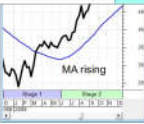


Special insights into bullish chart indicators (updated)



Share Market
Toolbox

Special insights into *bullish observations* on price charts, to help us rank stocks



MA rising

Robert Brain
April 2022



MACD cross
'Above'

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.

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Introduction

About this presentation

Wouldn't it be good if we could take a **list of stocks***, and sort the list with the **strongest performing stocks** at top of the list? (ie. sort by most bullish and the most bearish at the bottom)?


And then invest in these stocks in anticipation of the **best price performance**?

BUT HOW??

We could study *bullish features* of chart indicators and allocate a *ranking or score* and then sort the list.

* — ie. your own "stock universe"

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Introduction



Use bullish observations of TA indicators

We could use bullish observations of technical analysis (T.A.) chart indicators, for example:

- "*Moving Average (MA) rising for consecutive bars*", especially if it is below the share price.

We might use a 30 week SMA on weekly chart (à la Stan Weinstein).

This observation is said to be bullish, and can be readily scanned for using charting or trading software.



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Special insights into bullish chart indicators (updated)

Introduction

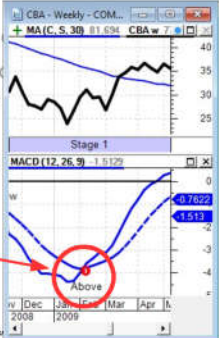
Use bullish T.A. indicator observations

We could use observations of technical analysis chart indicators such as:

- "Moving Average (MA) rising for consecutive bars, especially if it is below the share price"

There are more bullish observations:

- MACD crosses "above" when below its own zero line?
- plus many more...



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Introduction

Use bullish T.A. indicator observations

We could use bullish observations of technical analysis chart indicators such as:

- Moving Average (MA) rising for consecutive bars, especially if it is below the share price.
- MACD crosses "above" its own Signal line, when below its own zero line.
- (and many more).

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Introduction

About this presentation

Wouldn't it be good if we could take a list of stocks, and sort by *strongest performing* stocks by **studying bullish features of chart indicators to allocate a ranking or score**, and sort the list with the strongest performing stocks (ie. most bullish) at top of the list? (and the most bearish at the bottom).

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Special insights into bullish chart indicators (updated)

Robert's Personal Watch List table

(A) Code	(B) Stock name	(C) Score	(D) ROA %	(E) Close Price	(F) Stop #1 (1.5x)	(G) Stop #2 (2.5x)	(H) Wks On	(J1) Price % Change	(J2) Price % pa	(K) % ch 1 wk
All stocks on the list this week: (new stocks + carry-over)										
8 NEW stocks + 113 CARRY-OVER this week = 121 total (13 + 107 last week, 12 + 100 previous week) (7 gone off the list this week, 5 last week, 4 previous week)										
MMS	Mcmillan Shakespeare	80	34	16						3.0
REA	REA Group Ltd	76	0	77						1.2
ALU	Albium Limited	76	73	12						-0.5
CGC	Costa Group Holdings Ltd	76	62	6						-3.1
IAG	Insurance Australia Group	76	0	7						2.1
ORE	Orocobre Limited	76	84	5						-3.0
AST	Ausnet Services Limited	74	0	1.4						0.8
COH	Cochlear Limited	74	32	181						1.1
DLK	Dalmeida-Young Limited	74	0	8.01	7.49	7.25	6	14.4%	34	7.5
			34	6.98	6.28	6.01	5	11.1%	116	1.0
			30	5.78	5.24	5.00	14	18.0%	67	4.9
			0	20.89	19.52	18.91	5	17.1%	178	6.0
DDP	Doppelgera Investment Corp	74	35	4.84	4.27	4.02	6	13.6%	118	1.9
BRG	Breville Group Limited	72	37	12.73	11.85	11.45	12	17.3%	75	1.0
STO	Stansbury									0.6
BKL	Bell									0.5
IPL	Inspira									0.8
NXT	Nexus									0.3
PTM	Platinum									1.1
SGR	The									0.6

Note: This list uses price data that is 5 years old.

The resulting list might look like this one.

Let's consider how to do this...

Introduction

Questions?

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



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



www.bullcharts.com.au

Introduction

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 i.e. technical analyst (ATAA member and national director)
- Provide support and tuition to traders and investors **Brain'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** (convener 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).

Special insights into bullish chart indicators (updated)

 Introduction

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.

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 Introduction

Important Notice



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Special insights into bullish chart indicators (updated)





Introduction

NOTE...

In this presentation
we focus on a
trend-following approach, so
the chart indicator observations
are relevant to that approach.

Remember: *The trend is your friend.*

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Introduction

Today's Agenda

1. ***Special insights*** into *bullish observations* and why they are so important and useful;
2. Nominate some popular T.A. indicators;
3. Identify bullish observations of these chart indicators (prepare a list);
4. Consider how to quantify these bullish observations and scan for them, and then produce a ranking or score;
5. Consider how to automate this.

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The stories in the charts (the *insights*)

Special insights...

Let's consider the
special insights
about the *bullish observations*
of technical analysis
chart indicators

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Special insights into bullish chart indicators (updated)

The stories in the charts (the *insights*)

Special insights...

Bullish observations on the price charts, what are they and why do they occur?

- Many technical analysis references (eg. books, websites, etc.) give you some good theory; but not the deeper understanding;
- Here's the **real insight** and the reasons why these observations work...

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Special insights into bullish chart indicators (updated)

The stories in the charts (the *insights*)

Support and Resistance

Strict (theoretical) definition: www.investopedia.com

- **“Support** is a price level where a downtrend can be expected to pause due to a *concentration of demand* or *buying interest*. As the price of assets or securities drops, *demand for the shares increases*, thus forming the support line.”
- **“Resistance zones** arise due to *selling interest* when prices have increased.”

