



Australian BullCharts User Group

Minutes of Melbourne Meeting #131

At the Leighoak Club hotel, Oakleigh,
Wednesday 22 June, 2017, 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), Adam Owoc, Allan Abbott, Des Bleakley, Gerard Hogan, Graham Parker, Ian Morgan, Iliia Bermous, John Beattie, Kevin Coombs, Mike Roberg, Rick Riccio, Ross McLaren, Ross Mendan (a total of 14 could attend).

Apologies: Andrew Couper (one person who could not attend, and who tendered apologies).

1. **Welcome (attendance and apologies)** — Robert opened the meeting and welcomed all, and we did a quick round table introduction of names and briefly said who trades what (most people trade Australian equities, but also some US equities and some CFD traders). This triggered some brief discussion about the pros and cons of trading various financial instruments.
2. **Admin matters; Correspondence in/out; business arising** — (The “Milo tin” balance = \$7.23).
3. **Enhancing the custom MA indicator ribbon and scan** — Last month we studied BullScript with a specific case study example — a Moving Average Crossover Ribbon. The time periods in that script were hard-coded. We used the combination of 7 and 12 period Moving Averages (MA), and the indicator ribbon is green when the 7 is above the 12, and red for the opposite condition. (For more details also see last months’ meeting minutes.) BUT — What if you want to easily change the two MA values to readily see the result? (eg. to readily visualise the effects of tweaking the values). We can easily tweak the BullScript from last month so that it prompts for these values — using the BullCharts INPUT function (see your own BullScript Help for details — menu option: **Help**). In this session we showed how to tweak last month’s BullScript to do exactly that.
[The 7-page document that we had last month, as well as the new hand out for this session, can now be [downloaded from here.](#)] In the session we described each of the elements of the BullScript that produces this indicator ribbon. The resulting script which you can copy+paste into the Indicator Builder in BullCharts is shown here (and explained in the new download document “...PART 2”).

```
[NAME = STATUS; TARGET = RIBBON ; author = Bleakley, Des ];  
FastMA:= input("Fast MA time period",7,1) ;  
SlowMA:= input("Slow MA time period",12,1) ;  
is_FAST_GT_SLOW := MA(C,FastMA,E) > MA(C,SlowMA,E) ;  
[color = RGB(200,255,200) ; name = Good ;  
fillstyle = small grid] ;  
is_FAST_GT_SLOW ;  
[color = RGB(255,200,160) ; name = Bad ;  
fillstyle = small grid] ;  
NOT is_FAST_GT_SLOW ;
```

[The hand-out and other presentations can be downloaded from the BCUG Presentations folder](#)

4. BullCharts — Tips, “How To?”, etc.

- (a) The discussion above about BullScript, and using multiple Moving Averages and an indicator ribbon triggered further discussion about an alternative strategy approach, and Iliia described a scan he uses and which comprises some simple criteria as shown in this screen shot:

BullScan Properties - Bullish Reversal

1. General | 2. Scan Criteria | 3. Securities | 4. Advanced

STEP 2: Select the filter criteria for your scan. To start, click on 'New'.

Scan as at: Latest data update Use Snapshot Tuesday, 20 June 2017

Current Snapshot TimeStamp: ASX Time: 21/06/2017 5:32:00 PM Local Time: 21/06/2017 5:32:43 PM

