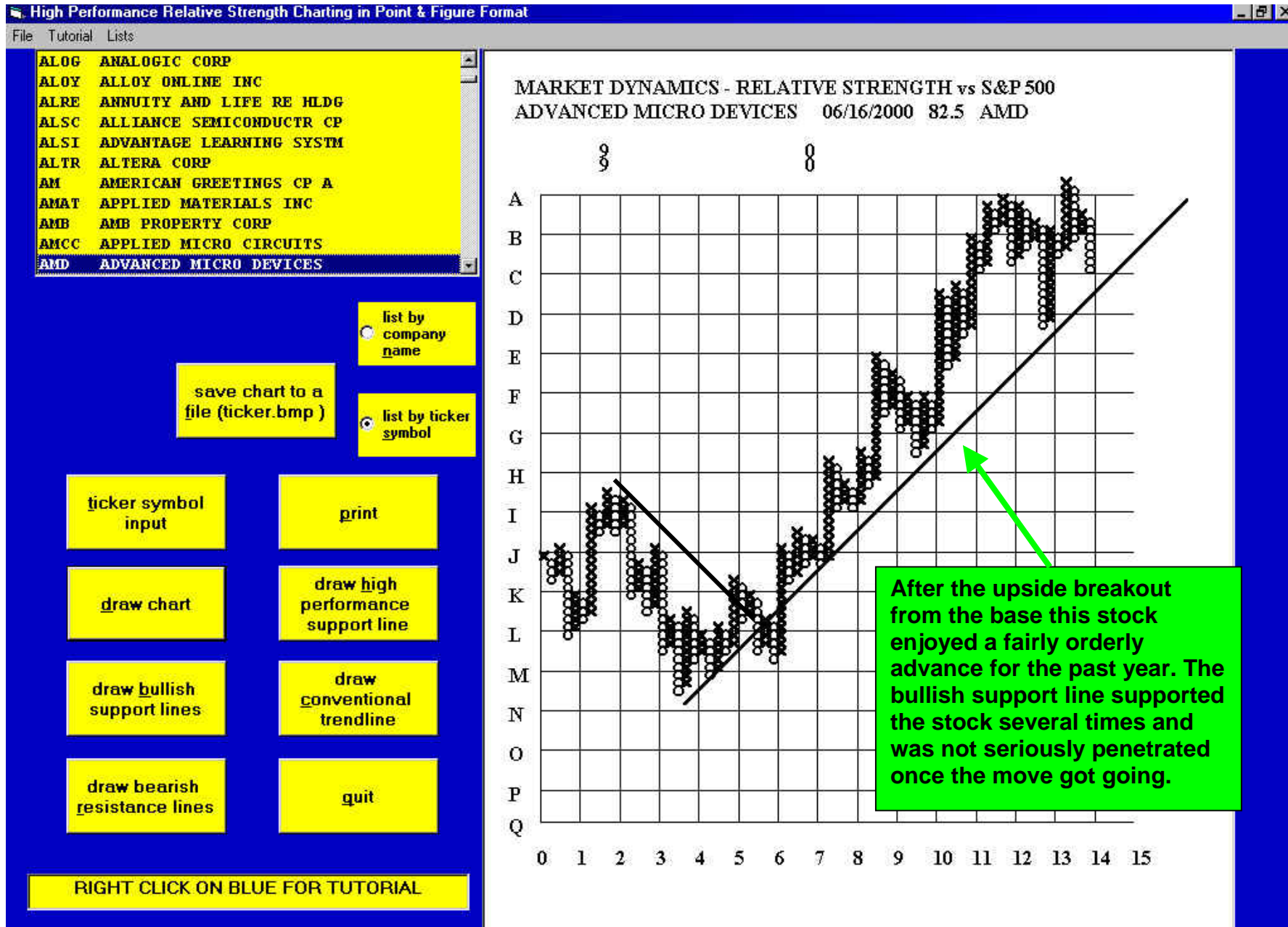
