

JerWare Stock Partner Version 2.0

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ABOUT STOCK PARTNER

Stock Partner is a Windows 3.x program that was written with the active stock trader in mind. Stock Partner provides instant financial evaluations of actual and potential stock trades. As program variables are adjusted through the use of scroll bars, the changing profit/loss situation is continually updated. Estimated commission costs are calculated automatically and can be overridden with the actual commission costs when they are incurred. The cost of capital and dividend income can both be tied to the length of time the stock is held. Stock prices can be easily tracked and presented as a graph. A portfolio of currently held stocks and a history of previously sold stocks can be stored by Stock Partner for use with the built-in report writer.

(If you have the demo version of Stock Partner, see DEMO VERSION below.)

PROGRAM SETUP

Stock Partner consists of four files:

- winstock.exe** - the program file
- winstock.cfg** - the setup configuration file
- winstock.stk** - the stock portfolio file
- winstock.trk** - the date/price track file
- winstock.wri** - the file you are reading

These files should be copied into a suitable directory on your hard disk. A new Program Item for Stock Partner should then be set up in Program Manager, referencing the program file **winstock.exe**.

Stock Partner also requires that a copy of Microsoft's **vbrun100.dll** be present in your Windows directory. This file is supplied with your registered copy of Stock Partner and is also available on many Bulletin Boards.

USING THE PROGRAM

Mouse and keyboard input (TAB, PgUp, PgDn, arrows, etc.) are both

supported.

Managing the Portfolio - Up to 50 stock records can be stored in the portfolio file. A list box and three command buttons are used to select and control these stock records.

The list box contains the stock names for all records in the portfolio file. The stock name of the currently selected record is always displayed in the list box window. Other stock names (when present) are listed by clicking on the list box's down arrow. To select one of these records, simply click on the stock record's name. If a scroll bar appears on the right side of the list, it can be used to scroll through additional stock names. When a stock record is selected, all information in Stock Partner is immediately updated to reflect the stored values of that record.

The New command button is used to add records to the portfolio file. When New is pressed, a window will appear in which the name of the new stock record can be entered. After entering the new stock name press the OK button to add the record to the portfolio file. The initial stock record values are set to zero, except where the configuration file has established minimums or defaults. (See **Setup**.)

The Save command button is used to update the stock record in the portfolio file with the currently displayed settings.

The Delete command button is used to remove the current stock record from the portfolio file. When Delete is pressed a confirmation window will appear. NOTE: When a stock record is deleted, the associated track record (if present) is deleted as well.

Setting Stock Values - The primary stock values are set using the three scroll bars labeled Shares, Price per Share, and Current/Target Price per Share. As these scroll bars are changed, all necessary calculations are performed and the results are immediately displayed.

The Shares scroll bar is used to establish the number of stock shares to be used in all subsequent calculations. The small button to the left of the share quantity can be used to change the precision of the scroll bar. The button's label will indicate "R" for

Round lots (100s) or "O" for Odd lots. With round lots selected, clicking on the left/right arrows decreases or increases the number of shares by 100, and clicking to the left/right of the scroll bar indicator decreases or increases the number of shares by 1000. With Odd lots selected, clicking on the left/right arrows decreases or increases the number of shares by 1, and clicking to the left/right of the scroll bar indicator decreases or increases the number of shares by 10. In addition, the scroll bar indicator can be dragged to any valid position. The maximum number of shares is 5000.

The Price per Share scroll bar is used to enter the purchase share price of the stock. Clicking on the left/right arrows decreases or increases the purchase share price by 1/8 of a dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the purchase share price by one dollar. In addition, the scroll bar indicator can be dragged to any valid position. The maximum purchase share price is 200 dollars.

The Current/Target Price per Share scroll bar is used to enter the current or anticipated sale share price of the stock. Clicking on the left/right arrows decreases or increases the sale share price by 1/8 of a dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the sale share price by one dollar. In addition, the scroll bar indicator can be dragged to any valid position. The maximum sale share price is 200 dollars.

Basic Calculations Performed - Entering the three primary stock values described above will enable Stock Partner to perform some basic calculations. The results of these calculations are described here, referring to their respective screen labels.

Change displays the difference in share price between the Price per Share and the Current/Target Price per Share. The change percentage is also displayed.

Stock Cost is the purchase value of the stock shares based on the price indicated in Price per Share.

Commission is the *estimated* fee charged by a brokerage firm in order to buy the stock. Stock Partner calculates this fee based on the share price, the number of shares, and **Setup** options. This

estimate can be overridden with the actual fee when the stock is purchased. (See **Stock Position**, Bought.)

Total Cost is the stock purchase value *plus* the commission cost. This is the amount that the broker will debit from your account to purchase the stock.

