Capital Gainz Help Contents

What's New in Version 6.0

In Version 6.0:

- Capital Gainz is now a 32 bit program.
- CASH asset types added.
- Performance Report includes standard and IRR rate calculations.
- Graph colors and fonts can be set.
- Improved ZIP library for backup/restore.
- Options on Price Splits to affect just global security, just local security, or global and all linked local securities.
- Option on Price Rebuild to only trim prices down up to a specified date.
- Improved Price Update from File capabilities, with instructions on how to use popular Internet price sources.
- Additional subtotals on some reports.
- Separated backup and restore functions.
- New user and report settings.
- Can now sort security tables by name.
- On Tax Schedule Report, holding period is now determined using internal tables.
- Added user setting to not save window size on exit.
- Can no longer delete global securities with linked local securities.
- Can no longer delete brokers with linked global or local securities.
- Can no longer delete security types with linked global securities.
- On Upgrade, orphan local securities linked to a Default global security.
- On Upgrade, local and global securities with blank brokers linked to Default broker.
- Can now add Morningstar security types.
- Numbers display correctly on Broker/Inv Co Report, with Subtotals, with ASCII Text option.
- Sell gain/loss is now (sell amount - buy amount - sell commission - buy commission) / (buy amount + buy commission).
- Income Report breaks out non-taxable amounts.
- Fixed Update Prices from File so not treat first line as the format if it has ':' in it (AOL QIF).
- Update Prices from File now ignores comma delimiters in quoted strings.
- Import/Export now ignores comma delimiters in quotes strings.
- Performance Report fixed for Accrued Interest with no offsetting interest.
- Accrued interest with no offsetting interest payment accounted for correctly in Performance Report.
- Can click on Web address in About Capital Gainz to go to Web site.
- Fixed where if view text file, then print to a file in a different directory, the current directory got changed.

- The Assign Macros screen was shortened for screens with lower resolution.
- Fixed small discrepancy in percentages in Portfolio Detail and Portfolio Summary reports.
- Fixed small discrepancy in gain/loss in Portfolio Detail and Portfolio Summary reports in using Subtract Reinvested.
- Fixed problem where screen messed up if maximize Local Security Table then iconize/restore program.
- Gain/loss colors no longer used on highlighted items.
- Improved date field entry - can enter mm/dd/yy, mm/dd/yyyy, or mm/dd.
- Portfolio Detail, Portfolio Summary, and Short Position reports now shows shorts that were not covered by the specified end date.
- Fixed Consistency Check - reported duplicate sales even if buy date did not match.
- Added This/Last Quarter to Dates form.
- Added Repeat Activity Forms User Setting.
- Increased maximum per entry to 9,999,999 for shares and amount.
- Fixed price alerts so Effective date is used.
- Fixed Hide Inactive on Local Security Table so it reflects change in User Settings.
- Fixed rate calculations with borderline conditions - such as one buy, with no other prices.
- Fixed bug: select security, select Prices/Price History, Exit, select another security, select Reports/Price History - got report for first security.
- Fixed bug where last character in some long security names was chopped off in reports.
- Added accelerators: CtrlC=Calculator, CtrlK=Backup, CtrlA=Backup Auto.
- Now both pies always same size in Performance Graph.
- Fixed Show Graph Data format in Performance Graph so displays right.
- Added Backup Auto function.
- Added Directory to Upgrade Log.
- Fixed bug where Delete from Price History caused hang if Confirm Deletes user setting was off.
- Added warning if specify Commission when record Buy with security that uses SCAT method - should include it in Amount. Also, when sell with SCAT, you can let Capital Gainz add commission to amount for all purchases.
- Fixed bug where unreferenced Brokers were not reported in Consistency Check.
- Portfolio Lookup Table longer.
- Fixed bug in Consistency Check where all Price History sometimes not checked.
- Can now scroll left/right when viewing text files.
- On Backup/Restore, now shows error messages on invalid directories.
- Added Dates button on Report Menu.
- Fixed bug where multiple adds on Price History Table added to wrong security after first one.
- Fixed bug where Password file was not found if set up separate data directory.

