

Making analysis notes and annotating the price charts



Share Market
Toolbox

Robert Brain

November 2014



*Price charts summarise the underlying
opinions and emotions of the market participants.
Every chart tells a story.
It pays to understand the stories in the price charts.*



© Copyright 2014, Robert B. Brain, *Brainy's Share Market Toolbox* — www.robertbrain.com

Revision: 1c



Introduction

Today's discussion...

When looking for stocks in which to invest,
we might study the price chart
and want to record
our analysis and observations,
and then re-visit the notes at a later time.

But, what sort of observations
are we talking about?
and what are the options
for recording them?





Interactive...

- Please ask questions.
- Let's discuss details.
- Any price charts prepared with BullCharts software.



www.bullcharts.com.au

*Every chart tells a story.
It pays to understand the stories in the charts.*

© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com



3



Important Notice — No Advice!

- This presentation does not include any advice.
- For proper advice, your personal financial situation needs to be considered.
- This presentation is pure education, only for your general awareness.
- There are no recommendations to take any action, or to invest any money in any way.
- Always consult a properly licensed advisor before making investment decisions.



© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com



4



Important Notice



About... Robert Brain

Nimble Short term Investor

consultant, educator and part-time* share trader
web-based sharemarket-support business

- Many years experience as trainer, presenter, conference facilitator (*Scouts*)
- Share Market – active 15+ years* (slowly at first)
- Chartist ie. technical analyst (ATAA member and national director)
- Provide support and tuition to traders and investors
[Brainy's Share Market Toolbox](#)
- Member Mensa
- Engineering Degree (structured thinking with an eye for charts and diagrams)
- 30+ years – professional experience (IT and management)
- **No AFS license! (Can't give advice)**
- **BullCharts software (convenor Australian BullCharts User Group and authorised reseller with special pricing)**



Conflict of interest?

* - Not yet enough capital to live off the proceeds of trading (after trading as a hobby until a career change in 2008).





Let's think about...

1. Analysing the charts, and
2. Making notes for future reference...



Sample #1...

- Let's look at the charts for AAD (Ardent Leisure), as at 6 August 2014.
- The following charts/slides show some different technical analysis observations.
- Two weekly charts and one daily chart.
- *Weinstein's* approach — 30 week MA and *Stage Analysis*.
- *Support* levels, on weekly chart and daily chart.
- View the next few slides and think about how to record our observations...