Current/Target Stock Value is the sale value of the stock shares based on the price indicated in Current/Target Price per Share.

Commission is the *estimated* fee charged by a brokerage firm in order to sell the stock. Stock Partner calculates this fee based on the share price, the number of shares, and **Setup** options. This estimate can be overridden with the actual fee when the stock is sold. (See **Stock Position**, Sold.)

Sale Amount is the stock sale value *minus* the commission cost. This is the amount that the broker will credit to your account after selling the stock.

Dividend Income is the amount of the earnings dividend received while holding the stock. (See **Annual Dividend per Share**.)

PROFIT/LOSS is the difference between the Sale Amount (plus Dividend Income) and the Total Cost of the stock purchase. This value is the actual net profit or loss on the stock trade. The percentage figure is calculated by dividing the Current/Target Stock Value plus Dividend Income by the Stock Cost plus both Commission fees.

Cost of Capital is the interest income foregone or the margin fees accrued during the time that the stock was held. (See **Cost of Capital**.)

Net Advantage is the PROFIT/LOSS on the stock trade minus the Cost of Capital. This figure shows the extent to which it was profitable to engage in the stock trade. (See **Cost of Capital**.)

Stock Position - The Stock Position section is used to establish that a stock is being Evaluated, that a stock has been Bought, or that a stock has been Sold.

Evaluating indicates that the stock record has been entered in order to evaluate possible scenarios. All program controls are enabled in this mode.

Bought indicates that the stock has been purchased and is currently being held. When the Bought option is selected, the Bought Stock window will appear in which the Date of Stock Purchase and the Total Commission Actually Paid can be entered using scroll bars.

The Date of Stock Purchase is initially set to the upper limit of the scroll bar, which represents the current system date. This date can be adjusted to accommodate stock purchases that occurred up to two years before the current system date. Clicking on the left/right arrows decreases or increases the purchase date by one day. Clicking to the left/right of the scroll bar indicator decreases or increases the purchase date by 30 days. In addition, the scroll bar indicator can be dragged to any valid position.

The Total Commission Actually Paid is initially set to either the estimated value calculated by Stock Partner or a value that has been previously entered. Clicking on the left/right arrows decreases or increases the commission amount by one dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the commission amount by 10 dollars. In addition, the scroll bar indicator can be dragged to any valid position. The maximum commission supported is 1000 dollars. NOTE: setting this value to zero causes Stock Partner to continue using the estimated value. If a stock purchase is commission-free, use one dollar as the actual commission.

After setting the Date of Stock Purchase and Total Commission Actually Paid press the OK button. When the Bought Stock window disappears the purchase date is displayed next to the Bought option, and the Shares and Price per Share scroll bars are disabled. In addition, if the Calculate Months Held option is enabled in Setup, the Cost of Capital and Dividend Income amounts will be recalculated. (See **Setup, Cost of Capital, and Annual Dividend per Share.**)

Sold indicates that the stock has been previously purchased and is now being sold. When the Sold option is selected, the Sold Stock window will appear in which the Date of Stock Sale and the Total Commission Actually Paid can be entered using scroll bars.

The Date of Stock Sale is initially set to the current system date. This date can be adjusted to accommodate stock sales that occur within five years of the purchase date. Clicking on the left/right arrows decreases or increases the sale date by one day. Clicking to the left/right of the scroll bar indicator decreases or increases the sale date by 30 days. In addition, the scroll bar indicator can be dragged to any valid position.

The Total Commission Actually Paid is initially set to either the estimated value calculated by Stock Partner or a value that has been previously entered. Clicking on the left/right arrows decreases or increases the commission amount by one dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the commission amount by 10 dollars. In addition, the scroll bar indicator can be dragged to any valid position. The maximum commission supported is 1000 dollars. NOTE: setting this value to zero causes Stock Partner to continue using the estimated value. If a stock sale is commission-free, use one dollar as the actual commission.

After setting the Date of Stock Sale and Total Commission Actually Paid press the OK button. When the Sold Stock window disappears the sale date is displayed next to the Sold option, and all program scroll bars are disabled. In addition, if the Calculate Months Held option is enabled in Setup, the Cost of Capital and Dividend Income amounts will be recalculated. (See **Setup, Cost of Capital**, and **Annual Dividend per Share**.)

Annual Dividend per Share - This feature is used to *approximate* the dividend income expected from holding a stock which pays quarterly dividends. For every three months that a stock is held (see **Cost of Capital, Months**) one fourth of the Annual Dividend per Share figure is accumulated for each share of stock owned and is displayed as Dividend Income. Projected earnings/dividend information is available from many sources. Clicking on the left/right arrows decreases or

increases the annual dividend per share amount by one cent. Clicking to the left/right of the scroll bar indicator decreases or increases the annual dividend per share amount by 10 cents. In addition, the scroll bar indicator can be dragged to any valid position. The maximum annual dividend per share amount supported is 10 dollars.