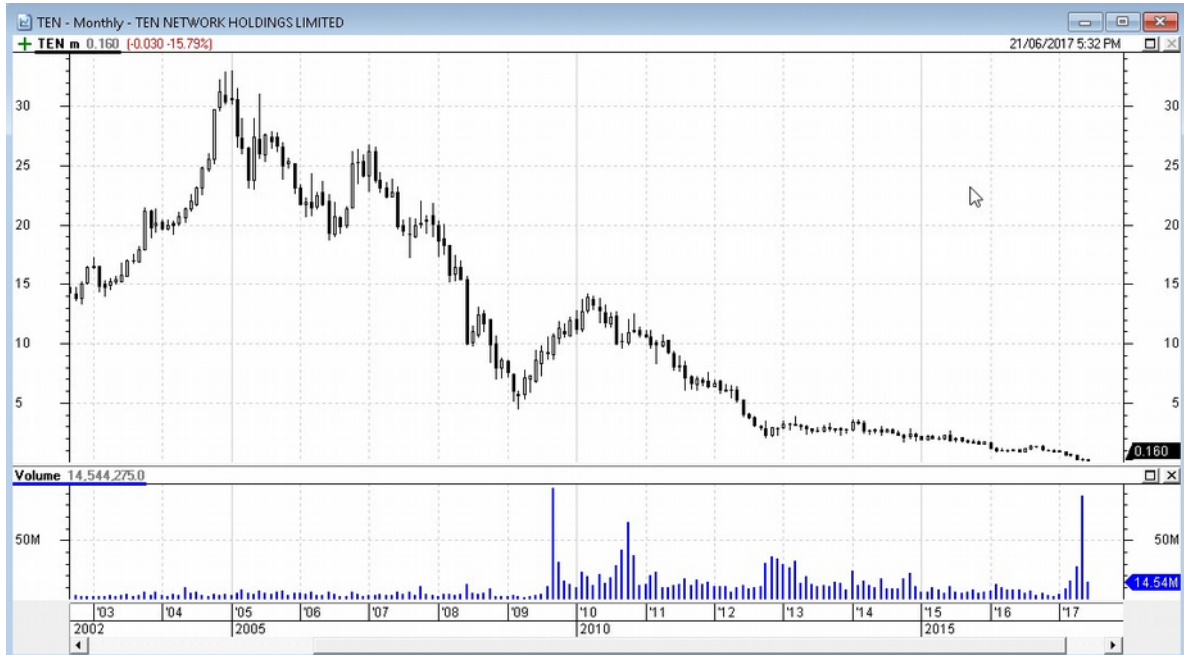
Data period type: Include incomplete period Use rolling periods

Scan Criteria: Match All Criteria

Criteria
<input checked="" type="checkbox"/> Previous Close is less than or equal to previous Open.
<input checked="" type="checkbox"/> Close is greater than Open.
<input checked="" type="checkbox"/> Open is greater than or equal to previous Open.
<input checked="" type="checkbox"/> Close is greater than previous Open.
<input checked="" type="checkbox"/> Volume is greater than 7 bar simple MA of Volume of the previous bar * 3.

5. **Trading in practise** — We looked at the charts of a few stocks, including BAL which has a good price chart at some times, but terrible at others (eg. a sudden plunge in price).

- (a) Graham had posed a question (on notice) asking if there was any way in hindsight that we could have anticipated this sort of thing. This generated quite some discussion; but not a clear answer to the question.
- (b) It was also mentioned that Ten Network (TEN) went into voluntary administration in recent days, and perhaps there were warnings for investors? Well, absolutely. We looked at the price chart of TEN (the monthly chart is shown here). The general consensus in the meeting was that any investor who hung on throughout the multi-year decline in share price was wishing, hoping and praying. There was no sympathy expressed for any investors who held on until the very end. This chart shows a continual downtrend (except for the uptrend in 2009 when the whole of the market rallied).



- (c) All the above discussion prompted comments about Pivot Point reversals, and Gerard pointed out some good recent examples on a chart of the XJO. So, perhaps there were tell tale reversal signals on the chart of BAL? This begged the question about Pivot Point tools in BullCharts, and we could not find any. Gerard and Des took the discussion off line to try to explicitly describe the conditions for this reversal condition, and to contemplate how to scan for the condition. They might have something to report next month.

6. **The \$100k Hypothetical portfolio**:- No update tonight.

- (a) **No update today.** It makes sense to consider a few stocks at meetings, and share ideas around the table as to what we think of the price charts, even if we don't make any decisions about purchase for a portfolio (at least the opinions and comments about the charts would be useful). [In recent months, some people have mentioned that it is difficult to "get into" the \$100k Portfolio topic and discussion, because we can only review opportunities once each month at the user group meetings. So we are wondering if it is worth persisting with the topic. After some discussion back then, It was agreed that the portfolio discussion is useful, especially to do with stock selection (discretionary entries) and to hear the views of others when looking at the price chart, as to whether a stock is worth buying now or not.]
- (b) **Portfolio review** — No review this month.
- (c) **New stock purchases** — None today.
- (d) **Portfolio documents (background)** — [Download and view the latest version of the plan document here](#). Also see the "Trade Planning" table (the observations of potential trades, and the position size and reward/risk details), and the separate "Trading Journal" table (the record of the buy and sell transactions, with the actual buy/sell details, including the amount of cash available). See the documents from the BCUG web page in Robert's Share Market Toolbox web site: www.robertbrain.com/bcug/.

