



**Australian BullCharts User Group**  
**Minutes of Melbourne Meeting #150**  
**At the Leighoak Club hotel, Oakleigh,**  
**Wednesday 16 January, 2019, at 7:30pm**

(These minutes are a record of the discussion at the Melbourne meeting, and with the meeting agenda are also the basis of the Remote Users Webinar session that takes place a week after this Melbourne meeting.)

**Present:** Robert Brain (chair), Anthony Stevens, Des Bleakley, Ilia Bermous, Paul Ash, John Beattie, Rick Riccio, Ross McLaren (a total of 8 who could attend).

**Apologies:** Kevin Coombs, John Cobb (2 who could not attend and who sent apologies).

- 
1. **Welcome (attendance and apologies)** — Robert welcomed everyone and opened the meeting, recording the attendance and apologies.
  2. **Admin matters; Correspondence in/out; business arising** — none  
(The “Milo tin” balance = \$11.23 — but we owe the tin for two recent speaker gifts).
  3. **This month’s focus — (A) Anthony’s recent strategy testing**  
Anthony prepared some screen shots of price charts to show his recent strategy testing. At this stage the strategy details are interesting, but it’s early days and the strategy needs some more work. The core of the work utilises the Keltner Channel indicator — which is used to identify overbought / oversold conditions as well as the trend strength of a market (see the BullCharts help for more details).  
Ross McLaren said he has done some work with Keltner Channel and is happy to share this experience in next month’s meeting.  
[Previous BCUG presentations can be downloaded [from this BCUG Presentations folder.](#)]
  4. **This month’s focus — (B) What’s in play in the markets?** — This month focusing the discussion on how to avoid “high risk” stocks, depending on our definition of “high risk”, and whether we really want to avoid them, or perhaps embrace them.  
(This topic is normally a discussion about the current market conditions and trading thoughts and ideas that people might be contemplating or using. What works? What doesn’t work?)  
Key points from tonight’s discussion:
    - (a) Question: How do you define “high risk” stocks?
    - (b) One possibility is those with high volatility.
    - (c) Question: Do volatile stocks behave rather randomly, or predictably?
    - (d) Low value (low share price) stocks tend to be rather volatile.
    - (e) Some stocks are considered risky, and avoided by some investors/traders because they can be impacted by various events with little or no warning — eg. airline stocks.
    - (f) Downtrending stocks can be high risk, because the falling share price might be due to recent bad news, and in many cases this is followed at some stage by more bad news and further (and stronger) declines in share price.
    - (g) Daily dollar turnover or volume is useful to look at when considering a position, because we don’t want to buy a share parcel (or position) that is too large a portion of the daily value or volume. These could be considered high risk because a large parcel could move the share price.  
Colin Nicholson suggests that 5% is the upper limit.  
Darryl Morley (Day Trader) suggests 10% is the upper limit.
    - (h) Risky? — Beware of tightly held stocks. That is, stocks where a large portion of their available shares are held by few investors and who are unlikely to sell readily. This is related to the eligibility for listed companies to participate in an index — see more details on this topic in the official document from page 6 onward:  
<https://us.spindices.com/documents/methodologies/methodology-sp-asx-australian-indices.pdf>
    - (i) Stocks that often gap up/down can be risky.
    - (j) Some mining companies with operations in specific countries could be considered risky.
    - (k) Heavily shorted stocks could be risky. See this website for details:  
<https://www.shortman.com.au/>
    - (l) Chicken stocks, for example (eg. Inghams), are believed to be risky in hotter weather because it is reputed that chickens tend to fall over when the temperature hits about 42 degrees.
    - (m) Brexit — Could result in some risks to some stocks; but we thought nothing major.
    - (n) re: oil prices and other commodities, see this website: <https://www.kitco.com/>