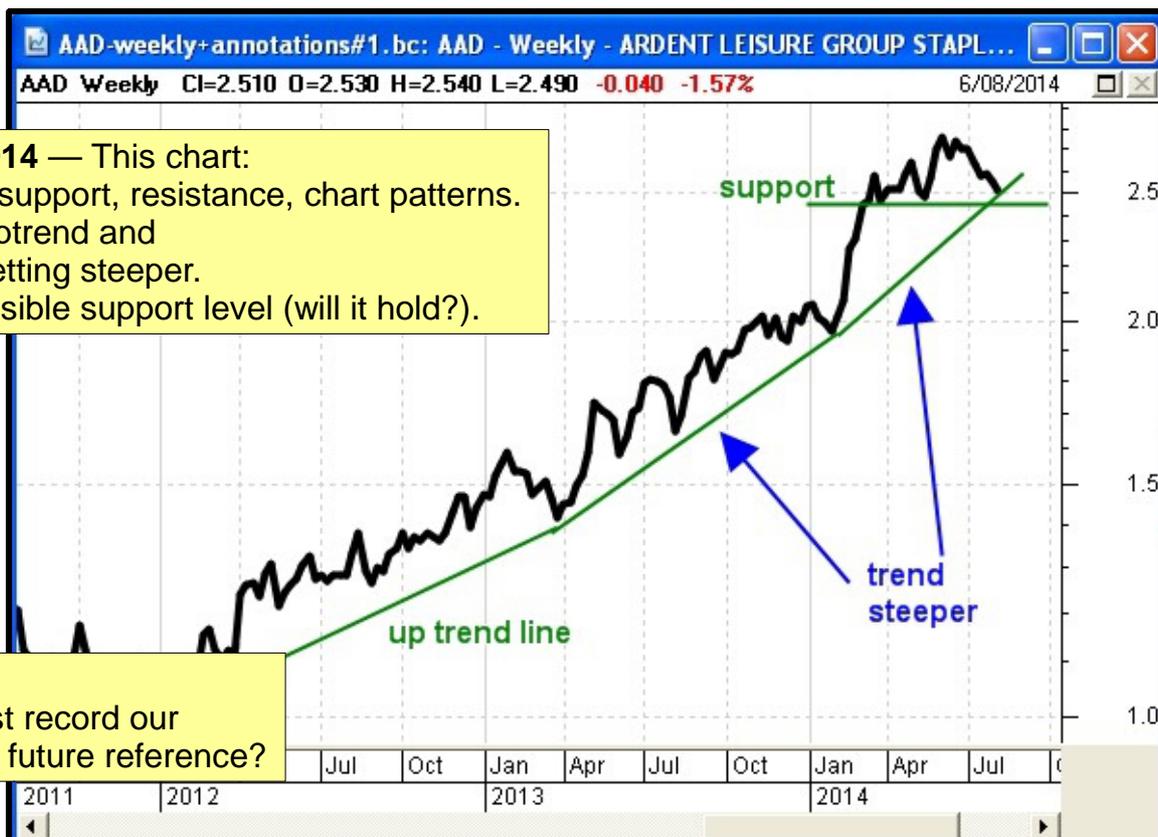




Making notes and annotating the charts

(a) How to record observations?

6 August 2014 — This chart:
 Looking for: support, resistance, chart patterns.
 Noting the uptrend and
 uptrend is getting steeper.
 Noting a possible support level (will it hold?).

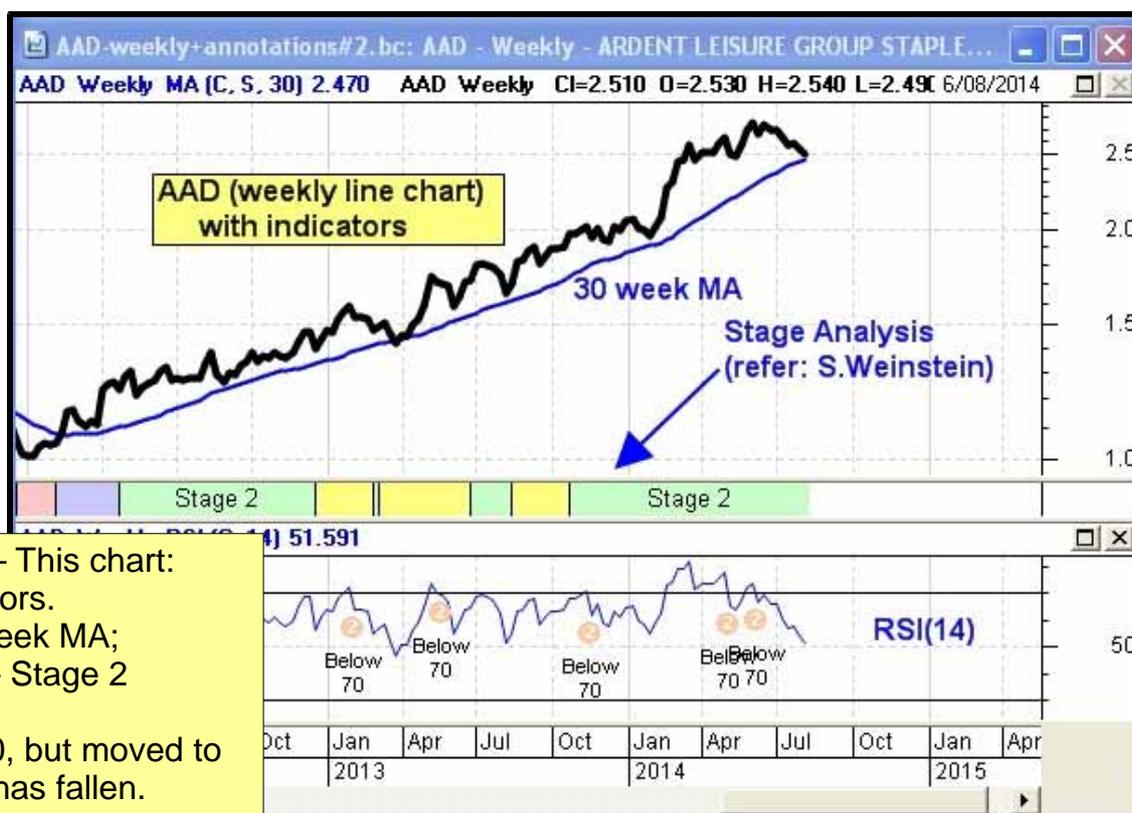


Question:
 How can we best record our
 observations for future reference?



Making notes and annotating the charts

(b) How to record observations?