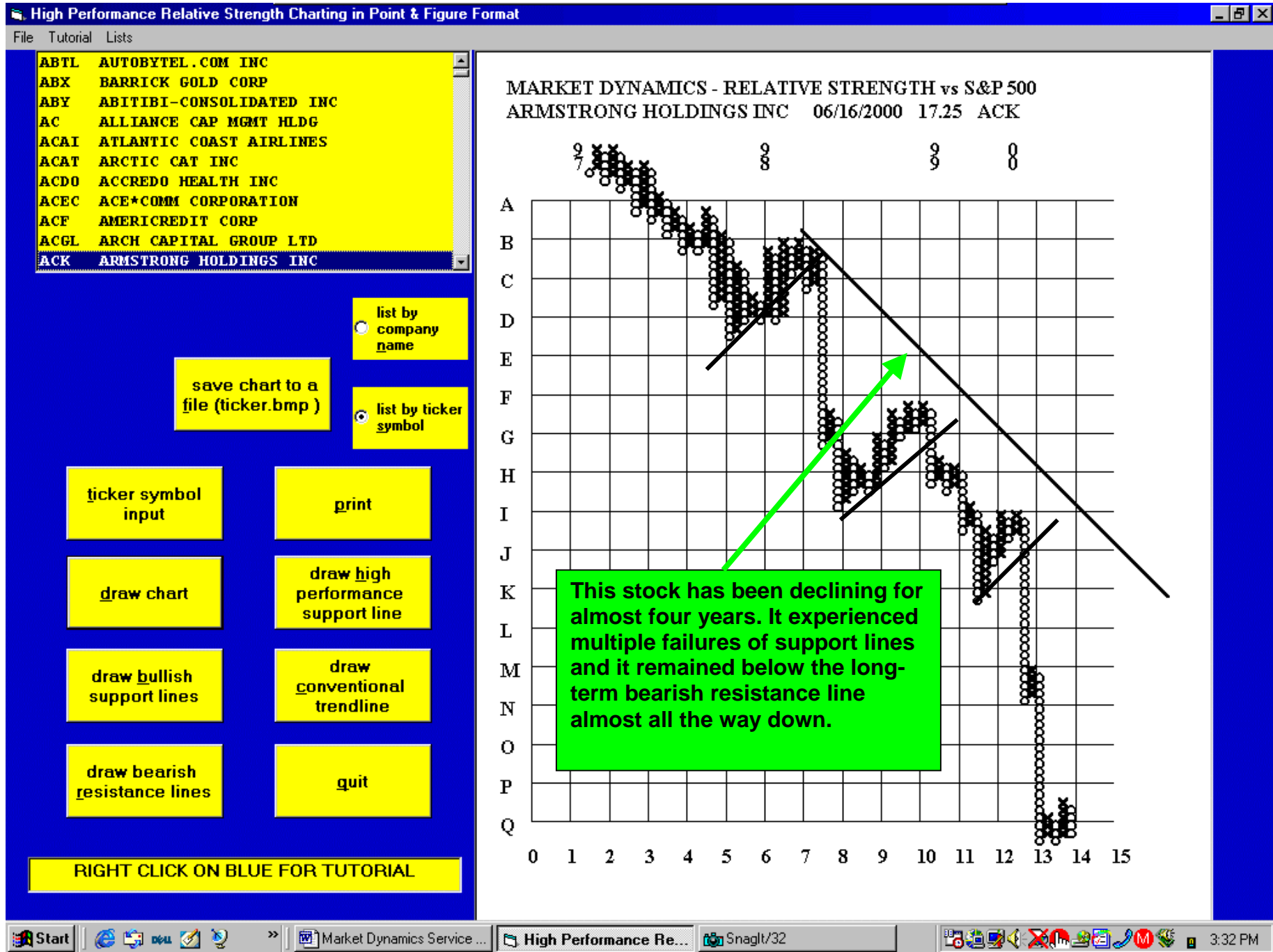