5. **BullCharts — Tips, “How To?”, etc.**
  - (a) Ross reported that the Apple iOS app for BullCharts recently had problems, but this is now fixed (apparently needing a gmail email account).
6. **Trading in practise** — We viewed the price charts for: JAT, XRO.
7. **General Business** (and anything else to share?)
  - (a) **News, seminars, websites, books, etc.:-** Shane Oliver has penned a good article shared on LiveWire entitled “A list of lists regarding the market outlook”:  
<https://www.livewiremarkets.com/wires/a-list-of-lists-regarding-the-market-outlook>  
 Also on Livewire, an article listing “12 outstanding investment books”:  
<https://www.livewiremarkets.com/wires/12-outstanding-investment-books>
  - (b) **Tech Tips** — Nothing new. See the slowly growing list of apps etc below.
  - (c) **Any other business?** — The ASX Share Market Game is worth looking at. Registration for the next 16-week game opens 31 January, with the game running from 21 February to 5 June.
  - (d) **Next meeting topic** — Ross McLaren said he has done some work with Keltner Channel and is happy to share this experience in next month’s meeting.  
 CFDs — Share experiences. The topic of CFDs is raised from time to time, and there is a little experience with them around the table so we will endeavour to discuss this next time.  
 Continue with the “What’s in play in the markets” discussion.  
 Also, at a meeting date TBA (maybe February?): Kevin had suggested a while ago that perhaps he can lead a discussion on something to do with futures.  
 Also future meeting: “CFDs for Dummies”.
  - (e) **Carry-over ACTION:** Robert to arrange. ETFs (Robert Grigg?).  
 Maybe ask Andrew Couper to talk about day trading?  
**NOTE:** One day?:- Peter Castle (speaker, as at recent ATAA meeting — RB to follow up).  
 Also: flags, pennants, etc.. It could be useful to ask Stuart McPhee to come back (talk about exits).  
 Possible future discussion: How can we measure our own trading performance?  
 Future:- Gann Fan? Other suggestions welcome.
8. **Confirmation of next meeting and venue.**  
**The next Melbourne meeting will be: Wednesday 20 February**  
 (it’s normally the **third Wednesday of each** month, except in December)  
 at the usual venue (Leighoak Hotel) at the usual time, ie. **6pm for dinner/drinks in the Bistro**, and the meeting will start at 7:30pm in the upstairs Function Room.  
[\[Google-map link](#) for the Leighoak Hotel if you view these meeting minutes on your computer.]  
 The User Group Webinar is usually one week later.
9. **Meeting closed 9:50 pm.**

### 2019 Meeting dates

Following is a list of the planned meeting dates for 2019.

#### Wednesdays:

- January 16
- February 20
- March 20
- April 17
- May 15
- June 19
- July 17
- August 21
- September 18
- October 16
- November 20
- December 18

**\* NOTE:** We use the **BullCharts Discussion Forum** at the web site: [www.bullcharts.com.au/forum/default.asp](http://www.bullcharts.com.au/forum/default.asp). And we utilise the [Yahoo Forum](#) facility (in the “cloud”) to store and share files (and more) amongst the user group members. Anyone having difficulty accessing the Yahoo Forum should try to reset their password, or create a new account (using a good email address, not a crap one), or as a last resort send Robert an email). This facility is the best way to share these files (presentations, BullCharts customs scans, indicators, etc., etc.).

**Robert Brain** (User Group convenor) — Don't forget to visit **Brainy's Share Market Toolbox:**  
[www.robertbrain.com](http://www.robertbrain.com) and BullCharts stuff here: [www.robertbrain.com/bullcharts](http://www.robertbrain.com/bullcharts)



**Also see:** Robert's [BullCharts KnowledgeBase](#), and [eBook \(PDF\) articles on BullCharts](#).

**\*\* Disclaimer:** Any information presented or discussed at these meetings is only opinion, and is of a general nature, and is not financial advice of any sort. Any person taking action based on information at the meetings does so at their own risk.

**Note:** The User Group meetings tend to cover much material, and discuss much information, about technical analysis, trading, and BullCharts software. These minutes only summarise the key points. The maximum benefit will always be obtained by being there in person, and taking copious notes, and/or attending the [user group webinar](#).

See list of "mentioned things" ... below)

**Summary list of recently mentioned things** (no recommendations) (updated [August 2018](#))  
(recent changes are indicated with colour and italics)

Books (also see: <a href="http://www.robertbrain.com/books/books.html">www.robertbrain.com/books/books.html</a> )	Smartphone Apps			
<ol style="list-style-type: none"> <li>1. <b>"The Secret Code of Japanese Candlesticks"</b> by Felipe Tudela</li> <li>2. <b>"Starting out in Shares — the ASX Way"</b>, more details from the ASX website: <a href="http://www.asx.com.au/education/starting-out-in-shares-the-asx-way.htm">http://www.asx.com.au/education/starting-out-in-shares-the-asx-way.htm</a></li> <li>3. <b>"A Complete Guide to Volume Spread Analysis"</b>, Anna Coulling</li> <li>4. <b>"Blueprint to Wealth"</b>, Gary Stone.</li> <li>5. <b>"Foundations of Trading"</b> Howard Bandy.</li> <li>6. <b>"Fibonacci and Gann Applications in Financial Markets"</b>, George A. Maclean.</li> <li>7. <b>"High Probability Trading"</b>, Marcel Link.</li> <li>8. <b>"Charting the Stock Market — The Wyckoff Method"</b>, Edited by Jack K. Hutson.</li> <li>9. <b>"A Definitive Guide to Point and Figure"</b> by Jeremy du Plessis</li> <li>10. "Unholy Grails", by Nick Radge</li> <li>11. "Trade your way to Financial Freedom", Van K. Tharp (topics: risk, position sizing, etc.)</li> <li>12. "The Intuitive Trader" by Robert Koppel</li> <li>13. A paper "Extraordinary Popular Delusions and the Madness of Crowds" (recommended reading).</li> <li>14. "Sticky Stock Charts", Laurence Holt.</li> <li>15. "Technical Analysis of the Financial Markets" by John Murphy</li> <li>16. "The Panic of 1907" by Robert Bruner and Sean Carr</li> <li>17. <a href="http://www.betterbooks.com">www.betterbooks.com</a></li> <li>18. <a href="http://www.traderslibrary.com">www.traderslibrary.com</a></li> <li>19. <a href="http://www.booktopia.com.au">www.booktopia.com.au</a></li> </ol>	<b>APP</b>	<b>iOS</b>	<b>Android</b>	
	1	CNBC		
	2	StockTips for iPad	YES	no
	3	Compound Stock Earnings	YES	no
	4	the standard "stocks" app is rather good	YES	n/a
	5	University app for phone	YES	n/a
	6	Bloomberg for Smartphone		
	7	CNN Money		
	8	StockTouch for iOS,	tba	tba
	9	IB TWS	YES	tba
	10	T.Interceptor	tba	tba
	11	StocksTracker (and on Windows) PC	YES	tba
	12	DailyStocks	tba	tba
	13	Trading Ideas	tba	tba
	14	ChebTrendPro	tba	tba
	15	KalmanSignal	tba	tba
	16	StockIdeaPro	tba	tba
17	<b>Investing.com</b>	tba	tba	

