



Brainy's Articles on BullCharts

Alerts and Alert Manager

Article No:
BC-40-300
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28 Oct 2010

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is NOT free*

Introduction

Let's say you browse through some price charts and notice a price consolidation as in the weekly chart of MLX in Figure 1. In this example we can see that Metals X Limited could not close above resistance at about 14 cents over at least a 15 month period until August 2010. If only we could easily find out the moment that it does close above 14 cents, which might be the start of a new uptrend (we can see in the chart that MLX then rose about 93% in the following 7 weeks).

Well, the Alerts feature in the BullCharts charting software can do this. And the Alerts feature can also alert on a Volume move.

This Article in Brainy's series on BullCharts, BC-40-300, "Alerts and the Alert Manager", describes the Alerts feature in BullCharts as well as a number of the scenarios in which you might want to use it.

Alert scenarios

Following are just some of the scenarios about which you might like to be alerted using the BullCharts Alerts feature. The notes on the following pages describe these in more detail, as well as how to use the Alerts feature.

1. **End-of-day price alert.** We are an end-of-day or end-of-week trader/investor. On a particular stock we have noticed that the share price has been consolidating for weeks below a horizontal resistance level. We want an alert when the price closes above this level (as in Figure 1 above).
2. **Intraday price alert on snapshots.** We are an investor/trader who is happy to watch the screen at times during the trading day. We have a data plan which allows us to download data *snapshots*¹ every hour. Price has been consolidating below a horizontal resistance level for several days. We want an alert when the price trades above this level during the day so that we can quickly capture some of the short term price increase.
3. **Volume increase for thinly traded stock.** We keenly watch smaller cap mining and exploration stocks which tend to trade thinly. However, we notice that with these stocks a potential price breakout can be preceded by a significant increase in volume. So we want to set a volume alert at a specific volume level above an average of the recent trading volume.

BullCharts Alerts — summarised

The BullCharts Alert feature can be set to trigger when the desired value is greater-than, or when it is less-than, the Alert value. And each alert can be set to trigger based on an **end-of-day** situation, or based on an **intra-day snapshot**. It is possible to set an alert based on a price value — any of Open, High, Low, Close — or on Volume. The Alerts feature has been included in BullCharts since Version 3.8 (late 2008), and can handle up to 300 alerts.

1 A BullCharts *snapshot* is the set of price values for every stock that can be downloaded 20 minutes past the hour, every hour. This data is dropped into the BullCharts database as though it is the End-of-Day data, and it can be compared in scans, and used in price and volume Alerts.



Figure 1: Set a Price Alert in order to spot a breakout.