**Advantages - system designed to enhance performance – retain major winners**



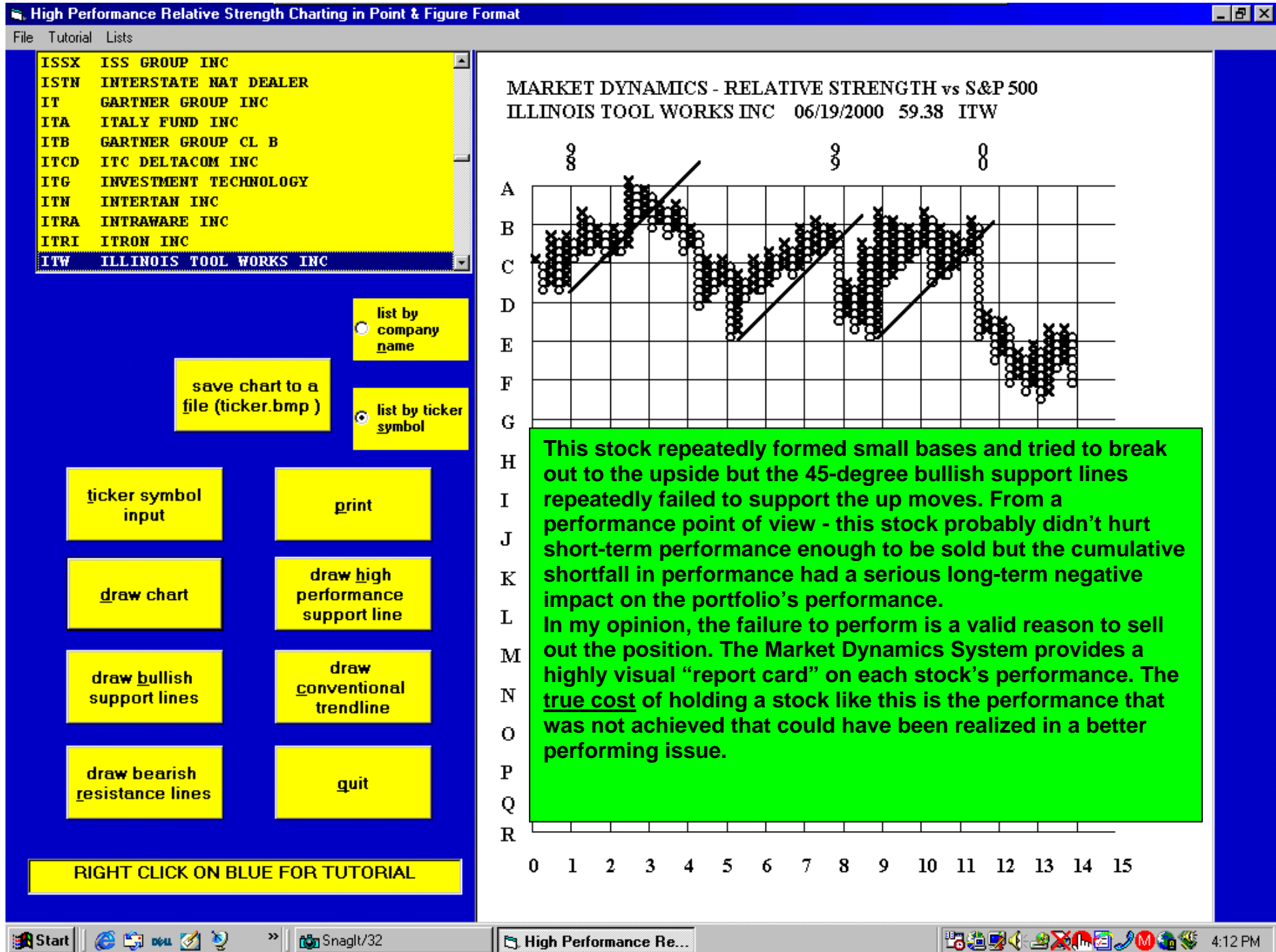
# Eliminate losers before they do serious damage to the portfolio



