

BullCharts Software Tutorial

Adding Indicators to a Price Chart and Saving a Template

How can I add useful indicators to my charts?
and then save the appearance as a Template?

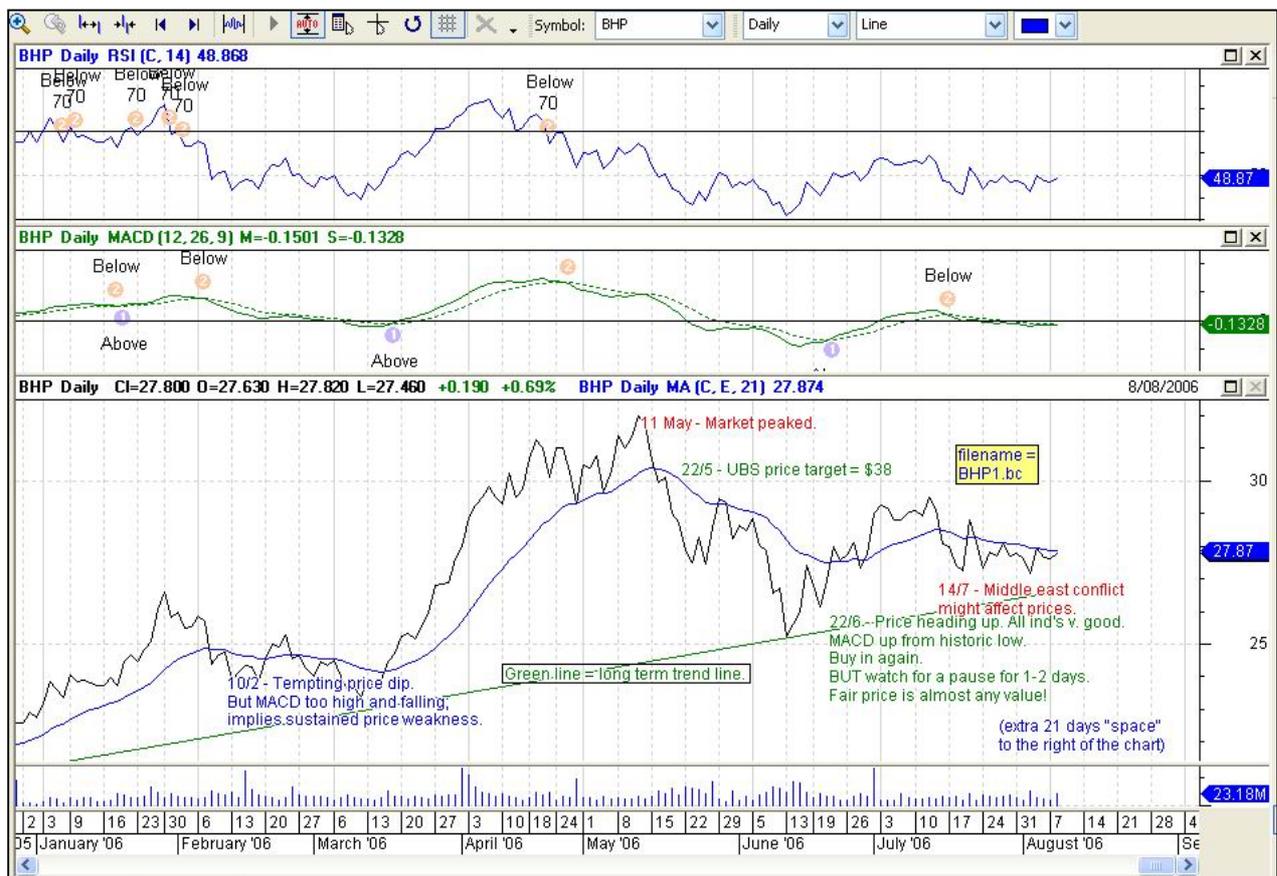
11 August, 2006

Introduction

When studying the share price performance of a particular company using the company's share price chart, many people like to also study a range of indicators (eg. MACD, RSI, OBV). Having devised a favourite set of indicators, it can then be useful to save a specific BullCharts "view" so that it can easily be applied to other stocks — using the Template feature.

This Tutorial describes some of the BullCharts software features that can be used to study a variety of indicators, and to save the View as a Template. In particular:

- Adding an EMA (Exponential Moving Average) to the chart, plus two additional "panes" showing the MACD and RSI indicators.
- Save the Price Chart as a file to your computer's hard drive. The saved price chart can comprise several "panes", with each pane displaying an indicator (see the sample below).
- Create a Template for quick future use.



