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PRODUCT REVIEW

NexTrend

NEXTREND TECHNOLOGIES, INC.
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Richardson, TX 75080-1315
Phone: 888 698-7363 *or* 214 575-1050
E-mail: support@nextrend.com *or* sales@nextrend.com
Internet: www.nextrend.com
Product: Integrated technical analysis analytical tool.
Requirements: Windows 98/NT/2000/ME, Internet connection, 400 MHz Pentium processor, 128 MB RAM, 25 MB available hard disk space, 1024 x 768 high-resolution video with 16-bit color.
Price: Some features are free; real-time data starts at $14.95/month, and futures with additional newsfeeds are $79.95/month. See Analysis/Services at www.nextrend.com for a complete breakdown.

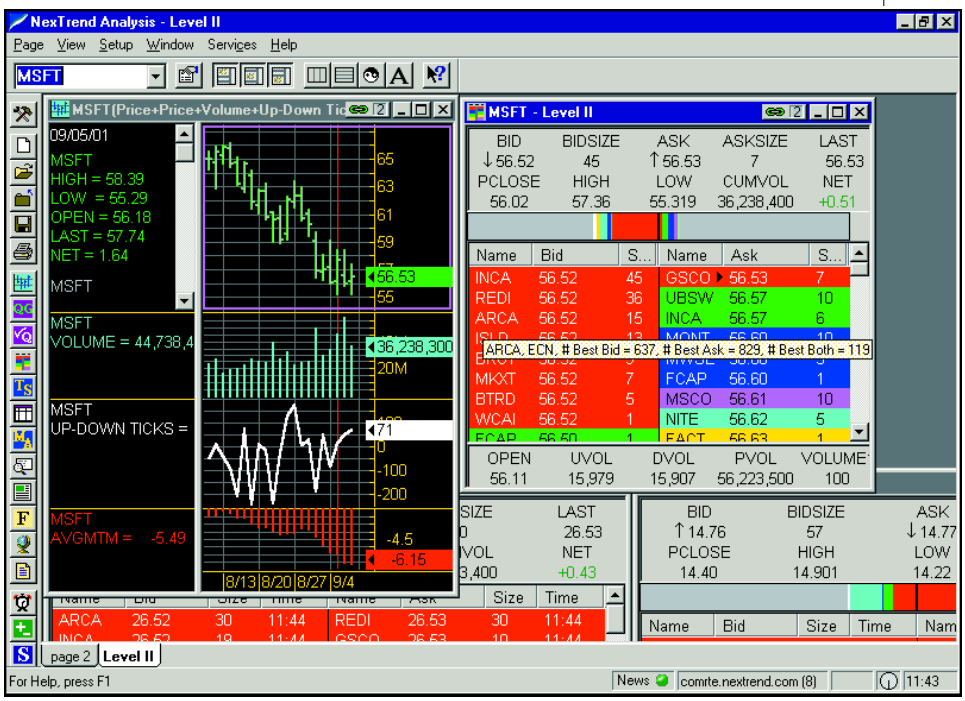

FIGURE 1: NEXTREND SCREEN LAYOUT. Toolbars on the top and left provide button access to features. Context-sensitive help assists beginners, but also will display important real-time information such as the bid/ask history of level 2 MMIDs.

by Dennis D. Peterson

Another Level II product with a few twists and turns? Hardly. NexTrend was created to manage information and provide alerts. Both news and price can be monitored for events of interest. A robust alarm system is integrated with price and news filters covering a broad spectrum of stock, option, and future exchanges such as the New York Stock Exchange (NYSE), the American Stock Exchange (AMEX), Nasdaq, Chicago Board Options Exchange (CBOE), Options Price Reporting Authority (OPRA), and Canadian exchanges.

The screen layout consists of a task bar on the left, and menu and task bars on top (Figure 1). The task bar at the top changes to reflect the window you've selected, with windows that can be sized to fit your needs. You can link individual windows to a group, enabling you to organize information content. Context-sensitive help is readily available when you place your cursor over an item. This displays a short explanation of the item. The Level II screen goes one step further when you place your cursor over a market maker identification (MMID) by showing the number of times the MMID has been the best bid, best ask and best both, as well as whether the MMID is an electronic communication network (ECN)† or market maker. A nice feature of the Level II screen is an arrow (Figure 1) that appears between the MMID and price and indicates a refresh of the bid or ask.

Font size and color can be changed, as well as the type of alarm (audio or visual) and the use of up to 10 different e-mail locations and pagers for alarm notification. The user interface is also designed to support the use of either a keyboard or mouse. For example, to create a formula, you can type in information or use the double-click feature of the mouse to create a formula expression. A consistent theme throughout the product is flexibility — not only with the interface, but also with the numerous features available. Right-clicking on a window brings up a dialog box for easy access to changes.

CHARTING

Price charts can be configured to have four separate windows. You have a choice of 36 different items to plot, with the choice of displaying the scale on the left or right. Included in the 36 items are a number of popular indicators such as Bollinger bands, commodity channel index (CCI), and Keltner channels that can be overlaid directly on price. In addition, separate charts can be created to display indicators such as volume and A/D (accumulation/distribution).