## System oriented to portfolio upgrading



## Portfolio upgrading #2



## Description of the service and how it works - Main Charting screen



## Ticker symbol input while using a list

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

AAS AMERISOURCE HEALTH CORP  
ABIZ ADELPHIA BUSINESS SLTNS  
ABN ABN AMRO HOLDINGS NV  
AC ALLIANCE CAP MGMT HLDG  
ACRT ACTRADE INTERNAT LTD  
AD ADVO INC  
ADCT ADC TELECOMMUNICATIONS  
ALA ALCATEL  
ALEX ALEXANDER & BALDWIN INC  
ANDW ANDREW CORP  
ANN ANN TAYLOR STORES CORP

return to main list of stocks  
save chart to a file (ticker.bmp)  
list by comp name  
list by symbol

ticker symbol input  
print  
draw chart  
draw high performance support line  
draw bullish support lines  
draw conventional trendline  
draw bearish resistance lines  
quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
ANN TAYLOR STORES CORP 06/16/2000 30.5 ANN

input ticker symbol for chart  
OK  
Cancel

Click the button indicating, "ticker symbol input" and the ticker symbol dialog box will appear – enter the ticker symbol in the line where the cursor appears and press enter or click on OK to draw the chart. The dialog box will disappear.

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15  
List = Triple Top Buy Signals ( 11 of 300 )

Start | Market Dynamics Service... | High Performance Re... | SnagIt/32 | 3:47 PM

## Using the stocks list box – sort by company name or by ticker symbol

The screenshot shows a software window titled "High Performance Relative Strength Charting in Point & Figure Format". The interface is divided into several sections:

- Stocks List Box:** A list of stock tickers and names, with "AZPN ASPEN TECHNOLOGY INC" highlighted. A green box labeled "Stocks list box" points to this area.
- Sorting Controls:** Two radio buttons are present: "list by company name" (selected) and "list by ticker symbol". A green box labeled "Click on this button to sort the stocks list box by company name." points to the "list by company name" button. Another green box labeled "Click on this button to have the stocks list box sorted by ticker symbol" points to the "list by ticker symbol" button.
- Chart Area:** A point-and-figure chart titled "MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500" for "ASPEN TECHNOLOGY INC" on "06/16/2000" with a price of "28.81" and ticker "AZPN". The chart has a vertical axis labeled A through O and a horizontal axis labeled 0 through 15. A green box labeled "A stock can be selected and the chart drawn by entering the ticker symbol on the keyboard and pressing enter when the list box is sorted into ticker symbol order. This is probably the fastest way to access the charts." points to the chart area.
- Control Buttons:** A grid of yellow buttons including "ticker symbol input", "print", "draw chart", "draw high performance support line", "draw bullish support lines", "draw conventional trendline", "draw bearish resistance lines", and "quit". A green box labeled "The active stock is highlighted" points to the "ticker symbol input" button.
- Footer:** A yellow bar at the bottom says "RIGHT CLICK ON BLUE FOR TUTORIAL". The Windows taskbar at the bottom shows the Start button, several icons, and the text "Market Dynamics Service ..." and "4:01 PM".

Annotations in green boxes provide additional instructions:

- "Stocks list box slider – drag it up and down to move rapidly through the list box. You can also click in the column the slider moves in to make a jump up or down." (points to the list box scrollbar)
- "Click on this button to sort the stocks list box by company name." (points to the "list by company name" radio button)
- "Click on this button to have the stocks list box sorted by ticker symbol" (points to the "list by ticker symbol" radio button)
- "A stock can be selected and the chart drawn by entering the ticker symbol on the keyboard and pressing enter when the list box is sorted into ticker symbol order. This is probably the fastest way to access the charts." (points to the chart area)
- "The active stock is highlighted" (points to the "ticker symbol input" button)
- "Each time the 'enter' is pressed on the keyboard the list box advances to the next stock and the chart appears in the chart window. The user can 'toggle' down the list by just pressing the 'enter' key. This becomes important when using user defined 'lists' to review portfolios. Lists are covered in a following section." (points to the bottom of the chart area)