The above list of things mentioned at recent meetings is not a recommendation or endorsement.

(See websites and seminars over the page)

Websites	Seminars, etc.
<ol style="list-style-type: none"> <li>1. <a href="http://www.marketindex.com.au">www.marketindex.com.au</a> and by adding the text: /mobile on the end of the URL, in your smartphone browser, this will offer to save a shortcut to your phone.</li> <li>2. <a href="http://www.jstock.org">www.jstock.org</a></li> <li>3. <a href="http://www.investing.com">www.investing.com</a></li> <li>4. <a href="http://www.TradingView.com">www.TradingView.com</a></li> <li>5. <a href="http://www.forexfactory.com">www.forexfactory.com</a></li> <li>6. <a href="http://www.shareprices.com.au">www.shareprices.com.au</a></li> <li>7. <a href="http://www.shortman.com.au">www.shortman.com.au</a></li> <li>8. AquaSnap software: <a href="http://www.nurgo-software.com/products/aquasnap">http://www.nurgo-software.com/products/aquasnap</a></li> <li>9. TimeLeft, a free countdown clock: <a href="http://www.timeleft.info">www.timeleft.info</a></li> <li>10. <a href="http://www.investing.com">www.investing.com</a></li> <li>11. <a href="http://www.livewiremarkets.com/">www.livewiremarkets.com/</a></li> <li>12. <a href="http://www.marcustoday.com.au">www.marcustoday.com.au</a> — the daily email.</li> <li>13. Share market podcasts: Better System Trader <a href="http://bettersystemtrader.com/">http://bettersystemtrader.com/</a></li> <li>14. MetaStock formulae <a href="http://www.meta-formula.com">http://www.meta-formula.com</a></li> <li>15. Web site: <a href="http://www.finviz.com">www.finviz.com</a></li> <li>16. Aust BioTech Conference <a href="http://www.ausbiotechinvest.com">www.ausbiotechinvest.com</a></li> <li>17. Volume Spread Analysis — Trade Guider — <a href="http://www.tradeguider.com">www.tradeguider.com</a> . What is VSA? see <a href="#">Wikipedia</a>, and <a href="http://www.VolumeSpreadAnalysis.com">www.VolumeSpreadAnalysis.com</a></li> <li>18. Interest rate securities: <a href="http://www.finnewsnetwork.com.au">www.finnewsnetwork.com.au</a></li> <li>19. Market Watch <a href="http://www.marketwatch.com">www.marketwatch.com</a></li> <li>20. Biotech web site: <a href="http://www.valutech.com.au">www.valutech.com.au</a></li> <li>21. Commodity prices and overseas indexes; <a href="http://www.forexpros.com">www.forexpros.com</a> now changed to: <a href="http://www.investing.com">www.investing.com</a></li> <li>22. For screen capture, BB FlashBack Express — <a href="http://www.bbsoftware.co.uk/BBFlashBack_FreePlayer.aspx">www.bbsoftware.co.uk/BBFlashBack_FreePlayer.aspx</a></li> </ol>	<ol style="list-style-type: none"> <li>1. Symposium resources road shows <a href="http://www.symposium.net.au">www.symposium.net.au</a></li> <li>2. <i>Trading Super Investing — Future Wealth Forum</i>, with a new website address: <a href="http://www.futurewealthforum.com.au/">www.futurewealthforum.com.au/</a> (this was the Trading Investing Expo)</li> <li>3. IFTA — <a href="http://www.ifta.org">www.ifta.org</a></li> <li>4. <b>The next IFTA Conference:</b> <a href="http://www.ataa.com.au/ifta-conference.html">http://www.ataa.com.au/ifta-conference.html</a></li> <li>5. Trading &amp; Investing seminars &amp; Expo- <a href="http://www.tradingandinvestingexpo.com.au">www.tradingandinvestingexpo.com.au</a></li> </ol>

The above list of things mentioned at recent meetings is not a recommendation or endorsement.