6 August 2014 — This chart:
 Looking at indicators.
 Price above 30 week MA;
 Stage Analysis — Stage 2
 (à la Weinstein);
 RSI was below 70, but moved to
 over-bought and has fallen.



(c) How to record observations?



Recording observations

There are some options:

1. Make notes on paper in a notebook.
2. Print the chart, and make notes on the print.
3. On-screen, draw trend lines and support lines etc. on the chart, then screen print the screen to capture the image.
4. In charting software, utilise the software to “remember” the on-screen lines and comments.
5. BUT! ...





Making notes and annotating the charts

But! ...

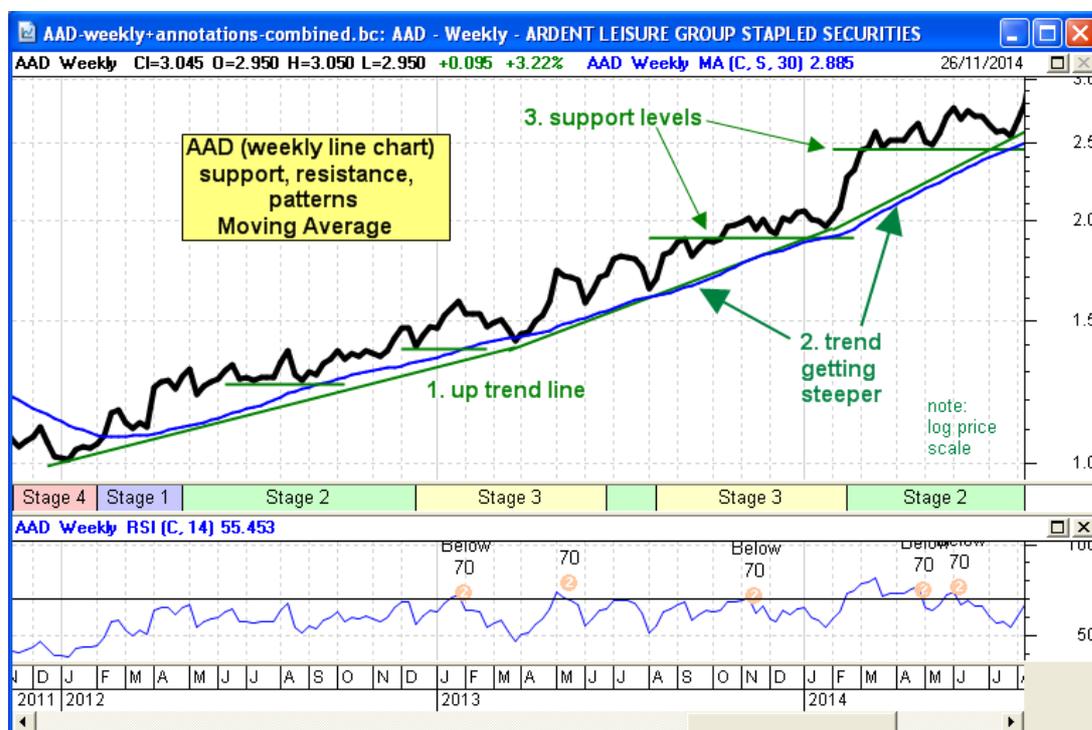
In the previous slides,
displaying all annotations
and comments
on the one chart
could be
very messy.



Making notes and annotating the charts

The chart could get messy

This one is not bad.





Making notes and annotating the charts

Detailed analysis...

It can be best to split analysis across charts.



© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com

15



Making notes and annotating the charts

Sample #2...

- We bought shares in CBA, and
- We want to record details about the trade (eg. buy price, quantity, initial stop loss, etc.)
- So, how to record the details?