FIGURE 2: DAILY PRICE AND VOLUME. MSFT (yellow bars) is overlaid against the Nasdaq composite (purple line), along with 50-day and 200-day moving averages and two alarms. One alarm is for the 50-day moving average to go below the 200-day moving average, while the other is for price to go below $54. An alert is set to signal if volume for MSFT exceeds 50 million shares.

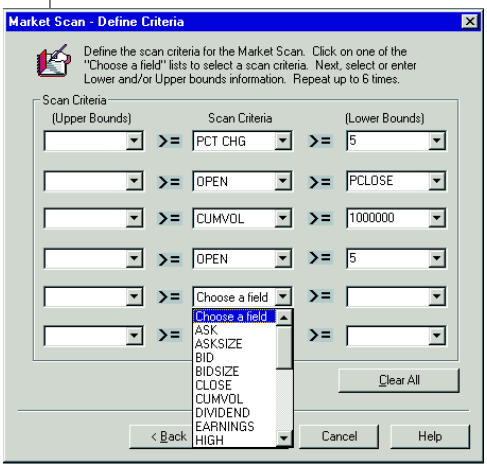

FIGURE 3: DIALOG WINDOW FOR ESTABLISHING MARKET SCAN. You can choose from either technical or fundamental criteria to scan stock, options and futures markets, and can have up to six conditions for each scan. Included in the criteria are items that allow intraday comparisons and longer-term data such as yearly highs and lows.

There were a few indicators I had questions about, and using the Help function didn't fully resolve them. However, the staff at NexTrend is competent and ready to help.

If you want to see how the Nasdaq composite compares against a security such as Microsoft (MSFT), you can overlay the Nasdaq composite on the price chart of MSFT. Take advantage of displaying the prices on both the *x*- and *y*-axis. (See Figure 2.)

I added the 50-day (white line) and 200-day (red line) simple moving averages to the price chart, and then set one alarm to signal if the 50-day moving average moved below the 200-day moving average and a second alarm if the current price moved below $54. I then added a third alarm to trigger when MSFT volume exceeded 50 million shares. Adding a moving average to volume is a circuitous endeavor, which surprised me. That aside, generating an alarm is very robust since you can track any chart element against another element or constant value, such as moving average crossovers or current price exceeding a constant value.

Another attractive feature is the ability to control the price history view by clicking and dragging your cursor along the *x*- or *y*-axis. You can alter the time scale by clicking on a pair of chart menu buttons. The choice of chart types is the open-high-low-close (OHLC) bar, candlestick, line, area, point, and histogram. The datafeed provides tick data going back to January 1998. Charts can be viewed in a vertical layout and trendlines can be easily extended, collapsed, or rotated. Parallel lines can easily be created.

MARKET SCAN

You can start each day with a scan of several markets. The selection criteria allows you to tailor your scan to any of 30-plus markets, which includes stock, option, and futures exchanges, and then to select specific values from 23 different items, such as scanning for stocks that have a percentage change greater or equal to five, an open greater than or equal to the previous close, a cumulative volume of one million shares or more, or price greater than or equal to $5 (Figure 3). Up to six conditions can be created to perform a scan. NexTrend is considering including math operations in the upper- and lower-bound fields, which would allow scanning for up and down gaps.

The most active lists are also available with the typical volume, dollar, and percentage gainers and losers for the NYSE, AMEX, and Nasdaq.

FORMULAS

Formulas are used to compare items on charts, for alarms, and on the quote board. The quote board can be configured to show all of the standard items, such as high, low, open, and close, but also additional items such as a trend, which shows the direction of the eight last price ticks with a green up arrow or red down arrow. In addition, you can place a formula in the quote board. Being able to generalize a concept in this way is typical of NexTrend.

When you create a formula you give it a name (no blank spaces, please) and then create an expression. The expression is a combination of specific symbols or wildcard symbol choices such as "?1" along with fields and operators (Figure 4). Fields are the elements of a symbol. For example, using the field "high" with "?1" in the expression "?1.high" for a daily chart means the highest daily price of whatever symbol is chosen. Built-in formulas are provided, but it is easy to create your own, and the choice of fields are the

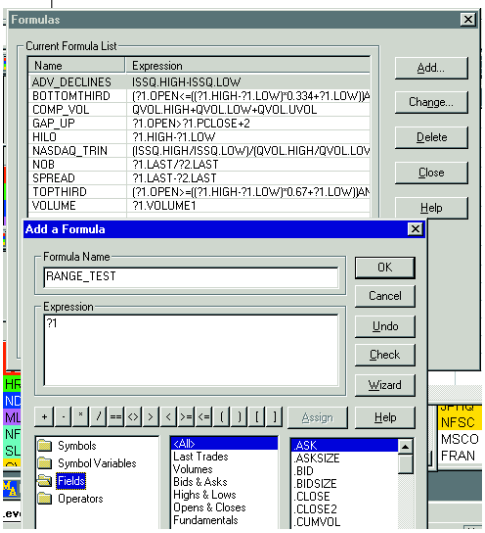

FIGURE 4: FORMULA DIALOG WINDOW. Besides built-in formulas, you can create formulas for specific symbols, such as an index, or by selecting an element of a symbol, such as current ask, and combining with operators.