Assumptions

This tutorial assumes the following information and knowledge:

1. That you understand that a simple share price chart might look like the **sample shown above**.
2. That it can be useful to draw various lines, and add text annotations onto a price chart (covered in a separate tutorial).

Basic Price Chart + EMA

Firstly, let's prepare a basic Price Chart of a large Australian listed company - BHP - and add an Exponential Moving Average (EMA) curve to the chart.

1. Create basic chart and Save it.

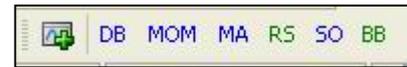
Either: (a) use the menu options: File > New > Chart, or (b) the two keys: <Ctrl>+<n>

Note the following standard defaults: Period = Daily; Chart Type = OHLC Bar chart.

For this exercise, we will change the type from OHLC to Line. Then save the file using the menu options: File > Save As, and choose a Folder to save it in, and a useful Filename.

2. Identify the MA (Moving Average) toolbar button.

Somewhere on the screen there should be a toolbar that looks something like in the figure at right — the Indicators Toolbar. If not, then make it visible (see the next item). If it is displayed, you can skip the next item.



3. Display the “Indicators” toolbar.

If this toolbar is displayed either “docked” around the edge of the window, or “floating” in the window somewhere, it will look something like the figure above (note that each toolbar can be dragged elsewhere around the screen, and either floated, or docked elsewhere — on my own screen, I dock this toolbar across the bottom of the window).

If this toolbar is not displayed, you can right click on a blank area of the menu/toolbar area at the top of the screen, and from that drop-down list, ensure that “Indicators” is ticked.

4. Add more Indicator Buttons to the toolbar.

Note that the Indicators Toolbar shows a short list of indicators; but BullCharts has LOTS of indicators built-in. You can easily customise the toolbar and add buttons for your own favourite Indicators. At the left-hand end of the Indicators Toolbar, the very first button (see figure at right) is to “Create or add an indicator to this chart”. Click on this button, and in the dialogue, locate the desired indicator. Once you find the required indicator in the list and click on it once to select it, then click on the “Builder” tab at the top of the dialogue box to see the options shown at right. Tick the box to “Show this indicator in the Favourites and on the Toolbar”, and you can change the Toolbar Abbreviation, and colour.



5. Add the EMA (to the same pane).

On the Indicators Toolbar, click on the “MA” toolbar button to create a Moving Average. Or click on the first button on the toolbar to “Create an Indicator...”, and in the “Indicator” dialogue box, identify and select the “Moving Average” option (in the Category of Favourites). Note that you can change some parameters as follows.

The default “Expression” is based on the Close price; and the default “Method” is Simple, but some people prefer the Method to be Exponential or Weighted; and the default “Time Periods” is 14, which can be changed to almost any value. You can click on Finish to generate this line using more default values, or click on “Next” to do further customisations. Note that the EMA defaults will put the EMA curve onto the Price Chart pane, and use the same price scale.

Add two Indicators

Many people like to see the RSI and MACD indicators for a price chart. So let's add these to the view of the BHP Price Chart.

6. Add RSI (in a new pane).

On the Indicators Toolbar, identify the button for the RSI, or if it is not there, click on the first button to "Add an indicator...".

Find and click once on the required indicator, and click on the "Finish" button to accept all remaining default values. Note that the default RSI indicator settings will create a new pane and place it above the basic price chart.

7. Add MACD (in a new pane).

This process is the same as for the RSI above. On the Indicators Toolbar, identify the button for the MACD, or if it is not there, click on the first button to "Add an indicator...".

Find and click once on the required indicator, and click on the "Finish" button to accept all remaining default values. Note that the default MACD indicator settings will create a new pane and place it above the basic price chart.

Create a Template for future use

By now you should have a chart Window like the sample shown on the first page of this tutorial. If this is one way that you would like to view your price charts, then you can save this "view" as a "template".

8. Create a new template using "Save as Template...".

With the chart window displayed, go to the File menu, and select "Save as Template..." and in the "Save As" dialogue box, enter a useful name for the Template. By default the BullCharts software will store this Template File in a particular folder on the hard drive. You can change this to any other folder. There are already a few default Template files stored, and displayed on the Toolbar.