**Now that’s crystal clear?
But there is something that they are not telling you here!!**

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The stories in the charts (the *insights*)

Support and Resistance

Strict (theoretical) definition:

- **Support** is a price level where a downtrend can be expected to pause due to a concentration of demand or buying interest. As the price of assets or securities drops, demand for the shares increases, thus forming the support line.
- **Resistance zones** arise due to selling interest when prices have increased.

**What does this mean?
Why does it happen?**

Is there a more intuitive way to look at Support and Resistance?

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The stories in the charts (the *insights*)

CBA (daily chart)
Oct 2013 - May 2014

How about this explanation:

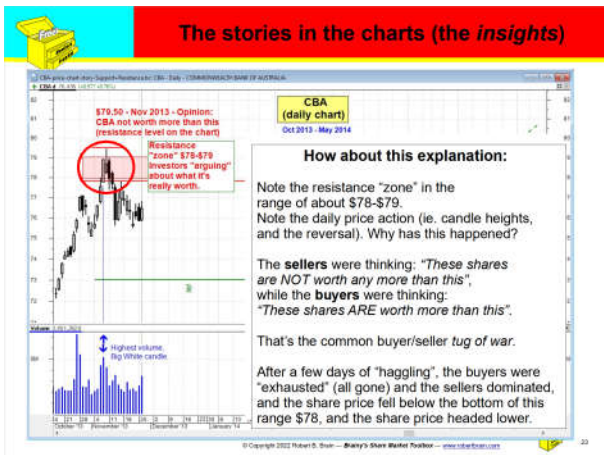
Note the resistance “zone” in the range of about \$78-\$79.
Note the daily price action (ie. candle heights, and the reversal).

Why has this happened?
????

ps: I think daily close prices are more important than weekly prices, and also daily highs or lows.

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Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)



The stories in the charts (the *insights*)

Support and Resistance

How can we explain the to and fro of investor / trader sentiment, and the flip flop change of opinion from “buy” to “sell” and vice versa?

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The stories in the charts (the *insights*)

Support and Resistance

There are a few explanations, including:-

- Relevant news (eg. economic, political, etc.);
- Company announcements;
- CBA profit results in February, August;
- CBA dividend news in March, September;
- Broker / analyst upgrades/downgrades;
- Broker / analyst / commentator **buy, hold, sell** recommendations.

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The stories in the charts (the *insights*)



What about share price *trends* and *trend lines* on the charts?

What's the *special insight* into these?

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Special insights into bullish chart indicators (updated)

The stories in the charts (the *insights*)

Trends and trendlines

- Share price *trends* and technical analysis *trendlines* have similar interpretations;
- Case study MLX from Dec 2019...

* MLX – Metals X Ltd is Australia's largest tin producer and involved in Wingellina Nickel-Cobalt project.
www.metalsx.com.au

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The stories in the charts (the *insights*)

MLX (weekly chart)

This weekly chart
 Summarises different stages of price action from December 2019 to March 2022.

- Downtrend ending
- Congestion
- Rally / uptrend
- Weaker rally / uptrend
- Short pull back
- Another uptrend

The stories in the charts (the *insights*)

Congestion detail

On this daily chart, the details of the congestion period and intermediate rallies and declines are easier to see than on the weekly chart.

Why does this happen?
 Again, due to the opinions of the market participants regarding *fair value*, and due to news, etc.

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Special insights into bullish chart indicators (updated)



The stories in the charts (the insights)

Fair value

For company shares, the term *fair value* (or *intrinsic value*) is actually an opinion or estimate based on various information.

Empirical formula? - No such thing!!

100 different analysts will have nearly 100 different opinions. Which one is correct?

"Mister Market" has the correct answer. Resulting in the stories in the charts.

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Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)




The stories in the charts (the *insights*)

Trends and trendlines

- In these cases we can see a sequence of Higher Peaks and Higher Troughs;
- “Market participants” increase their opinion about *fair value*;
- New market participants start playing and join the trend => increased buyer interest;
- But why does all this happen? Because of:
 - New news;
 - The weight of the crowd, and the ongoing revisions to “*fair value*”.

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The stories in the charts (the *insights*)

Trends and trendlines



How to translate them to “bullish observations” and then to scan for them?

An *uptrend* can be approximated, and searched for, by using a Moving Average (MA):

- “Moving Average **turned up**”;
- “Moving Average **rising** (for x bars)”;
- “MA(x) has **crossed Above** MA(y)”.

Consistent, profitable traders like very clear, mechanical signals.

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The stories in the charts (the *insights*)

More bullish observations

- Momentum indicator:
 - “*Momentum trending higher*”;
 - “*Moving Average of Momentum rising*”;
- MACD indicator:
 - “*MACD rising*”;
 - “*MACD crosses above its Signal line*”;
- OBV
 - “*Moving Average of OBV rising*”.

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Special insights into bullish chart indicators (updated)



The stories in the charts (the *insights*)

Now that we understand the reasons for particular *bullish observations*, let's compile a list of possibilities.


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T/A indicator observations

Which *bullish observations* can we look for?

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T/A indicator observations

Study these bullish features...

We might use BULLISH observations of technical analysis chart indicators such as:

- (a) **Moving Average (MA)** rising for consecutive bars, especially if it is below the share price
- (b) **MACD** crosses "above" when below its own zero line
- (c) **Momentum** indicator is trending higher (ie. higher peaks and troughs)
- (d) **Moving Average of Momentum** is above the Momentum and rising
- (e) **ActVest Range+** — indicator cord is rising
- (f) **Hull ROAR** is rising
- (g) **Volume** is above a Moving Average of Volume.

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Special insights into bullish chart indicators (updated)

T/A indicator observations

Study these bullish features...

And also these:

- (h) **Highest High Value** in x bars – to identify a breakout above a resistance level.
- (i) **A daily candle** sitting above the middle of a Big White on the previous day.

