high here back in back in November, it's a turnaround here.

3:34: The home builder, same thing, so this is different than.

3:40: You know, stuff like Nvidia, or shoot, Palantir, certainly.

3:46: It's very different than this kind of stuff.



3:49: so with the home builders, I'm just kind of mentioning this, I, I was gonna say I would like to add, home builders, but frankly, I'm not gonna be that dogmatic about it.

4:02: If I feel like we're gonna get some nice setups and some continuing moves higher, I will, but I'm not, guys, I'm not trying to be right here.

4:12: I'm just trying to be in the right stocks.

4:15: And so I'll say the same thing I say on virtually every stock.

4:20: If you buy it here, you're probably gonna make some money.

4:23: The problem is you just don't know whether it's going to take a big dump before it runs up to new highs.

4:29: So, I'm watching it, but I'm not enthused about it yet.

4:34: Now, Tesla, this stock is really stinking up the joint.

4:38: Here's why I'm mentioning it to you.

4:41: Because on Thursday, you know, the company, I think it was actually Wednesday night, but then Thursday, the stock opened up, they had earnings that the market didn't like.

4:54: And the stock traded down on that day, almost to 300.

5:01: And so this is not a stock that I would have bought, I mean, you could as a day trade, but on option Market mentor, I have my what I call my blue collar option trades, which really just means.

5:15: They're nothing against blue collar folks.

5:18: I used to be one of those.

5:19: I would say I actually still am now, but, they're simple trades not difficult to understand, and they tend to be really profitable.

5:29: So in this one, I said, look, let's go ahead and sell some \$300 puts, but then to that means that if you sell a \$300 put, that means that somebody can make you buy the stock at \$300.

5:44: But I said let's protect ourselves by buying a 295 ft, which means that now you're in kind of a hot potato situation.

5:54: If somebody makes you buy the stock at \$300 you can turn right around and make somebody else buy it from you at \$295 so the, the loss that you take is \$5 now.

6:09: You get money for selling the 300 and you have to pay money to buy the 295 for your protection.

6:18: And so, the trade that I put on it at Option Market mentor was let's sell the \$300 buy the 295, and we pay, or excuse me, we take in credit of \$2.15 because the \$300 put which we sell is more expensive than the 295 hedge which we buy, so we take in.

6:43: , \$2.15 options expire in a couple weeks, right?

6:49: And so then bam, this is what happens today.

6:53: So the stock's up and at one point we're up almost 50% and, my suggestion to people was just like hold the, hold the position open, we're probably gonna make a little more money next week and it's gonna be kind of a no fuss, no musts trade.

7:11: Only reason I'm sharing it with you here is to let you know that options can be very profitable and they're not necessarily complicated, certainly not too complicated for you.

7:25: When I first started trading options it was when I actually first started trading.



7:30: And even I can understand them.

7:33: and I didn't know it really very much at all about trading.

7:37: So anyway, just thought I'd mention that now onto our regular programming, Oklo.

7:44: So this has been a pretty good trade.

7:45: , really, really good trade for us.

7:49: got in at 5758.

7:51: Stock's been moving in our favor.

7:53: I think that like my price target on this, I'm laughing about price targets.

8:00: I'll tell you why in a minute.

8:03: this is how I would, gauge my price target.

8:06: OK, I'll get this out of the way.

8:08: I'd take this high here, measure down to this low, and that's about 27%.

8:15: I'll say 25%.

8:17: And, the, the dollars pulled back is \$18 almost, almost \$20 but we'll say \$18.

8:27: So this is the measurement from, from top to trough here.

8:32: Now, I stretch this higher and we'll go about \$18 here.

8:38: And that takes us up to about \$86.

8:41: So, we can look at, I'd look at \$90 and say.

8:46: That's, that's really my, that's really my measured move is I'm looking for \$90 on this, but then I, if I want to back off and be more conservative, I'll say \$85.

8:59: So right now, the stocks at \$75.

9:02: I'm looking.

9:02: , for another, for another \$10 for another \$10 on the stock, and that gives us another 13% on this trade.

9:12: So I really like the way this is shaping up.

9:15: I'm gonna keep the stock at 6580, that'll lock in a decent.

9:20: Profit not a great profit but a decent profit and we allow the stock to run and that's that's really what we wanna do is give the stock some room to run so we let a good trade turn into a great trade and pay us off really well, OK, I bet, I'm looking at this and this actually.

9:43: If, if I wasn't, if, if I wasn't long Bitcoin or I bet, this would be one of the times that I would be interested in buying this.