7. **General Business** (and anything else to share?)

- (a) **News, seminars, websites, books, etc.**:- none tonight.
- (b) **Tech Tips** — Nothing new. See the growing list of apps etc below.
- (c) **Chi-X** — Andy mentioned Chi-X, last month and we look forward to a longer discussion about it, perhaps at the July meeting. [More info is here: <http://au.chi-x.com/>]
- (d) **Any other business?** — none
- (e) **Next meeting topic** — Take the new ribbon indicator that we have generated, and use it in a scan to find stocks that currently have a “Good” condition on each of the daily, weekly and monthly time periods (as per the strategy that Des shared with us a couple of months ago).
ALSO: Andrew might be able to tell us about Chi-X (about 15 minutes — see last month’s minutes for more information about Chi-X).
- (f) **Future meeting discussion topics** –
Maybe discuss some exit approaches in more detail (eg. RSI overbought, etc.).
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 is scheduled for: Wednesday 19th July (it’s normally the **third Wednesday of each month**) 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.**

*** NOTE:** We use the **BullCharts Discussion Forum** at the web site: 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 and BullCharts stuff here: 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... (next page)

Summary list of recently mentioned things (no recommendations) (updated **17 May 2017**)
(recent changes are indicated with colour and italics)

Books (also see: www.robertbrain.com/books/books.html)	Smartphone Apps			
<ol style="list-style-type: none"> 1. “A Complete Guide to Volume Spread Analysis”, Anna Coulling (mentioned in the February user webinar). 2. “Blueprint to Wealth”, Gary Stone. 3. “Foundations of Trading” Howard Bandy. 4. <i>“Fibonacci and Gann Applications in Financial Markets”</i>, George A. Maclean. 5. “High Probability Trading”, Marcel Link. 6. “Charting the Stock Market — The Wyckoff Method”, Edited by Jack K. Hutson. 7. “A Definitive Guide to Point and Figure” by Jeremy du Plessis 8. “Unholy Grails”, by Nick Radge 9. “Trade your way to Financial Freedom”, Van K. Tharp (topics: risk, position sizing, etc.) 10. “The Intuitive Trader” by Robert Koppel 11. A paper “Extraordinary Popular Delusions and the Madness of Crowds” (recommended reading). 12. “Sticky Stock Charts”, Laurence Holt. 13. “Technical Analysis of the Financial Markets” by John Murphy 14. “The Panic of 1907” by Robert Bruner and Sean Carr 15. www.betterbooks.com 16. www.traderslibrary.com 17. www.booktopia.com.au 	APP	iOS	Android	
	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	Investing.com	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"> 1. www.shareprices.com.au 2. www.shortman.com.au 3. AquaSnap software: http://www.nurgo-software.com/products/aquasnap 4. TimeLeft, a free countdown clock: www.timeleft.info 5. www.investing.com 6. www.livewiremarkets.com/ 7. www.marcustoday.com.au — the daily email. 8. Share market podcasts: Better System Trader http://bettersystemtrader.com/ 9. MetaStock formulae http://www.meta-formula.com 10. Web site: www.finviz.com 11. Aust BioTech Conference www.ausbiotechinvest.com 12. Volume Spread Analysis — Trade Guider — www.tradeguider.com . What is VSA? see Wikipedia, and www.VolumeSpreadAnalysis.com 13. Interest rate securities: www.finnewsnetwork.com.au 14. Market Watch www.marketwatch.com 15. Biotech web site: www.valutech.com.au 16. Commodity prices and overseas indexes; www.forexpros.com now changed to: www.investing.com 17. For screen capture, BB FlashBack Express — www.bbsoftware.co.uk/BBFlashBack_FreePlayer.aspx 	<ol style="list-style-type: none"> 1. Symposium resources road shows www.symposium.net.au 2. <i>Trading Super Investing — Future Wealth Forum</i>, with a new website address: www.futurewealthforum.com.au/ (this was the Trading Investing Expo) 3. IFTA — www.ifta.org 4. 2016 IFTA Conference in Sydney hosted by the ATAA. http://www.ataa.com.au/ifta-conference.html 5. Trading & Investing seminars & Expo- www.tradingandinvestingexpo.com.au

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