To help visualise these, see examples on next slides... /

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T/A indicator observations

(a) Moving Average rising...

Moving Average (MA) rising for consecutive bars, especially if it is below the share price.

Indicative of a rising trend; but have a good Exit ready!

15 and 30 week MA on a weekly chart

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T/A indicator observations

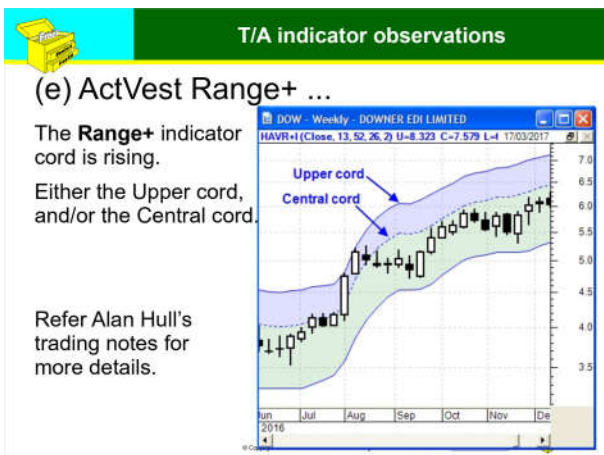
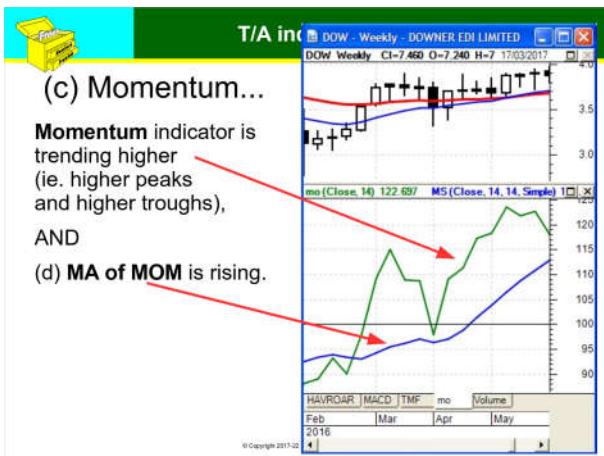
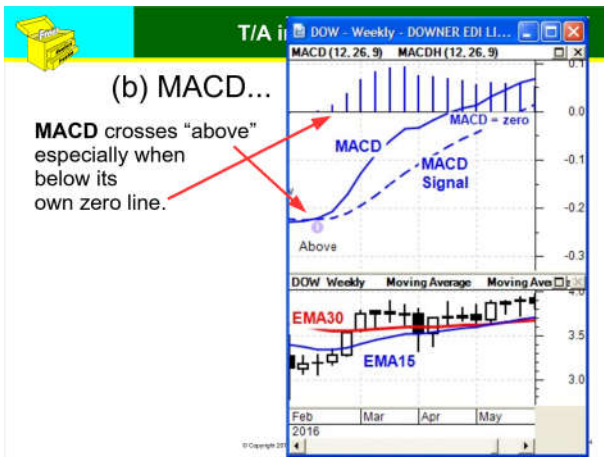
BTW — A note about trends

About price trends — uptrends and downtrends

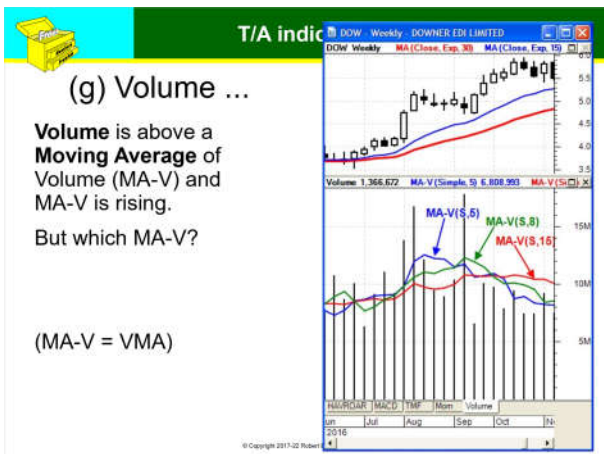
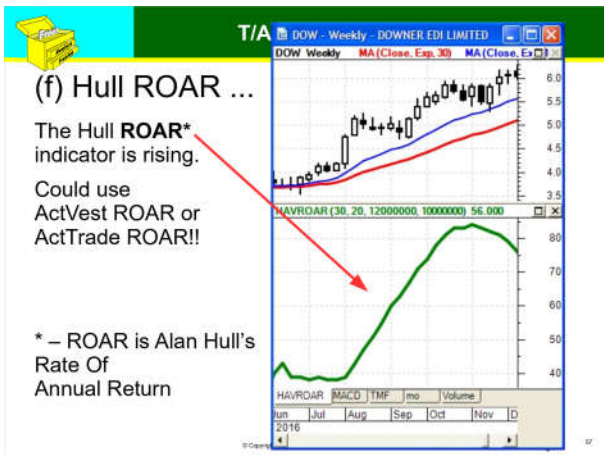
- The classical technical analysis definition of a price **trend** is a sequence of *higher highs* and *higher lows* (or *higher peaks* and *higher troughs*).
- This can be difficult to scan for in charting software, so instead we can look for a hint that the share price is “tending” to rise – such as a rising Moving Average.

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Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)



T/A indicator observations

EXAMPLES

Consider the following sample charts and the T.A. indicators ...

Could we have “predicted” the bullish uptrends?

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Special insights into bullish chart indicators (updated)

T/A indicator observations

WARNING!!!

In the following slides, there are many examples of “bullish observations” of technical analysis chart indicators!!

Get ready to make notes!!

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T/A indicator observations

Case Study #1
ALL
Weekly chart from Aug 2016

QUESTION:
Could we have “predicted” this rally?