9:53: I don't think it's gonna shoot up right there, but you can see where it's kind of run up out of the squeeze right here and now it's pulled back into this little kind of phase to, drift lower and that's, that's really what that's really what we want to see.

10:10: So you look at the weekly chart.



10:12: , Hadn't been trading that long though Bitcoin sure has and so when I see the stock up like this, I, I wanna be involved so we're up on this.

10:26: I gotta pull up my.

10:31: OK, we're up 22% on that and that's pretty good.

10:37: I'll take it.

10:41: And so we'll keep on going.

10:43: Sorry, I'm coming down with a little cold.

10:45: That's why I keep like, OK, Lidos, this is, we're just kind of floating around here, not doing, too much of anything.

10:57: the 159.95 stop, That's where this was and then today I just put that on, yesterday I think and then today this hit 160, so we're still technically in this trade.

11:12: I'm kind of glad we didn't get stopped out, but I will tell you this I think this stock is gonna just kind of chop around here for long enough to where, you know, with an August 5th earnings date.

11:25: Unless this really starts running into earnings over the next week, this is not, it's a trade that's really not gonna, not gonna really perform very well.

11:38: we're probably just not gonna, not gonna get, much, not gonna get much traction here on this so we're up a bit about 8%.

11:48: Just don't let that, drift away, OK?

11:51: No Doby grays.

11:52: So anyway, here, 3470 was the stop.

11:56: 3435 was where the low was so we were technically hit here and because we're technically hit, I'm gonna go ahead and take this off the list.

12:07: You certainly don't have to.

12:09: you'd be up about 8% if you just stay on this trade and so hopefully, You didn't have a hard stop here at 3470, but if you did, you can always buy it back.

12:23: But as I look at this right now, if I didn't have a position, if I hadn't been looking at this chart, I would look at this right here and say, all right, this is one that I just kind of want to watch for a while.

12:35: It just wouldn't be a compelling action point.

12:41: Right now, you know, that's, that's what I have to say, but you can certainly hang on to it if you want.

12:48: Earnings are not gonna be an issue.

12:50: It's just really choppy and this isn't, it's just really not the kind of stock that I would just wanna, I should say it's not the kind of chart, I would wanna hold.

13:01: If I recall correctly, I think the, the fundamentals, you know, the fundamentals are, are pretty good, here.

13:08: Let me, I'm just gonna pull it up.

13:15: Yeah.

13:18: OK.



13:18: At it You can see here the earnings, revenues, gross margins are all pretty good.

13:26: It's got a pretty decent growth rate over the last 3 to 5 years, composite rate super high.

13:32: you look here, come on, you look here at the revenue growth over the last few years, and you can see this is just really, really solid all the way up.

13:43: So, from a, from a fundamental standpoint, this is a really good.

13:49: It's a really good stock to be to be holding, it's just technically like chart wise, you know, it's kind of a tough trade.

13:59: So I've mentioned this a couple times before, the other day, and that is you definitely want to differentiate between a stock that you're holding as an investment and a trade.

14:11: And if you're looking at all of like if you've got an investment portfolio and you're looking at those stocks every single day, I swear.

14:20: It's not gonna be too long before all of those investments actually turn into trades, because as I have also said, if you sit here at your monitor and you look at enough charts, sooner or later you're gonna find something stupid to do, Again, don't overthink this stuff guys, just don't overthink it.

14:42: OK.

14:42: Amazon still just kind of drifting higher.

14:46: we don't have a huge profits on this, about 3%, but just let it run.

14:51: They report earnings next week.

14:53: I think we'll definitely want to be out before then.

14:57: Stocks making a nice run.

14:59: you gotta kind of assume.

15:02: After this kind of run up here, you have to assume that it's almost like no matter what the earnings are we're gonna see a pullback.

15:11: I am kind of curious to see what what they say on earnings on their conference call because of the tariffs by now they will, they will definitely have something to say, about the tariffs and guess what, that's all I have to say now, Al.

15:30: This was always kind of admittedly a random trade when I put it on because it was actually below the the 200 day moving average and, and I even admitted it.

15:41: I said, you know what?

15:43: I'm kind of going on vacation like leaving tomorrow and this looks like it's gonna move up a little bit and I was looking for a trade so there it is seriously, so we're in at 2565, we're up very, very slightly, 1.5%. I don't look at this as a fast mover.

16:06: if you like this, this is really a decent place to buy because you could just put your stop a little bit below the 50 day moving average earnings are not an issue here, but, certainly not a textbook trade for me because it's back below the 200 day, moving average.

16:25: Now.

16:27: The fangs, leveraged ETF, we're flat on this, and, but I, I like it.