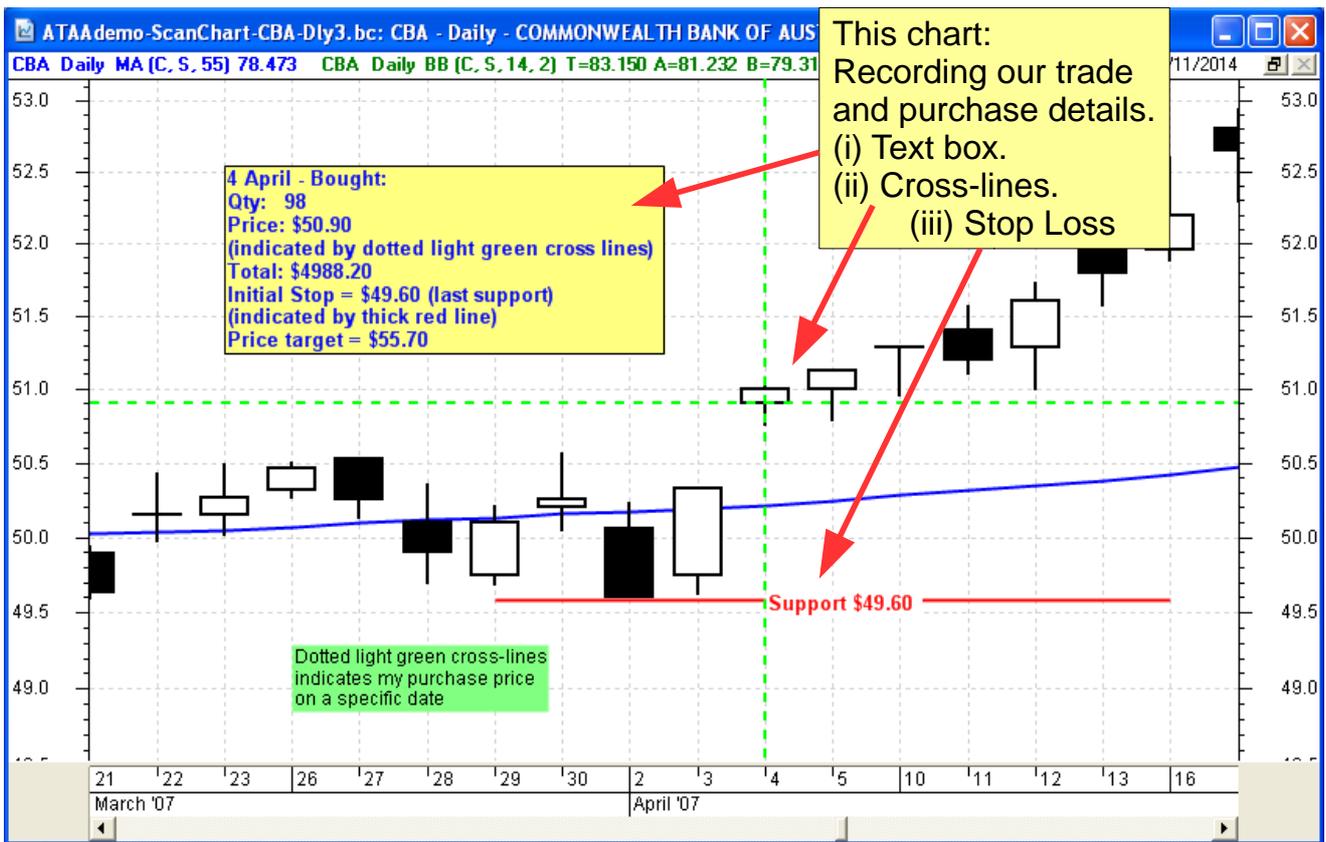
© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com



16



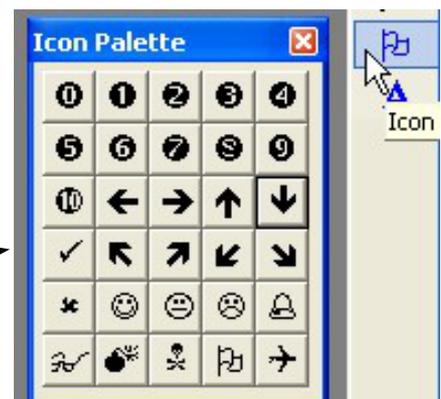
Annotations at purchase time



“annotations”?

We use the word annotations to refer to:

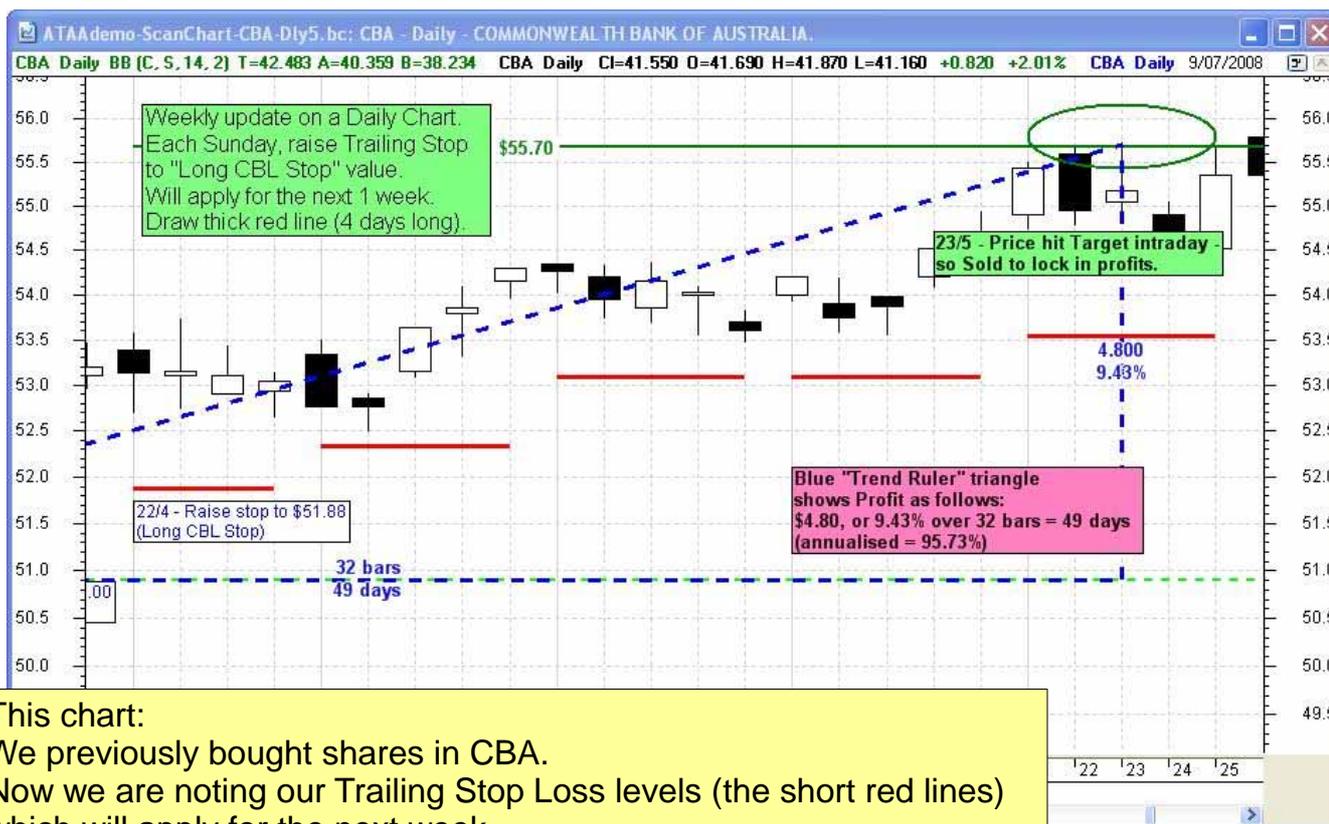
- Text (small, large, short strings, long, boxes);
- Lines — trend lines, channel lines, lines with arrows;
- Vertical lines, Cross hairs;
- Fib retracement/extension
- Gann studies;
- Symbols/icons;
- (and indicators)





Sample #3...

- We bought shares in CBA, and
- We are now monitoring the position weekly, and
- Adjusting our trailing stop loss as appropriate.
- When we do our weekly analysis, and consider what to do with our stop, how do we record the details?
- View the next slide and think about how to record our observations...



This chart:
 We previously bought shares in CBA.
 Now we are noting our Trailing Stop Loss levels (the short red lines)
 which will apply for the next week.





Recording notes using software

1. Some charting software packages will automatically “remember” various lines, notes and annotations that you add to your price chart for each stock.
2. In BullCharts this feature is IntelliCharts.
3. In some tools there can be limitations:
 - (a) Only one chart open for each stock, which will limit the analysis;
 - (b) The annotations apply across all time periods (ie. daily, weekly, monthly, etc.).



Recording notes with BullCharts

In BullCharts:

1. More than one way to record annotations:
 - (a) IntelliCharts (with two options);
 - (b) “Save File as...”
 - (c) Use the Chart Memo feature
2. Can have multiple charts open for each stock
3. Can have different analyses and different annotations for different time periods (ie. daily, weekly, monthly, etc.)





BC IntelliCharts is easy

1. This feature is automatically enabled by default; but can be turned off.
2. Will remember the annotations for your chart (stored in a small separate text file).
3. Easy if:- simple analysis, and/or
4. If the same analysis and comments applies across multiple time periods.
5. Otherwise, we need “plan B”...