NOTE:
The word “predicted” is probably not the right one, so instead use “anticipated”.

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T/A indicator observations

Moving Averages:
Faster one is above slower one.

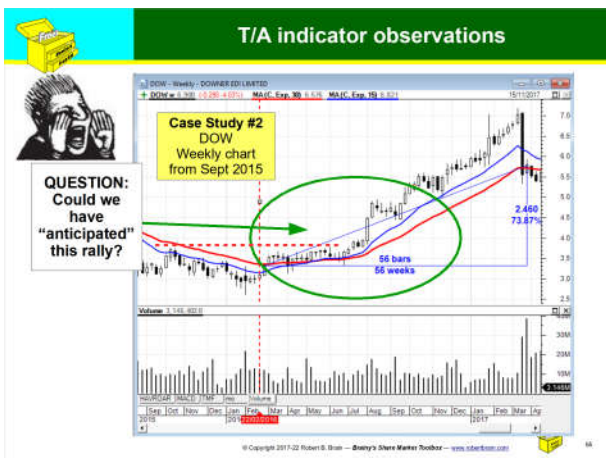
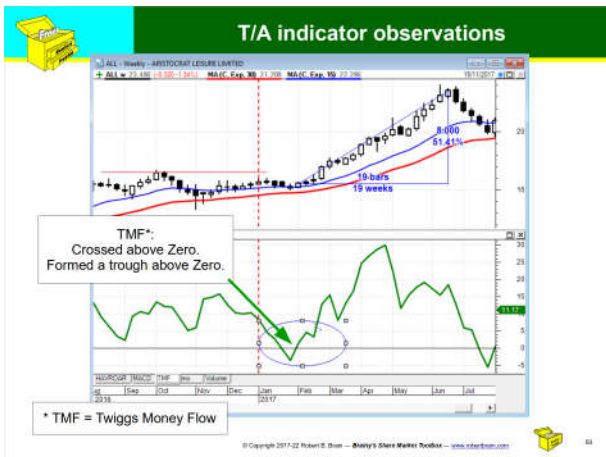
Momentum:
Higher Low

Resistance level

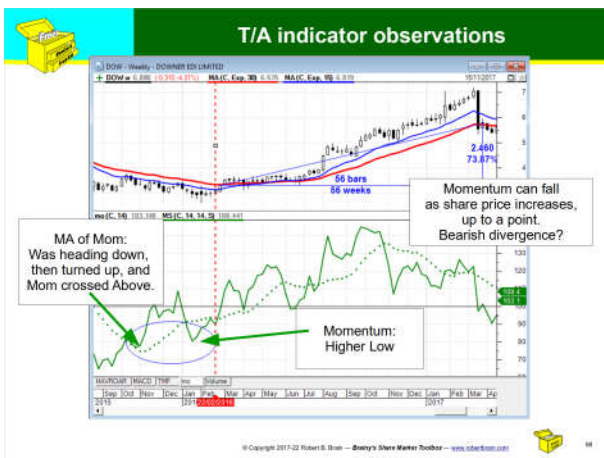
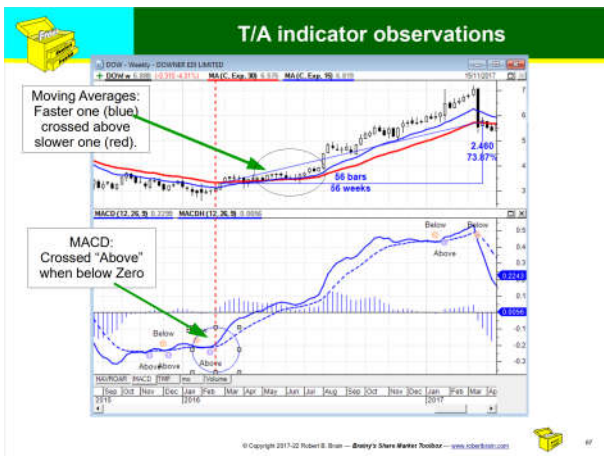
MA of Mom:
Was heading down, then turned up, and Mom crossed Above.

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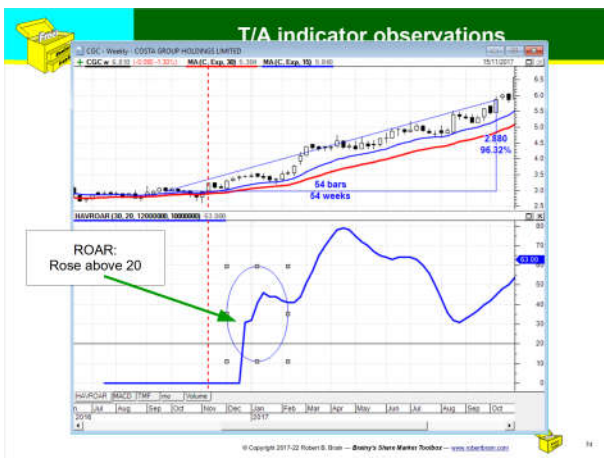
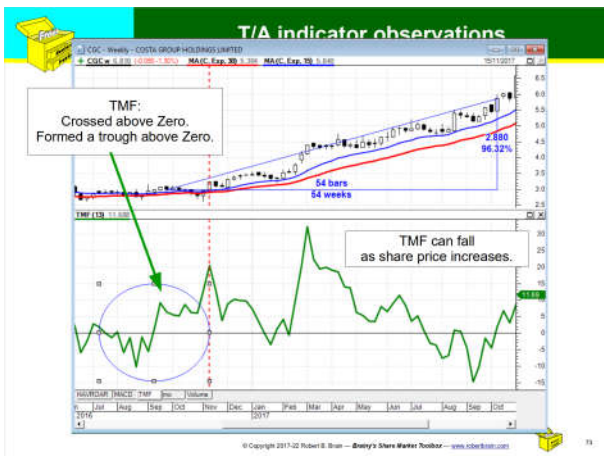
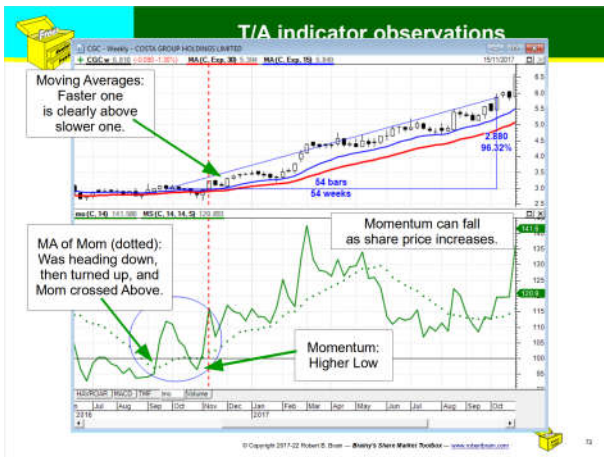
Special insights into bullish chart indicators (updated)