16:33: I like the way this is squeezing.



16:35: So I'll go ahead and set an alert at about 2560.

16:42: So I'll get my trading assistant here will tell me when the stock when this breaks out, but I think FNGU is gonna work pretty well and then the last one here as far as our ATI list, recursion pharma I mentioned this yesterday that our stop the stop was hit on this and it was based on the the.

17:08: Volume weighted average price intraday volume weighted average price, and I, I said, but I'm gonna keep it on the list just to so we could track it.

17:17: I just don't wanna lose, I don't wanna lose track of it.

17:20: And so.

17:22: This looks like it could run higher next week.

17:24: This is just for active traders, but because the stock's been kind of volatile, it's \$6.45.

17:32: I mean, shoot, from, from where it traded down today and where it closed, it's like almost 9%.

17:40: So this has been a heck of a runner.

17:42: I'm just pointing it out because if the stock runs.

17:47: Higher Setting this too.

17:51: This could be this could turn out to be a nice move like running up like phase one breakout phase two pullback boom, we're off to the races so I'm not I'm not sitting here quote recommending this stock I'm just mentioning that it.

18:09: It, it's definitely bears watching because we could get, a really, really nice move.

18:14: So, all right, I have 5 others that I just wanted to show you.

18:18: You may want to keep an eye on, Vertive, and I, I've, I've been developing this screen.

18:23: I call it my launching pad.

18:26: it's still not quite done.

18:27: It's kind of complicated, frankly, but I'm finding stocks like this, there's others that are like really textbook.

18:38: Like this, not finding it here.

18:43: Finding it here.

18:45: So finding stocks like this doesn't really do you much good.

18:50: But finding stocks here definitely does you good.

18:53: So this is one of the one of the scans that I'm that I've been working on and kind of refining for Stockwatch and Vertive came up as well on kind of a different one.

19:04: I think this stock, should work really well.

19:07: It's not a perfect.

19:09: It's not a perfect entry pattern here.

19:12: I, I always like to see him kind of come down a little bit, whereas this one is.

19:18: It's kind of moving, moving up, in this direction.

19:23: So, but with that said, given the company, they've got really solid fundamentals.



19:30: I like it, but here's the problem, bam, earnings.

19:34: , so we'll watch that and see how it hap how it works, but again, it's, we've got earnings now, GEvernova, same industry, has also been working well.

19:46: This actually came up back here, too high to buy, but it's something that you definitely want, to be watching.

19:55: The thing that I liked about this and still do is.

19:59: We have this institutional buying here on this day 7 million shares.

20:04: This isn't you and me buying this is institutions doing a follow on buy after this one, after this day, when the stock traded over 9 million shares and it just kind of broke out, just started.

20:21: Just started breaking out.

20:24: I just started breaking out, right there, on the 27th, you'll see I'd actually drawn some lines saw this on the 25th, and, we kind of put that trade on.

20:37: So now this continues to go it's not giving you a good.

20:40: Tree, but if you're if you're long the stock then just stay there, OK?

20:45: A few more, DoorDash working working really well, Aliorum really likes this.

20:52: I didn't even know like they'll deliver roses or they'll deliver flowers, medicine, all kinds of stuff.

21:02: I don't know.

21:02: I just always thought DoorDash was like, go bring me a hamburger because I'm too lazy to go get it, so.

21:11: What do I know?

21:12: the old fart is looking for a hamburger.

21:15: So this is squirting out the upside, earnings are still a couple of weeks away, which is good, but this is one that we can definitely watch, next week and then just one last one and then I'll let you out of here.

21:28: , LE Systems, this is another one that came up.

21:34: Now this is very illiquid.

21:35: It didn't even trade 100,000 shares today, but it's a stock that's squeezing.

21:41: You can see earnings are in the middle of next month.

21:45: looks like it's just kind of starting to break out here, but the volume's pretty light.

21:50: So, this is one that.

21:54: I'll do this.

21:57: I'll set a price alert right around.

22:06: Right around 460.

22:08: Now I can totally ignore this chart until the stock hits 460 and then I'll look back at it and see if maybe it's, maybe it's worth the trade.

22:18: So anyway, that's all I got for you guys.

22:21: it's been a good week, a good week for the Bulls.





22:24: If you're struggling, just, you know, just kind of take a.

22:29: Take a chill pill and relax.

22:31: The market's really strong, so it is kind of bailing you out of mistakes, but the most important thing that you want to be mindful of is that, Fitzpatrick's first rule of trading is always applicable every single day and that is don't lose your dough all right?

22:51: OK, see you guys next week.