Templates TIPS:

9. Creating and naming the Template file.

It is useful to create Template files, and then add them to the Templates Toolbar. To do this you need to specify two things: (a) a filename for the Template file; and (b) a Template Abbreviation that will appear on the Toolbar. The Abbreviation needs to use as few characters as possible, and it is also very helpful to make the Template Filename and the Abbreviation somewhat similar (if you use too many characters, the toolbar becomes too long and you may run out of screen space).

Have a look at the sample Template Toolbar in the screen-shot image at right.

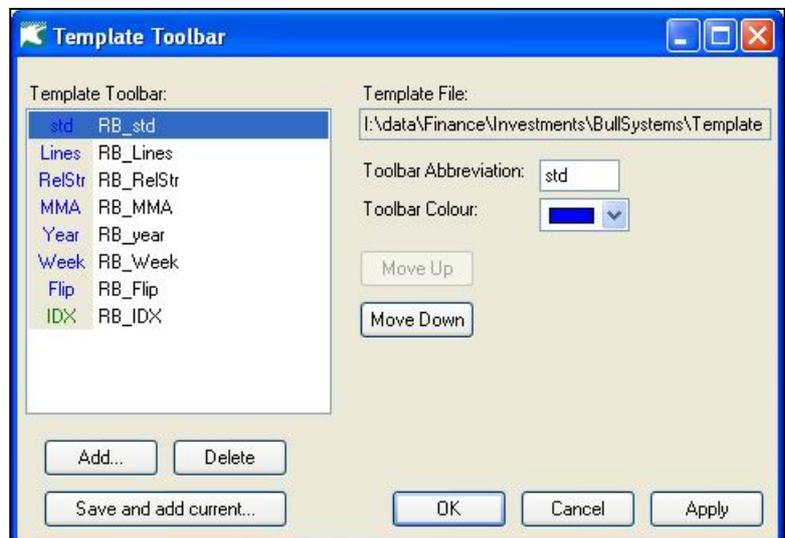
This is my own toolbar with all the default ones removed, and I have tried to make the template "abbreviations" both short and meaningful.

And the actual filename for each template file includes the abbreviation that appears on the toolbar.



10. Manage the Templates.

When you click on the first toolbar button on the Templates Toolbar, you get the "Template Toolbar" dialogue as shown in the screen shot at right. This shows you a list of the current Toolbar buttons, with the current Abbreviation, and Filename for each. In the figure at right, the first entry has a blue coloured abbreviation "std" and is stored with the filename RB_std (I use my initials to distinguish my templates from the supplied ones).



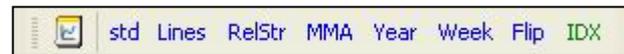
For existing template files, there are several things you can do on this screen:

- (a) Add or Delete Templates from the Toolbar using the “Add..” button, or “Delete..” button (this does not delete the template file, just the toolbar button from the toolbar).
- (b) Change the Toolbar Abbreviation, and its Colour.
- (c) Resequence the toolbar buttons by selecting one from the list, and then clicking on the “Move Up” or “Move Down” button to change its sequence.

11. Using the Templates.

To use the template, you can do the following:

Open up a Price Chart for a particular security. Now click on the desired Template toolbar button. For example, if the Template toolbar is as shown in the figure at right, then clicking on the one called “std” will apply that particular template to the displayed security. And clicking onto another one (eg. “MMA”) will change the display and apply that template.



Sample application of templates

On my own BullCharts system, I have the Templates Toolbar shown in the samples above. A brief description of each one is listed below.

Template name	Description
std	This is my “standard” view, comprising the price chart (daily candles) plus four indicators (OBV, MACD, RSI, W%R). Similar to the sample screen shot on page 1 of this Tutorial document. But the price chart also includes: Bollinger Bands, Parabolic SAR.
Lines	This is a single price chart (candles), with 26 period EMA, and with support, resistance and trend lines drawn in (using “Line Intervals”).
RelStr	A simple lien chart with a couple of different Relative Strength indicators, in an attempt to better understand more about Relative Strength.
MMA	A simple price chart showing GMMA (refer to Guppy’s books for details).
Year	A simple line chart over a 12 month period, for a less noisy view of trends.
Week	A Weekly Candle chart, with MACD and RSC indicators, plus Stage Analysis ribbon across the bottom. (The template does not store the period, so I need to manually confirm that Weekly is selected.)
Flip	Similar to the “std” chart above. Used when flipping down the Watchlist of stocks glancing for obvious chart-based opportunities.
IDX	A price chart of an ASX index, with A&D (Accumulation and Distribution) indicator, plus the Coppock Curve.

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