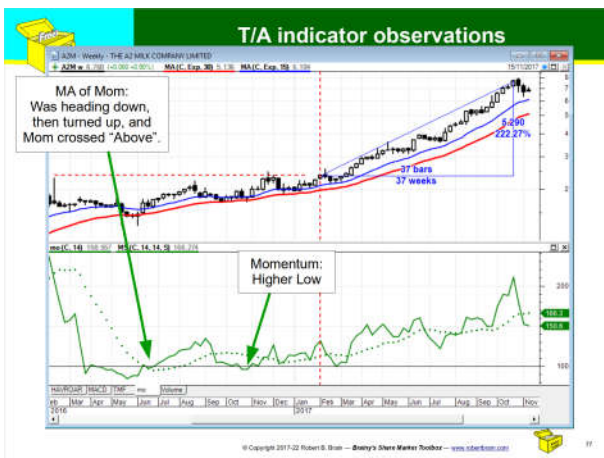
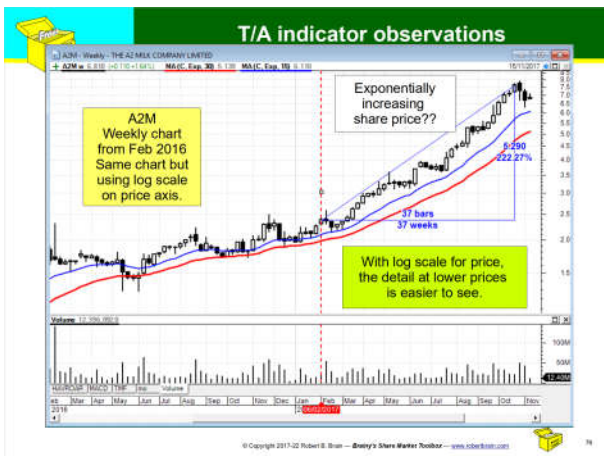
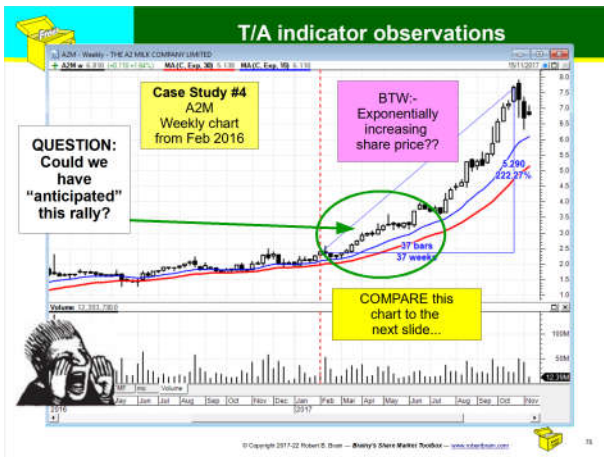
Special insights into bullish chart indicators (updated)



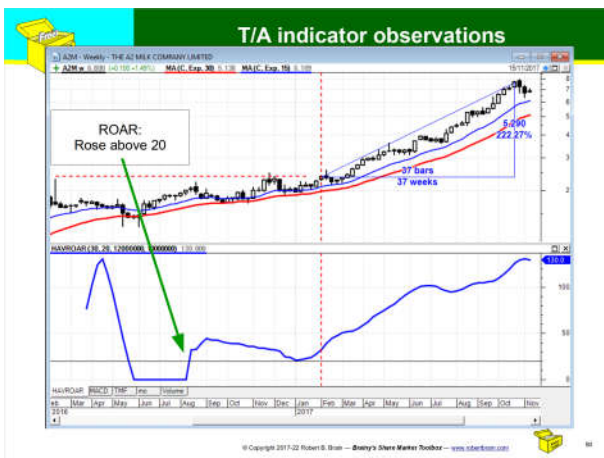
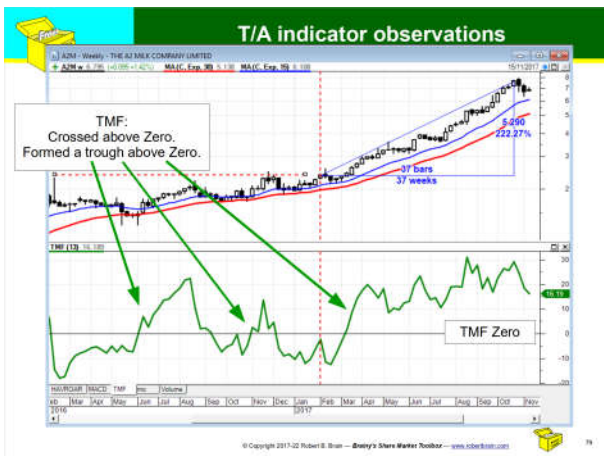
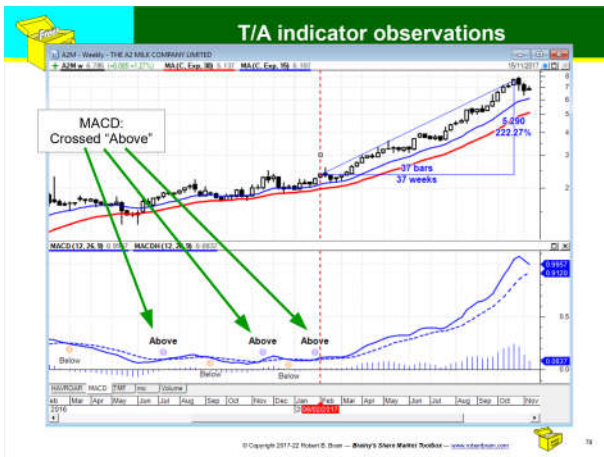
Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)



