


Brainy's Share Market Toolbox


Price Action Context



Share Market
Toolbox

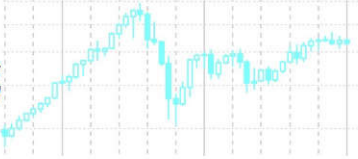
How to explain
odd or unexpected
share price movements

Robert Brain
February 2023



"The share market can seem mystical and almost like black magic; but with the right support and assistance, it just seems like magic."

Robert Brain



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Version: 1a

This presentation

This set of slides is brand new and I am not yet comfortable that I've done a good job putting them together.

Even so, in this session I want to talk about what I refer to as "*Price Action Context*". Something that I have not heard mentioned in our Melbourne ATAA meetings over the years.

[This version complete with "speaker notes" in the lower portion of each page are available for Share Market Toolbox (premium) members.]

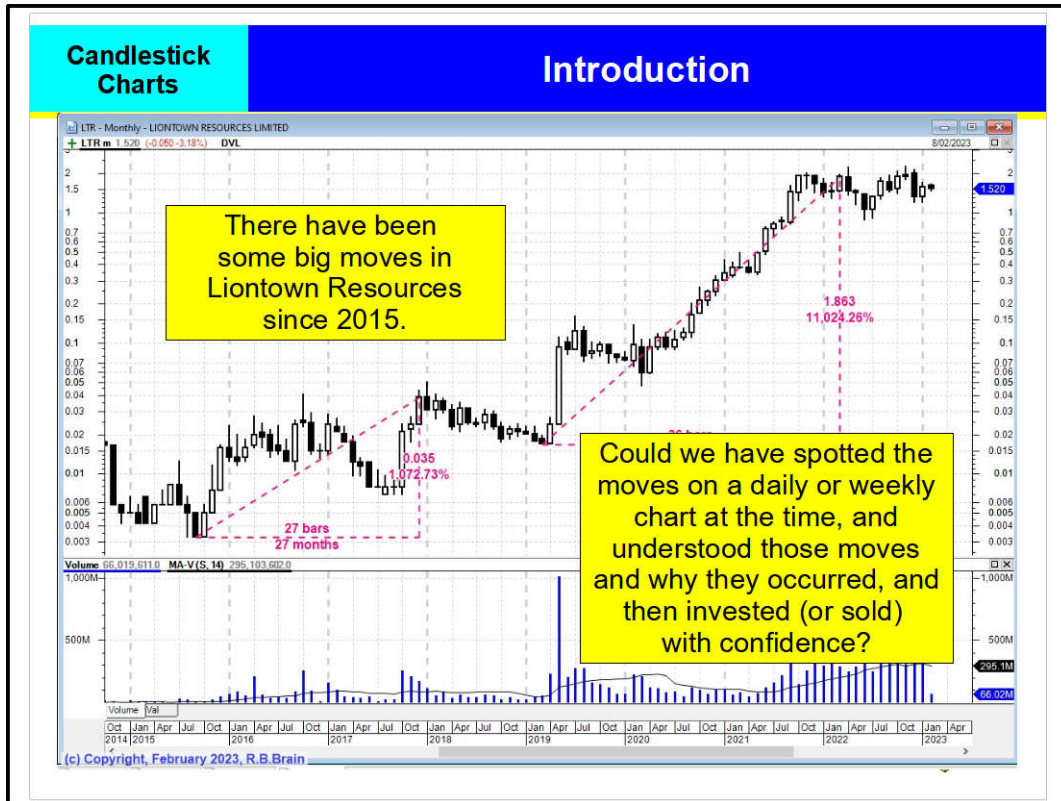
Candlestick Charts	Introduction
<p>Odd or unexpected price movements?</p> <p>Have you ever observed odd or unexpected share price movements on the price charts and wondered what's caused it?</p> <p>Or why there was a big move (either up or down) in recent days?</p> <p><small>© Copyright 2023 Robert B. Brain — <i>Brainy's Share Market Toolbox</i> — www.robertbrain.com</small>  2</p>	

Have you ever noticed
odd or unexpected price movements?

Have you ever observed this? or even
seemingly unexplainable price movements,
and you've wondered what has caused it?

It might have been a big price move – either
up or down.