## Selecting a stock and drawing the chart

**High Performance Relative Strength Charting in Point & Figure Format**

File Tutorial Lists

ASPM ASPECT MEDICAL SYSTEMS  
ATIS ADVANCED TISSUE SCIENCES  
ATMI ATMI INC  
**ATR APTARGROUP INC**  
AVE AVENTIS  
AXA AXA ADS  
AXF AXA FINANCIAL INC

return to main list of stocks  
save chart to a file (ticker.bmp)  
list by ticker symbol

ticker symbol input  
print  
draw chart  
draw high performance support line  
draw bullish support lines  
draw conventional trendline  
draw bearish resistance lines  
quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
APTARGROUP INC 06/16/2000 28.19 ATR

A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

List = Triple Top Buy Signals ( 21 of 300 )

Start | Market Dynamics Service ... | High Performance Re... | SnagIt/32 | 4:28 PM



## Printing and saving a chart

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

ABIZ ADELPHIA BUSINESS SLTNS  
 ABN  
 AC  
 ACRT  
 AD  
 ADCT  
 ALA  
 ALEX  
 ANDW  
 ANN  
 AOC

**Click this button to send the chart to a file – the filename is the ticker symbol plus .bmp - the chart is written to the \MDRS\Charts\ folder in bitmap format**

return to main list of stocks

list by company name

list by ticker symbol

save chart to a file (ticker.bmp)

ticker symbol input

print

draw chart

draw high performance support line

draw bullish support lines

draw conventional trendline

draw bearish resistance lines

quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
 AON CORP 06/16/2000 35.81 AOC

**Click this button to send the chart to the printer.**

**Charts saved to a file are always saved in .bmp format, which takes up large amounts of file space. If you intend to send these files over the Internet via e-mail they should be converted to a compressed format using Microsoft Paint or other image-processing program. Old chart files should be periodically deleted from the \MDRS\CHARTS folder to free up disk space.**

Start | Market Dynamics Service ... | High Performance Re... | SnagIt/32 | 3:51 PM

## Drawing the bullish support lines

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

AGN	ALLERGAN INC
AGX	AGRIBRANDS INTERNAT INC
AHAA	ALPHA INDUSTRIES INC
AHC	AMERADA HESS CORP
AHG	APRIA HEALTHCARE GROUP
AHP	AMERICAN HOME PRODUCTS
AHWY	AUDIOHIGHWAY.COM
<b>AIG</b>	<b>AMERICAN INTERNAT GROUP</b>
AIMM	AUTOIMMUNE INC
AIN	ALBANY INTERNATIONAL A
AIND	ARNOLD INDUSTRIES INC

list by company name  
list by ticker symbol

save chart to a file (ticker.bmp)

ticker symbol input    print

draw chart    draw high performance support line

draw bullish support lines    draw conventional trendline

draw bearish resistance lines    quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
AMERICAN INTERNAT GROUP 06/16/2000 118 AIG

A B C D E F G H I J K L M N O P Q

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

Slope = +1.0

A B

The 45-degree bullish support line is automatically drawn upward to the right at a 45-degree angle. Click on the button that indicates, "Draw bullish support lines". The line should start at a prominent low (A) with a left click on the mouse. The mouse should be moved upward to the right until the ending point is reached (B) and the line is completed by a right click on the mouse. As long as the relative strength plot remains above this line you know the stock is outperforming the market. The slope of this line is plus 1.

Start High Performance Re... SnagIt/32 11:26 AM

## Drawing the bearish resistance lines

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

ALB ALBEMARLE CORP  
ALEX ALEXANDER & BALDWIN INC  
ALGX ALLEGIANCE TELECOM INC  
ALK ALASKA AIR GROUP INC  
ALKS ALKERMES INC  
**ALL ALLSTATE CORPORATION**  
ALLC ALLIED CAPITAL CORP  
ALLP ALLIANCE PHARMACEUTICALS  
ALLR ALLAIRE CORPORATION  
ALN ALLEN TELECOM INC  
ALO ALPHARMA INC

list by company name  
 list by ticker symbol

save chart to a file (ticker.bmp)

ticker symbol input print  
draw chart draw high performance support line  
draw bullish support lines draw conventional trendline  
draw bearish resistance lines quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
ALLSTATE CORPORATION 06/16/2000 22.38 ALL