Special insights into bullish chart indicators (updated)

T/A indicator observations

Summary of these bullish features...

We might use observations of technical analysis chart indicators such as these:

- (a) Moving Average (MA) rising for consecutive bars, especially if it is below the share price
- (b) MACD crosses "above" when below its own zero line
- (c) Momentum indicator is trending higher (ie. higher peaks and troughs)
- (d) Moving Average of Momentum is above the Momentum and rising
- (e) ActVest Range+ — indicator cord is rising
- (f) Hull ROAR is rising
- (g) Volume is above a Moving Average of Volume.

See a **summary price chart** on next slide.

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T/A indicator observations

Identify the bullish observations in this weekly price chart.

- HAVROAR
- MACD
- TMF
- Momentum (and its MA)
- MA of price
- Volume (and VMA)

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T/A indicator observations

Any other useful ones?

Are there more bullish observations and indicators that could be useful?

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Special insights into bullish chart indicators (updated)

T/A indicator observations

What Other Indicators??

What other chart indicators could we use?

1. Stochastic
2. OBV
3. Moving Average of OBV
4. RSI
5. Bollinger Bands
6. ...

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T/A indicator observations

Bullish candle *features*

1. Presence or absence of shadows;
2. Length of shadows;
3. Height of candle body;
4. Position relative to the Previous candle.

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T/A indicator observations

Bullish candle *patterns*

Bullish candlestick patterns:

1. Hammer
2. Piercing Pattern/Line
3. Bullish Engulfing
4. Morning Star
5. Three White Soldiers
6. plus more...

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Special insights into bullish chart indicators (updated)

Allocating a Score value

So how to rank the stocks?

Let's allocate a "Score value" for each *bullish indicator observation*.

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Allocating a Score value

(a) Moving Average rising...

Moving Average (MA) rising for consecutive bars, especially if it is below the share price.

We could allocate a "score"...

Ref.	Technical analysis indicator observation	Score Value
1	15-week EMA has increased every week for 3 weeks	1
2	30-week EMA has increased every week for 3 weeks	1
3	If EMA (30) has risen every bar for 5 bars	1
4	If EMA (30) has risen every bar for 8 bars	1

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Allocating a Score value

(b) MACD...

MACD crosses "Above" when below its own zero line.

We could allocate a "score"...

Ref.	Technical analysis indicator observation	Score Value
8	MACD indicator value is less than zero, any bar in the last 8 bars	1
9	MACD has crossed "Above" the signal line, any bar in last 8 bars	1
10	MACD value has increased every bar for 3 bars	1

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Special insights into bullish chart indicators (updated)

Alloc

(c)-(d) Momentum...

*Mom is trending higher,
AND
MA of MOM is rising.*

Ref.	Technical analysis indicator observation	Score Value
11	Mom(14) is > Mom of any of the last 5 bars	1
12	Mom(14) has "crossed above" the MA of Mom for any of the last 5 bars	1
13	Mom(14) is > MA of Mom for every bar in the last 3 bars	1
14	The MA(14) of Mom has increased every bar for the last 5 bars	1

Allocating a Score value

(e) ActVest Range+ ...

The Range+ indicator cord is rising

For example:
"Range+
Upper cord
is rising"

The Alan Hull "Range+" indicator is this three line indicator with shaded bands, creating four "zones". Refer to Alan Hull's course notes.

Alloc

(f) Hull ROAR ...

The Hull ActVest ROAR (Rate of Annual Return) indicator is rising

Ref.	Technical analysis indicator observation	Score Value
5	ActVest ROAR > 20	1
6	ROAR >= previous ROAR	1

Special insights into bullish chart indicators (updated)

Allocating a Score value

(g) Volume ...
Volume is above VMA and VMA is rising.

This condition occurs on this sample chart in some weeks, and not others.

Ref.	Technical analysis indicator observation	Score Value
18	If Vol > 5-period VMA	1
19	If Vol > 15-period VMA	1
20	If 8-period VMA has increased every bar for 3 bars	1

Allocating a Score value

What about price?

It could be useful to include an observation of the pure share price.


This sequence of candles is bullish.
 ie. a sequence of:
 Higher Highs, and/or
 Higher Closes, and/or
 Higher Lows, and/or
 Higher Opens.

Allocating a Score value

The Total Score

Take the individual Scores in the previous slides and examples, and simply tally them up to arrive at the "Total Score" value for each stock.

Special insights into bullish chart indicators (updated)


 **Allocating a Score value**


Tally up the scores for this stock

Ref.	Technical analysis indicator observation	Score Value
1	15-week EMA has increased every week for 3 weeks	1
2	30-week EMA has increased every week for 3 weeks	1
3	If EMA (30) has risen every bar for 5 bars	1
4	If EMA (30) has risen every bar for 8 bars	1
5	ActVest ROAR (Rate of Annual Return) greater than 20	N/A
6	ActVest ROAR >= previous ActVest ROAR	N/A
7	Latest Close >= Previous Close	N/A
8	MACD indicator value is less than zero, any bar in the last 8 bars	1
9	MACD has crossed "Above" the signal line, any bar in last 8 bars	1
10	MACD value has increased very bar for 3 bars	1
TOTAL score (this page):		7

N/A – In my own use, I don't use these criteria.