Cost of Capital - This section allows the time value of money to be taken into consideration by Stock Partner. As Months and Interest Rate are adjusted, the Cost of Capital value is calculated and displayed. The Cost of Capital calculation uses daily compounding to approximate the return on a CD investment. This section can also be used to approximate the financing associated with margin buying, however, a margin loan will generally be calculated using simple interest. In all cases, Dividend Income calculations are based on the value in Months.

Months should be set to reflect the anticipated length of time the stock will be held. If Stock Position is set to Evaluating or if the Setup option Calculate Months Held is not enabled, the Months value is set exclusively by the Months scroll bar. If the Stock Position is Bought or Sold and if the Setup option Calculate Months Held is enabled, the initial value of Months will be calculated automatically. Clicking on the left/right arrows decreases or increases the value of Months by one month. Clicking to the left/right of the scroll bar indicator decreases or increases the value of Months by 12 months. In addition, the scroll bar indicator can be dragged to any valid position. The maximum time span supported by Stock Partner is 60 months (five years.)

Interest Rate should be set to reflect the annual rate currently quoted for CDs, money markets and similar cash investments. The initial value of Interest Rate is determined by the default value in Setup. Clicking on the left/right arrows decreases or increases the interest rate by one tenth of a percent. Clicking to the left/right of the scroll bar indicator decreases or increases the interest rate by one percent. In addition, the scroll bar indicator can be dragged to any valid position. The maximum interest rate supported by Stock Partner is 15 percent.

Track - Track is used to capture ongoing, day-to-day stock values, and up to a year's worth of track data can be stored. This data is used to present a graph of the stock price movements.

After setting the current/target stock value scroll bar, press Track. If no track record exists for the stock a window will appear requesting confirmation to create a new track record. Pressing OK brings up the New Track Record window. The New Track Record window contains a scroll bar with which the starting track date can be set. The initial value of the starting track date is the current system date. If an earlier starting track date is desired (in order to enter previous stock prices) the scroll bar can be used to select a date up to 180 days before the current system date. Pressing OK will establish the track record and bring up the Stock Track window.

The Stock Track window can be used in two different ways. To track the stock price for the current date, simply press the Track/Exit button. To edit the track values for previous dates, use the Date of Record scroll bar to locate the desired date. Select the stock price for that date by adjusting the Stock Price scroll bar. (Pressing the small button under the scroll bar immediately sets the Stock Price to the Current/Target price on the main screen.) When the desired date/price combination has been selected, press the Stock Track window's Track button to store the values. The process can then be repeated for another date. When finished, press the Exit button to return to the main screen. NOTE: No data is accepted for Saturdays and Sundays.

Graph - The Graph button is used to produce a graph of all stock prices that have been stored in a stock's track record. A track record, therefore, must exist in order to display a graph. While the X axis is always presented as a 365 day range, the Y axis is scaled automatically to a relevant range of values. Since only non-zero data points are plotted in the graph, track data can be entered as little or as often as desired. Unused (zero value) data points will appear at the bottom of the graph to serve as a visual indication of the number of data points being omitted from the graph. The stock's purchase price value is represented by the red grid line on the graph. When finished viewing the graph, press Exit to return to the main screen.

Setup - This command button is used to open the Setup window. The Setup window is used to store default information used by Stock Partner. When all options have been set, press OK to have the changes recognized by Stock Partner. The Setup window will disappear and all stock values will be recalculated to reflect any changes made in Setup.

Type of Broker is used to determine rate structures in the algorithm that calculates commission costs. Full Service brokers (Merrill Lynch, A.G. Edwards, etc.) charge considerably higher commissions than do Discount brokers (Fidelity, Schwab, etc.)

Minimum Commission Charge should be set to the minimum commission charged by the Broker for a stock trade. Clicking on the left/right arrows decreases or increases the commission by one dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the commission by 10 dollars. In addition, the scroll bar indicator can be dragged to any valid position. The highest minimum commission charge supported by Stock Partner is 100 dollars.

Miscellaneous Fees per Trade should be set to reflect any additional fees charged by the broker for each trade. Almost all brokers charge a few dollars per trade for postage and handling, processing, etc. This fee is usually listed separately on trade confirmation notices. Clicking on the left/right arrows decreases or increases the fee by one dollar. Clicking to the left/right of the scroll bar indicator decreases or increases the fee by 10 dollars. In addition, the scroll bar indicator can be dragged to any valid position. The highest miscellaneous fee per trade supported by Stock Partner is 100 dollars.