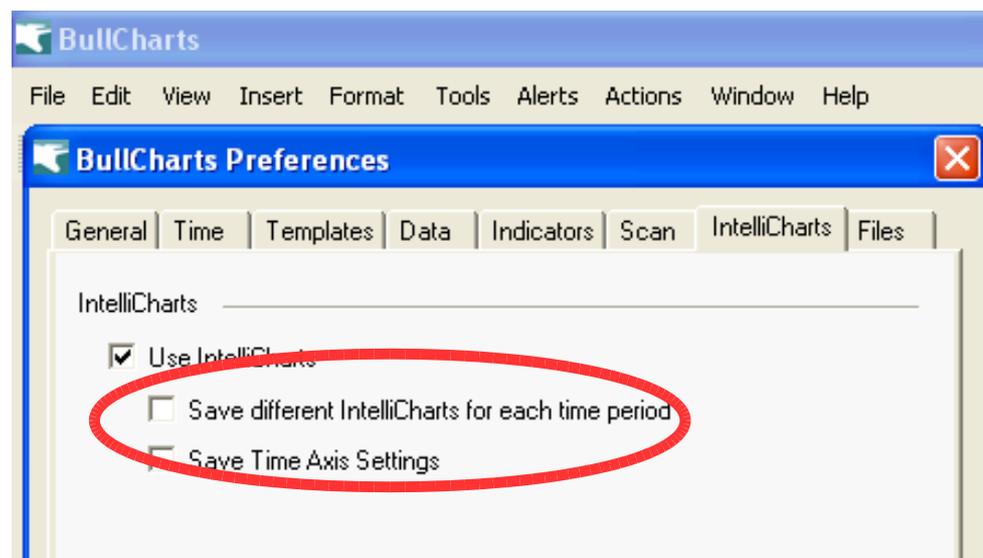


BC IntelliCharts (advanced?)

In IntelliCharts, we can enable the second option “Save different ... for each time period”.
(ie. separate for: daily, weekly, monthly, etc.)

Menu option:

Tools >
Preferences >
IntelliCharts

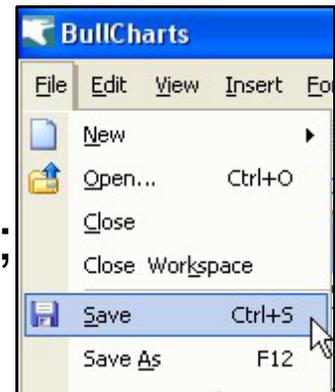




Saving analysis — “Plan B”

Another way to do all this:

1. Turn IntelliCharts off;
2. Do analysis and annotate the chart;
3. Menu option: File > Save



This will save the annotations, and the layout and indicators into a special BullCharts file.

The next time you open this file, the latest data will be displayed and the saved annotations will be added to the chart.



Another option in BullCharts

In BullCharts there is one more way to store plain text with a stock:

Use the Chart Memo feature (a window pane that opens below the price).





Summary of BullCharts options

1. IntelliCharts — simple use with same annotations in all time periods
2. IntelliCharts — with the option “Save different ... time periods” enabled
3. Turn IntelliCharts off and “Save File”
4. Chart Memo feature.



Summary & Wrap up

Making analysis notes...

Depending on the analysis, and the charting tools used, it can be easy to record the analysis details and readily view again later.





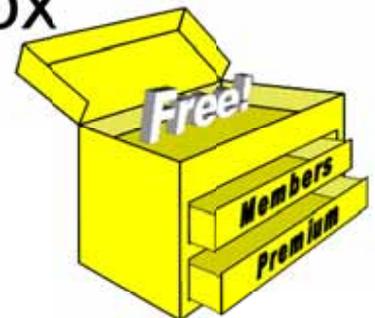
Q & A ?

Any questions?



Don't forget my Toolbox

- Brainy's ***Share Market Toolbox***
 - www.robertbrain.com
 - Loads of eBook (PDF) Articles
 - Info: share market, charting, BullCharts
 - Weekly Market Updates and Watch List
 - monthly e-Newsletters
- Good software – BullCharts
www.robertbrain.com/bullcharts/
- My contact details:
web site above, or phone: 0438 355 910





Summary & Wrap up

THE END

See free stuff here:
www.robertbrain.com/free

Thank you.

www.robertbrain.com

or phone: 0438 355 910

© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com



31



Summary & Wrap up

THE END

THANK YOU

(backup slides follow)

© Copyright 2014 Robert B. Brain — *Brainy's Share Market Toolbox* — www.robertbrain.com



32