A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
0

Slope = - 1.0

A B

The bearish resistance line slopes downward to the right at a 45-degree angle. Click on the button that indicates, "Draw bearish resistance lines". The line should start from a prominent high on the relative strength chart. Left click to start (A) and move the cursor downward to the right to the ending point (B) and draw the line with a right click on the mouse. As long as the relative strength remains below this line you know the stock is seriously underperforming the market. The slope of this line is minus 1.

Start High Performance Re... SnagIt/32 11:27 AM

# Drawing the high performance bullish support lines

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

AAS AMERISOURCE HEALTH CORP  
 ACL ACE LTD  
 ACLNF A.C.L.N. LIMITED  
 ADCT ADC TELECOMMUNICATIONS  
 AMD ADVANCED MICRO DEVICES  
 AMK AMERICAN TECH CERAMICS  
 ANEN ANAREN MICROWAVE INC  
 APC ANADARKO PETROLEUM CORP  
**ASF ADMINISTAFF INC**  
 BEAM SUMMIT TECHNOLOGY INC  
 BFCI BRAUN'S FASHIONS CORP

return to main list of stocks  
 save chart to a file (ticker.bmp)  
 list by company name  
 list by ticker symbol

ticker symbol input  
 draw chart  
 draw bullish support lines  
 draw bearish resistance lines  
 print  
 draw high performance support line  
 draw conventional trendline  
 quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
 ADMINISTAFF INC 06/16/2000 63.06 ASF

The high performance bullish support line slopes upward to the right at a slope of +1.5. It rises 50% faster than the bullish support line. The required increase in relative performance assures that the stock is among the better performing of all stocks. When this line is penetrated by a significant amount the position should probably be closed out. Aggressive portfolio managers may require all stocks in their portfolio to remain above this line. This line is drawn in the same manner as the bullish support line. The program automatically applies the +1.5 slope to the line.

Start High Performance Re... Snagit/32 11:29 AM

## Drawing conventional trend lines

High Performance Relative Strength Charting in Point & Figure Format

File Tutorial Lists

ACLNF A.C.L.N. LIMITED  
ACN ACUSON CORP  
ACO AMCOL INTERNATIONAL CORP  
ACRI ACACIA RESEARCH CORP  
ACRT ACTRADE INTERNAT LTD  
ACRU ACCRUE SOFTWARE INC  
ACS AFFILIATED COMPUTER SVC  
ACTL ACTEL CORP  
**ACTM ACT MANUFACTURING INC**  
ACTN ACTION PERFORMANCE COS  
ACV ALBERTO-CULVER CL B

list by company name  
 list by ticker symbol

save chart to a file (ticker.bmp)

ticker symbol input print  
draw chart draw high performance support line  
draw bullish support lines draw conventional trendline  
draw bearish resistance lines quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
ACT MANUFACTURING INC 06/16/2000 35.88 ACTM

A B C D E F G H I J K L M N

This is an example of a conventional trend line. These lines can be placed anywhere the user selects. There are no required slopes for these lines. Click on the button that indicates, "Draw conventional trendline". Move the cursor over the chart to the desired starting position (A) and begin with a left click. Move the cursor to the desired ending point (B) and right click to draw the line. These lines can be erased by selecting another chart and then coming back to the original chart to replace the trend line in a better position. Experience shows that extremely steep trend lines are often reversed quickly.