Default Interest Rate should be set to reflect the annual rate currently quoted for CDs, money markets and similar cash investments. Clicking on the left/right arrows decreases or increases the interest rate by one tenth of a percent. Clicking to the left/right of the scroll bar indicator decreases or increases the interest rate by one percent. In addition, the scroll bar indicator can be dragged to any valid position. The maximum interest rate supported by Stock Partner is 15 percent.

Calculate Months Held with an x in the checkbox indicates that the initial value of Months in the Cost of Capital section should be calculated automatically. If the Stock Position option Bought is selected, Months will be calculated from the purchase date through the current system date. If the Stock Position option Sold is selected, Months will be calculated from the purchase date through the sale date. If this checkbox does not contain an x

then all Months settings are accomplished by using the Months scroll bar.

Enable Password Protection with an x in the checkbox will cause Stock Partner to prompt the user for a password each time the program is started. Any time the checkbox goes from unchecked to checked (x) the New Password window will appear. Passwords must be at least three characters long. To remove password protection simply click on the checkbox to uncheck it. Once a password has been enabled or disabled, pressing Cancel to exit Setup will NOT cancel the change. NOTE: Stock Partner's password protection does not encrypt the data and should not be considered a primary source of data security. The intention is simply to keep out nosy co-workers, friends, etc.

Delete Track Record is used to delete the track record (if present) that is associated with the stock. Pressing this button will bring up a confirmation window. Pressing OK in response to the confirmation will delete the track record. Once the track record has been deleted, pressing Cancel to exit Setup will NOT restore the track record.

Report Writer is used to produce three types of hard copy output: the Stock Calculations Report, the Stocks Currently Held report, and the Stocks Previously Sold report.

Screen is used to build a Screen Calculations Report. Each time Screen is pressed the current set of stock calculations displayed on the screen is captured and queued for printing. An unlimited number of print lines can be generated in this manner. The number of print lines queued is displayed near the Screen button. Print Manager will automatically print a page of the Screen Calculations Report when a page has been filled. Once a Screen Calculations Report has been started, the Portfolio button is disabled.

Print is used to send the Screen Calculations Report to Print Manager for printing. Pressing Print also re-enables the Portfolio report writer button.

Pressing the Portfolio button brings up the Portfolio Reports window. Four standard reports and a custom selection facility are

available in the Portfolio Reports window. Before submitting Portfolio Reports, stock records should be updated to reflect the current market price of the stock.

Evaluate generates a report titled Stocks Being Evaluated. Pressing this button causes the report writer to scan through the entire stock portfolio file and select stock records where the Stock Position option is set to Evaluating. The report is automatically sent to Print Manager for printing.

Bought generates a report titled Stocks Currently Held. Pressing this button causes the report writer to scan through the entire stock portfolio file and select stock records where the Stock Position option is set to Bought. The report is automatically sent to Print Manager for printing.

Sold generates a report titled Stocks Previously Sold. Pressing this button causes the report writer to scan through the entire stock portfolio file and select stock records where the Stock Position option is set to Sold. The report is automatically sent to Print Manager for printing. The Stocks Previously Sold report detail can be particularly useful for completing the Schedule D income tax form.

Print All is a convenient way to print a report showing all records in the stock portfolio. The report is titled Entire Stock Portfolio and is sent automatically to Print Manager for printing.

A group of up to 10 selected stocks can be printed in a Selected Stock Report. Stocks are selected by double-clicking on the stock records listed in the "Stocks Available" column. Stocks currently selected for this report will appear in the "Stocks Selected" column. Pressing OK will submit the Selected Stock Report to Print Manager for printing. The Selected Stock Report is particularly useful for grouping multiple purchases of a stock such as when "averaging down" or employee stock purchase plans. NOTE: Selecting stocks in this manner has no effect on the Evaluate, Bought, Sold, or Print All reports.

Help uses Windows Write to display this program documentation. (Windows Write must reside in the directory \windows.)

About displays the program version number and provides information for contacting the author of Stock Partner.

Exit provides a one-button method of exiting the program. If there are unsaved changes, a confirmation window will appear.

DEMO VERSION

The demonstration version of Stock Partner can be used to evaluate the "look and feel" of the program. Stock prices, however, are restricted to a maximum of \$5 per share. If you like Stock Partner 2.0 please order a copy by sending your name, address, and \$20 to:

**Jerry Stavreff
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Upon receipt of your order I will promptly mail you a registered, fully functional copy of the latest version of Stock Partner. (Add \$5 and I will also include the JerWare Loan Partner!) Please specify 5.25" or 3.5" diskettes.

JerWare is quality software. Its not free, but it is cheap. I hope you enjoy the "Partner" series of consumer-oriented Windows programs. Your comments are always appreciated. JS

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