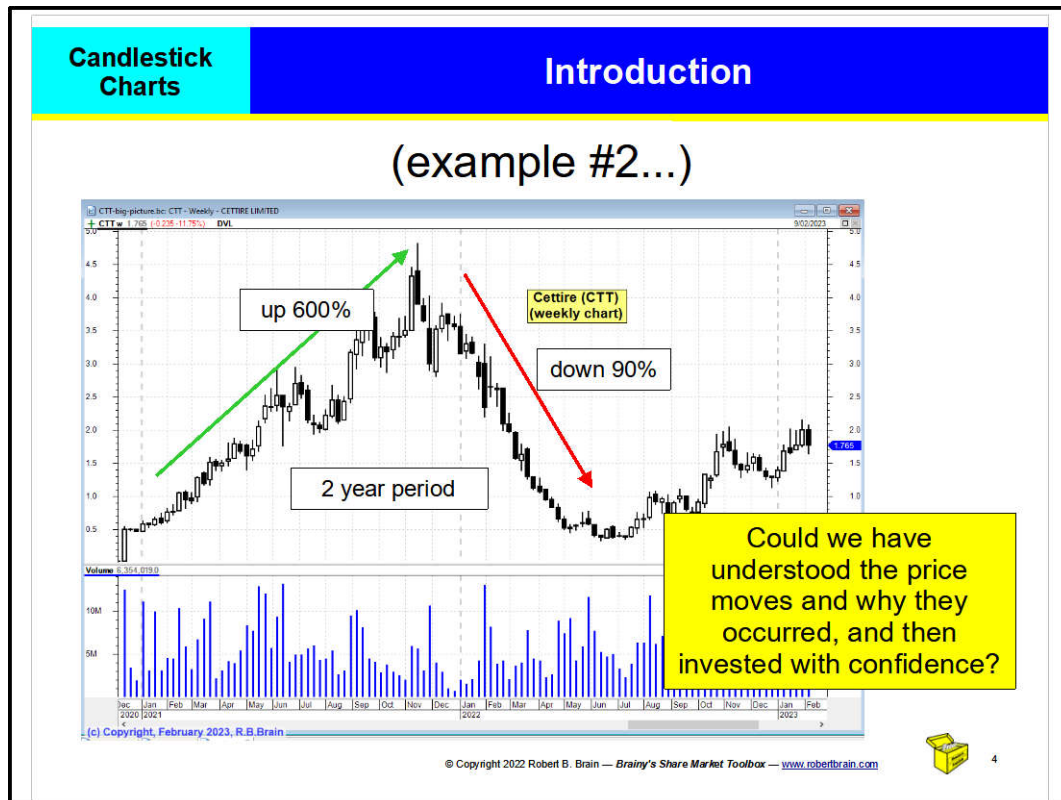
Price Action Context - explaining odd price movements



Check out the price moves...

Have a good look at the price moves of this stock. This is a monthly candle chart (each candles summarises the price action in a whole month).

Note the price moves! They are quite significant. Could we have spotted these moves – perhaps on a daily or weekly chart – and understood the moves, and then invested with confidence?



Another example

Here's another example. Could we have spotted the price moves here, and understood why they were occurring, and invested with confidence?

The short answer is that "yes", we could have.

Candlestick Charts	Introduction
<p data-bbox="638 353 957 403">Today's agenda</p> <ul data-bbox="351 425 1244 728" style="list-style-type: none">• Look at: <i>Price Action Context</i>;• Explain why it can be useful to pay attention to the <i>news</i> and <i>company announcements</i>;• Look at <i>broker consensus</i> information and explain why it is useful to be aware of this and how to find the details. <p data-bbox="494 750 1101 840">This is most useful for shorter term investors and traders.</p> <p data-bbox="343 851 1013 896">ps: We'll also touch on technical analysis basics.</p> <p data-bbox="694 963 1141 996"><small>© Copyright 2023 Robert B. Brain — <i>Brainy's Share Market Toolbox</i> — www.robertbrain.com</small></p>	

Today's Agenda

There are three key things to cover in this presentation (as listed on the slide), including:

- *Price Action Context*, or at least my own perception and understanding of the term, which is somewhat different to other definitions.