Start SnagIt/32 2:37 PM

# Buy and sell patterns – lists provided daily to save time and focus attention on opportunities

## Drop-down menus – Lists box

**High Performance Relative Strength Charting in Point & Figure Format**

File Tutorial Lists

**MUSE** Return to Main List  
**MVSN**  
**MYGN** Part 1 - Relative Strength Screens  
**NEWP** Biggest Winners of Past Year  
**RMSS** Highest relative strength over past 3 months  
**NOPT** Highest relative strength over past one month  
**NTAP**  
**NTPL** Part 2 - Component Stocks of Various Market Groups  
**OPMR** Dow Jones Industrial Average  
**ORCL** Stocks with high rates of return on total capital  
**PCOP** Internet Stocks  
Stocks in the NASDAQ 100  
Stocks in the OEX  
S and P 500 component stocks  
S and P mid cap 400 component stocks  
S and P small cap 600 component stocks

Part 3 - Screens To Identify Potential Buy Candidates  
Largest jump in ST relative strength rank (alpha sequence)  
Recommended Stocks - Buy Lists  
Stocks with a column of ten Xs up  
Triple Top Buy Signals  
Triple Top Buy Signal with Retracement

Part 4 - Screens To Identify Potential Sell Candidates  
Triple Bottom Sell Signals  
Triple Bottom Sell Signal with Retracement

Part 5 - Lists of Stocks Reserved For Use By The user  
Expansion List One  
Expansion List Two  
Expansion List Three  
Expansion List Four  
Expansion List Five  
My list of stocks

return main l of sto

ti

c s

draw bearish resistance lines

quit

RIGHT CLICK ON BLUE FOR TUTORIAL

MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500  
ORACLE CORPORATION 06/16/2000 81.88 ORCL

9 9 9 0

A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R

2 13 14 15

List = Biggest winners of Past Year (116 of 166)

There are six "lists" that are reserved for use by subscribers. These lists are composed of the tickers that make up a portfolio. They can be set up with a word processor such as WordPad. One ticker for each line in the file. These ticker files should be saved to the \MDRS\ folder. The reserved file names are: Mylist.dat, elist1.dat, elist2.dat, elist3.dat, elist4.dat and elist5.dat. The lists can be setup and used to access portfolios very quickly just by "toggling" through the portfolio.

This is the "Lists" drop down menu box. It is divided into 5 parts according to function.

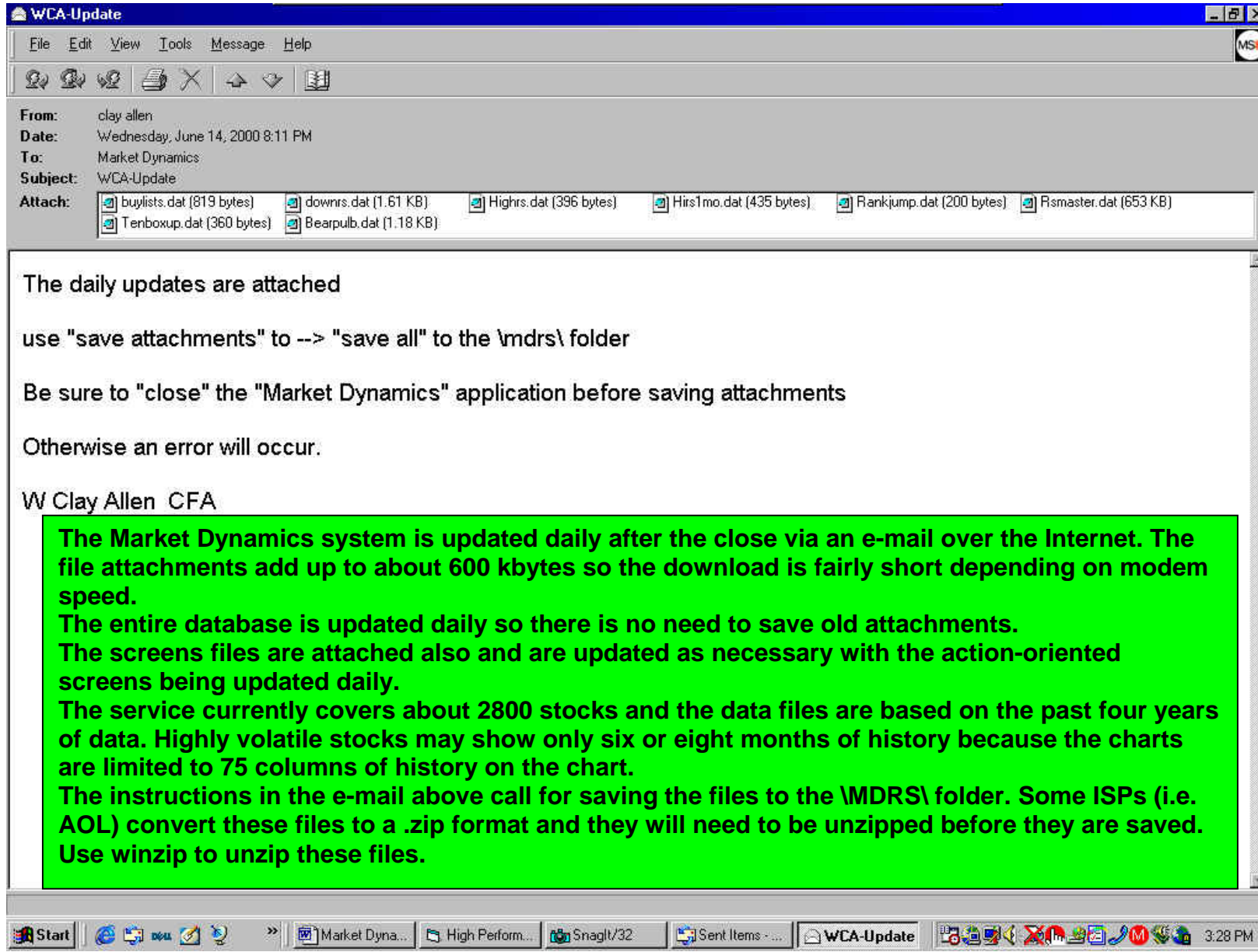
## Drop-down menus – Tutorial drop down menu