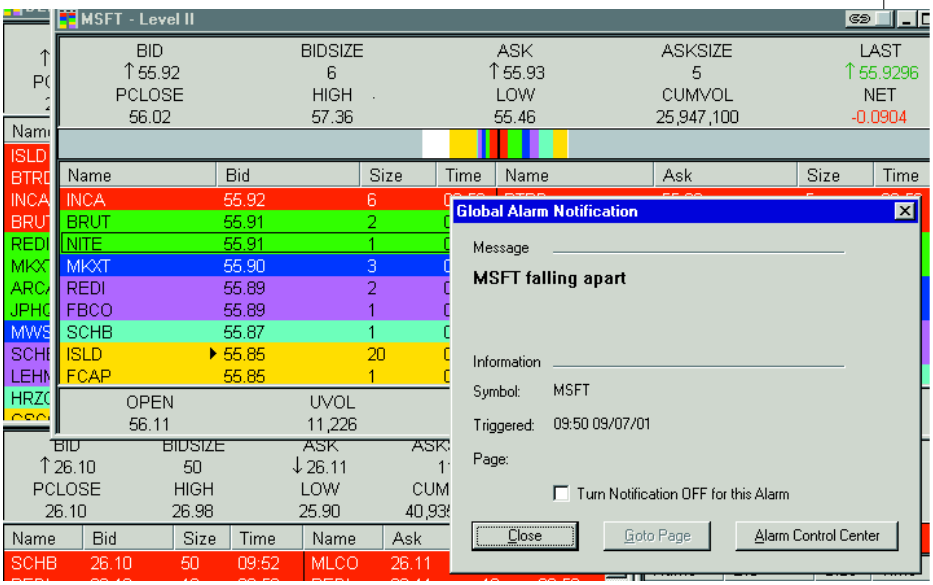

FIGURE 5: ALARM NOTIFICATION FOR MICROSOFT. Alarms are either global in nature, using specific changes for the symbol selected (like MSFT), or use a formula.

What impressed me about NexTrend was the integration of alarms with the price and news.

same choices for scanning. Another nice touch is that NexTrend allows double-clicking on selected symbols, symbol variables, fields, or operators to place an item in the expression, or you can just type in what you want. Using specific symbols along with wildcard choices means you can choose a specific equity and compare it against anything.

ALARMS

Alarms come in three flavors: global, chart, and news alarms. Global alarms are designed around specific symbols. You can trigger them based on last price, high, low, percentage change, net change, bid and ask, and have the alarm triggered repeatedly by going through values that you establish as steps. You can be notified by e-mail, a blinking icon on the active task bar, or a sound. They are displayed with their assigned name and the time. You can select one condition to trigger an alarm (or eight) and specify whether the conditions are a logical "OR" or a logical "AND."

If you want to get a bit more sophisticated with alarms, you can use the advanced mode. And guess what's used? Formulas. Since formulas can use symbol wildcards or specific symbols, you can create some unique alarm conditions. This kind of flexibility is the hallmark of NexTrend.

News alarms are even more fun. They allow you to set up keywords or phrases for searching, putting your words in the "OR," "AND," or "AND NOT" buckets, as well as searching on a trading symbol. Having the choice of "AND NOT" is clever because if you generalize your search using "OR" phrases, you can exclude specific symbols or phrases using "AND NOT." You can search nine news sources and look for either breaking or historical news. You can limit your search to the number of items and the lookback period. If you pay an additional premium, you can add another 12 news sources.

OTHER FEATURES

An account watch feature allows you to track multiple portfolios, a stock ticker for viewing prices, and a snap quote, which combines fundamental and technical data and a symbol finder. You can integrate other websites into your viewing page. If you have favorite Internet sources of financial information, you can assign those URLs to a NexTrend page. Clicking on the page displays a window containing the site. It means you can have any NexTrend window — for example, a Level II window — next to your favorite websites to make comparisons.

SUMMARY

What impressed me about NexTrend was the integration of alarms with the price and news. There is ample representation of tick and up and down volume. Underneath all of this is a redundant system with direct links to Nasdaq, as well as NexTrend's own power generation capability. NexTrend claims its speed is on par with anyone, and is clearly superior with the daily market open frenzy. And the data can be received through a 28.8 modem.

Is there room for improvement? I would like to see the market-scan criteria be able to use some math, especially when it is possible to use the previous close as a basis for comparison. But the chart alarms are especially powerful when coupled with global alarms, and you get a news search as well. All in all, it's a powerful system.

Dennis Peterson is a Staff Writer for STOCKS & COMMODITIES.

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