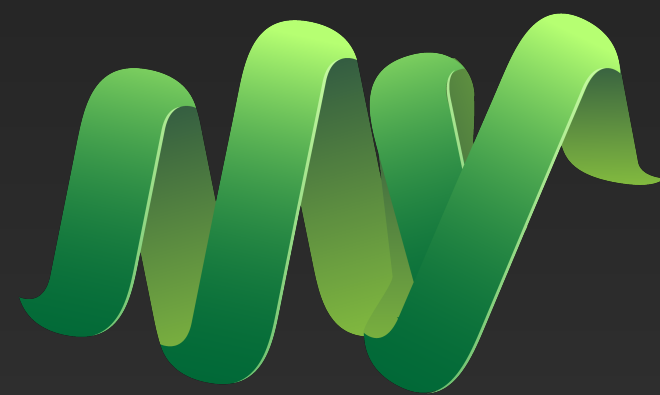


# Investing 102

## Chart Basics



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# Introduction

The first step in analyzing what stocks may be good buys is looking at their past performance. While they can't predict future stock performance, charts can tell you how certain events may impact a stock if they happen again.

# What are charts?

- Every stock has a daily, weekly, monthly, quarterly and yearly charts available up to the date the stock began trading on the market.
- You can look at the charts to see how a stock performed around certain times in history such as the national shutdown when COVID hit or the mortgage crisis in 2008. It's important to anticipate what a stock will do when the overall market is crashing and just *how far* a stock may fall compared to others.



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# What are charts?

- For example, this company's stock price went down a bit when the shutdowns occurred but then rebounded very quickly and started to more than double in price. So, the shift in society has benefitted this company.



# What are charts?

- When you hover over any point of a chart, you're going to see several numbers: **Open, Close, High** and **Low**.
  - **Open**: The price the stock opened for that particular time period.
  - **Close**: The price the stock closed for that particular time period.
  - **High**: The highest price the stock reached during that particular time period.
  - **Low**: The lowest price the stock reached during that particular time period.



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# What are charts?

- You will also see the percentage change and volume. Percentage change is always comparing your selected price point to the earliest price available in the chart. Volume is the amount of shares that were bought and sold during that particular time period.



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# What are charts?

- In this chart example, the time period is the entire day of 9/2/2020.



# What are charts?

- There are also more technical elements you can add to charts to help you identify trends and make better investment decisions. This is using what is called *technical analysis* and will be discussed in future courses.



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# Next Steps

- 1) Compare the current stock price of a brand or company to the price last month.**
- 2) Compare the current stock price of a brand or company to the price last year.**
- 3) Research companies during major financial events to see how resilient their stock price was or wasn't.**



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