The screenshot displays a software window titled "High Performance Relative Strength Charting in Point & Figure Format". The window is divided into several sections:

- Menu (Left):** A vertical list of options including "Advantages of Relative Strength in Point and Figure Format", "Who Should Use Market Dynamics", "Data reliability", "Drawing A Chart", "Drawing Trendlines", "Bullish Support Lines", "Bearish Resistance Lines", "Saving a chart to a file", "Trading Range", "P and F Basics", "Relative Strength Basics", "High Performance Support lines", "Conventional Trend Lines", "Upward Trend Channels", "Downward Trend Channels", "Volatility and how it effects the charts", "What the X-axis measures", "Using The Stocks List Box", "Traditional Resistance Zones", "Traditional Support Zones", "Risk vs Return", "Major Tops and Bottoms", "Buy and Sell Signals", "P and F Charting Books and Sources", "Using Lists", "Resolution and Graphics", "Database updates", "List Updates from market Dynamics", "Adding Stocks to the Market Dynamics Database", and "Contacting Market Dynamics". A green arrow points to the "Tutorial" menu item.
- Buttons (Bottom Left):** Several yellow buttons labeled "support lines", "conventional trendline", "draw bearish resistance lines", and "quit".
- Chart Area (Right):** A point-and-figure chart titled "MARKET DYNAMICS - RELATIVE STRENGTH vs S&P 500" for "ARMSTRONG HOLDINGS INC" on "06/16/2000" at "17.25 ACK". The chart features a grid with a vertical axis labeled A through Q and a horizontal axis labeled 0 through 15. A downward-sloping trendline is drawn across the chart.
- Text Box (Center):** A green text box with black text that reads: "This is the 'Tutorial' drop down menu box. This tutorial is abbreviated and does not require the CD to be in the drive. The main tutorial requires the CD-ROM disk to be loaded into the disk drive." A green arrow points from this box to the "Tutorial" menu item.
- Taskbar (Bottom):** The Windows taskbar shows the Start button, several open applications including "Market Dynamics Service...", "High Performance Re...", and "SnagIt/32", and the system clock showing "3:38 PM".



## Updating the system



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