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 **Allocating a Score value**

Ref.	Technical analysis indicator observation	Score Value
11	Momentum (14) > the Momentum of any of the last 5 bars	1
12	Momentum(14) has "crossed above" the Moving Average of Momentum for any of the last 5 bars	1
13	Momentum(14) is greater than the Moving Average of Momentum for every bar in the last 3 bars	1
14	The MA of Momentum(14) has increased every bar for the 5 bars	1
15	If Twigg's Money Flow (TMF - 13 period) is now the highest it has been in the last 5 bars	N/A
16	If TMF(13) is greater than zero	N/A – In my own use, I don't use these criteria.
17	If TMF(13) is greater than TMF(13) for any bar in the last 5 bars	N/A
18	If Volume > 5-period Moving Average of Volume	1
19	If Volume > 15-period Moving Average of Volume	1
20	If 8-period MA of Volume has increased every bar for 3 bars	1
TOTAL score (this page):		7
TOTAL score (previous page):		7
TOTAL score:		14

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 **Allocating a Score value**

The Total Score

- Take the individual Scores in the previous slides and examples, and simply tally them up to arrive at the "Total Score" value for each stock.
- For the list of stocks and their own Score values, sort the list with the highest scoring stock at the top of the list, and the result might look like this...

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Special insights into bullish chart indicators (updated)

Robert's Personal Watch List table

(A) Code	(B) Stock name	(C) Score	(D) ROA %	(E) Close Price	(F) Stop #1 (1.5x)	(G) Stop #2 (2.5x)	(H) Wks On	(J1) Price % Change	(J2) Price % pa	(K) % ch 1 wk
All stocks on the list this week: (new stocks + carry-over) 8 NEW stocks + 113 CARRY-OVER this week = 121 total (13 + 107 last week, 12 + 100 previous week) (7 gone off)										
MMS	Mcmillan Shakespeare	80	34	16.88						3.0
REA	REA Group Ltd	78	0	77.05						1.2
ALU	Alum Limited	78	73	12.96						-0.5
CGC	Costa Group Holdings	78	82	6.55						-3.1
IAG	Insurance Australia Group	76	0	7.17						2.1
ORE	Orocobre Limited	76	84	5.80						-3.0
AST	Ausnet Services Limited	74	0	1.845						0.8
COH	Cochlear Limited	74	32	181.13	170.62	165.94	12	15.6%	68	1.1
DLX	Duluxgroup Limited	74	0	8.01	7.49	7.25	8	14.4%	94	7.5
NHF	Nih Holdings Limited	74	34	6.98	8.28	8.01	5	11.1%	116	1.0
NST	Northern Star Resources	74	30	5.78	5.24	5.00	14	18.0%	67	4.9
NWS	News Corporation	74	0	20.89	19.52	18.91	5	17.1%	178	6.0
SDA	Speedcast International	74	35	4.84	4.27	4.02	6	13.6%	118	1.9
BRG	Breville Group Limited	72	32	12.73	11.85	11.45	19	17.9%	75	1.0
STO	Santos Limited	72	80	5.01	4.47					
BKL	Blackmores Limited	70	109	162.13	143.41					
IPL	Inlitec Pivot Limited	70	0	3.96	3.67					
NXT	Nextdc Limited	70	32	5.45	5.01					
PTM	Platinum Asset Management	70	82	7.51	6.82					
SGR	The Star Entertainment Group	70	0	5.64	5.41	5.24	4	-0.4%	-5	-2.8

Robert's personal Weekly Watch List. Stocks selected from the XJO, if they are "uptrending".

This is updated weekly and available to all subscribing Share Market Toolbox members each weekend.


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Allocating a Score value

Bullish observations of indicators

This could be very useful!

- With careful use of specific chart indicators, this approach could be very useful
- **BUT** which chart indicators to use? because there are many.
- **And,** Can we foresee any issues?



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Allocating a Score value


One possible PROBLEM!

What if we choose several indicators that are all *Trend* indicators, or all *Momentum* indicators?

It is likely that all indicators of a particular type will be bullish together. So choose wisely.

Momentum indicators Momentum On Balance Volume RSI	Trend indicators MA MACD ADX
Volume indicators Volume MA (VMA) Money Flow Volume Oscillator	Volatility indicators Bollinger Bands ATR

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Allocating a Score value



Another Problem!

In our case study we have listed about 20 criteria.
What if:

- If each criteria is allocated one point, and
- Ten of these criteria are all based on observations of **trend indicators**, and
- Five are based on **momentum indicators**, &
- Five are based on **volume observations**.

Won't this result in a bias towards the trend observations?

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Allocating a Score value

A solution to this bias...

- Instead of allocating one point to each observation, we can allocate different amounts (eg. 2 points or 3 points) [we refer to this as the "criteria importance"]
- For example, allocate a percentage of the total score to each of 5 categories (20% each?):
 - Trend
 - Momentum
 - Price
 - Volatility
 - Volume

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T/A indicator observations

Some tips

In the examples shown, we have used indicator **parameters** that could be tweaked:

1. "Period" for MOM, MA, etc. (we used the default value of 14);
2. Scan criteria:- "... if the condition has occurred any time in the last X number of bars";
3. Change the "importance" of each scan criteria.


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Special insights into bullish chart indicators (updated)

How to automate

How to automate?



Once we decide which indicators to use, and which observations of these indicators to use, how can we automate the process of calculating the score for each stock?

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How to automate

Use your software

- You could leverage the features of your preferred charting software package.
- You could utilise an online system.
- Other?

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How to automate

My favourite...

In BullCharts software...

- Set up a scan with "Match All Criteria" turned off;
- Create the required scan criteria;
- Then set "Importance" and "Required" options for each scan criteria.

Criteria	Importance	Required
<input checked="" type="checkbox"/> Open is greater than or equal to previous Open every bar for the last 3 bars.	1	No
<input checked="" type="checkbox"/> Close is greater than or equal to previous Close every bar for the last 3 bars.	1	No
<input checked="" type="checkbox"/> 30 bar exponential MA of Close has increased every bar for the last 5 bars.	2	No
<input checked="" type="checkbox"/> 30 bar exponential MA of Close has increased every bar for the last 8 bars.	2	No
<input checked="" type="checkbox"/> MACD (12, 26, 9) is less than 0 any bar in the last 8 bars.	1	No
<input checked="" type="checkbox"/> MACD (12, 26, 9) Above is true any bar in the last 8 bars.	2	Yes

Special insights into bullish chart indicators (updated)

How to automate

Questions – for how many bars?

In a scan, we could say that each condition must have been in place, "...For ANY bar in the last X bars", or "...For EVERY bar...":

- (a) Moving Average (MA) rising for consecutive bars (**For HOW MANY bars?**), especially if it is below the share price;
- (b) MACD crosses "above" when below its own zero line
(**Any time in the last X bars**);
- (c) Momentum indicator is trending higher (ie. higher peaks and troughs) – (**For HOW MANY bars?**);
- (d) Moving Average of Momentum is above the Momentum and rising (**For HOW MANY bars?**);
- (e) ActVest Range+ — indicator cord is rising
- (f) Hull ROAR is rising (**For HOW MANY bars?**)
- (g) Volume is above a Moving Average of Volume (**But which Moving Average?**).

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How to automate

If doing BullCharts demo ...

- If using BullCharts, then view the following slides (and do a demonstration);
- If NOT using BullCharts, then maybe skip the next few slides.

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How to automate

Example criteria:
 MA(E,C,15)
 increased
 every bar
 for last 3 bars
 (on weekly period)

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Special insights into bullish chart indicators (updated)

How to automate

Example criteria:
Close is greater than or = Previous Close every bar for last 3 bars.

The screenshot shows the BullScan Criteria Properties dialog box. It is configured with the following settings:

- 1. First Value to Compare:** Category: 'is a price or chart field', Value: 'Close', of '3' bars ago, Comparison: 'Unchanged'.
- Type of Comparison:** Type: 'is greater or equal to', Any '1' bar in the last '3' bar(s).
- 2. Second Value to Compare:** Category: 'is a price or chart field', Value: 'Close', of '1' bar ago, Comparison: 'Unchanged'.
- Description:** 'Close is greater than or equal to previous Close every bar for the last 3 bars'.
- Importance:** 1 (out of 8).

How to automate

Example criteria:
MACD has crossed "Above" the Signal line Any bar in the last 8 bars

The screenshot shows the BullScan Criteria Properties dialog box. It is configured with the following settings:

- 1. First Value to Compare:** Category: 'is an indicator signal', Name: 'MACD', of '0' bars ago, Comparison: 'Unchanged'.
- Type of Comparison:** Type: 'is true', Any '1' bar in the last '8' bar(s).
- 2. Second Value to Compare:** Category: 'is a number', Value: '0', of '0' bars ago, Comparison: 'Unchanged'.
- Description:** 'MACD(12, 26, 9) Above is true any bar in the last 8 bars'.
- Importance:** 1 (out of 8).

How to automate

Example criteria:
Momentum is the highest it's been in the last 5 bars ie. Trending higher.

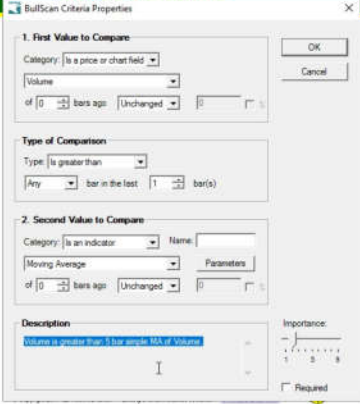
The screenshot shows the BullScan Criteria Properties dialog box. It is configured with the following settings:

- 1. First Value to Compare:** Category: 'is an indicator', Name: 'Momentum', of '0' bars ago, Comparison: 'Unchanged'.
- Type of Comparison:** Type: 'is the highest it's been over the last', '5' bar(s).
- 2. Second Value to Compare:** Category: 'is a number', Value: '0', of '0' bars ago, Comparison: 'Unchanged'.
- Description:** 'Momentum (Close, 10) is the highest it's been in 5 bars'.
- Importance:** 1 (out of 8).


Special insights into bullish chart indicators (updated)

How to automate


Example criteria:
Volume
is > than
5-bar SMA
of Volume
(ie. the VMA)



How to automate

Other methods? 


**This is one way to scan-and-score.
There might be other ways
to do a scan across your
stock universe;
and allocating a Score value
to produce a sorted list of stocks.**

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Summary & Wrap up

SUMMARY

We've looked at
bullish observations
of several chart indicators,
and allocated a "Score" value
and considered a "weighting",
and considered how to automate.

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Special insights into bullish chart indicators (updated)


 **Summary & Wrap up**

Ranking stocks — chart indicators

Bullish observations
of chart indicators
can be used to
produce a ranked
list of stocks.


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

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 **Summary & Wrap up**

BTW

- I send occasional email to interested people
- My **Share Market Toolbox** web site:
 - Toolbox Members receive weekly email with (charts) analysis of our market
 - And there's lots more (stop loss, trends, etc...)
- Register for free and not miss out.
- Send me an email request:
robert@robertbrain.com

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 **Summary & Wrap up**

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

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Special insights into bullish chart indicators (updated)



Summary & Wrap up

Q & A ?

Any
questions?

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Summary & Wrap up

THE END

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