- Portfolio History Graph now shows correct low value.
- Activity History Report now sums purchases that may have been broken up by sales.
- Fixed problem where auxilliary programs, such as Backup/Restore, could not find Help file If use different data directory. (Workaround was to copy CG.INI from program directory to data directory.)
- Fixed double-click problem that sometimes opened wrong directory in select directory dialog box.
- Updated installation software to hopefully get rid of isolated Windows 95 installation problems.
- Consistency Check would drop an extended error message on second and subsequent runs.
- In cost/value graph, no longer show real big numbers in scientific notation.
- Fixed bug where no error reported if not enough space left to backup to.
- Update Prices from Screen now builds table of security/prices to update from.
- Update Prices from File now accepts price in fractional or decimal format.
- Added lines to Tax Report, Schedule B, breaking out tax-exempt interest/dividends.
- When add Local Security, Global Security Symbol automatically set to Local Security Symbol specified.
- When add Global Security, Exchange Symbol automatically set to Global Security Symbol specified.
- Pulldown list added for Exchange field on Global Security.
- This Month, Last Month added to Date Range selection.
- Updated TXF to v030.
- Fixed problem with year 2000 in Price Alerts, Portfolio History.
- Fixed problem where if Inactive set and buy shares of inactive security, it did not show up in Local Security Table until the next time portfolio was opened.
- Now accepts DD/MM/YY date formats, via Date Format Form setting.
- Cleaned up data table displays on Portfolio History and Performance Graphs.
- Fixed small rounding error on security conversion amount.
- Reworded text on security conversion screen for ratio.
- Tax Schedule Report now breaks down all distribution and tax types for securities. No longer modelled after actual Schedule B.
- Fixed bug in MetaStock import, where ticker symbol that is subset of another may get wrong prices.
- Security Conversion can now accept Additional Amount.
- Now allows you to specify a bit more/less shares (less than 1), and rounds to actual total.
- Fixed so Portfolio Summary Report uses End Date from date range.
- Fixed problem with importing prices from MetaStock or TC2000 with different date formats.
- Fixed so when change/delete portfolio, portfolio history is updated.

- Fixed so when change/delete global security, price alerts updated.
- Added global security type breakdown.
- Now adds price history of converted to security in security conversion.
- Can now sort Portfolios by name, rather than by number.
- Fixed rounding error on SCAT for final sale of remaining shares.
- Fixed problem if change/delete from Global Security Table a security not in currently open portfolio.
- Fixed bug if sell shares with SCAT and sale after all activity and not = all shares.
- Fixed problem with Activity History Report, where Date Sold did not print on non-ASCII version.
- Now files are really deleted with Delete Portfolio.
- Added OPT to Stock Security Types.
- Added OPTION and MUTUAL to Global Security Exchange.
- Fixed bug where trying to buy/sell security multiple times on one day might fail with 'Can't sell more shares than you own'.
- No longer round off average prices.
- Now use average price at bottom of Buy Shares Table.
- Fixed so Year 2000 works even if you don't update BIOS.
- Fixed Macros so not truncate long key sequences.
- If short shares, Security Table now calculates gain/loss percentage other than 99999%.
- Fixed error in Perf Report for uncovered short sales.
- Fixed so Local Security Totals updated correctly when execute Split with short sales.

- Fixed Security Conversion so prices are changed, added - this makes total return calculations correct.
- Split volume as well as price.
- Fixed Price File Import to prevent duplicates.
- Distribution Detail Report now totals all distribution types.
- I believe I fixed occassional hang problem when execute split.
- Fixed Upgrade so doesn't report Help File Not Found sometimes during install/upgrade.
- No longer resets window sizes on install.
- Changed for 1998 tax laws (12 month for long term capital gains).
- On security conversion, no prices changed if that option selected.
- When convert security, doesn't calculate/add prices for 'to' security if prices already exist for that security.
- Added Hide IRR Total Report Setting.
- Help topics are now numbered, so if print out all help files, they come out in correct order (instead of alphabetically, as before).
- Automated price update from the Internet (Yahoo!).

- Historical price retrieval from the Internet (Yahoo!).
- Combine Local Security function.
- Save settings when print graphs.
- Separate report viewer.
- Graphic image capture and view.

In Version 5.2:

- Added tooltips.
- Added standalone backup/restore utility, with optional Zip compression.
- Can now tag for reports just those Global Securities that are linked to Local Securities in the current portfolio.
- User-specifiable period for Tax Report.
- Added activity function to transfer shares between Local Securities.
- Installation now accepts Username and Code to allow access to registered version features.
- On bar and pie graphs, a checkbox on the toolbar allows you to dynamically switch between 2-dimensional and 3-dimensional views.
- Can choose to export only sales in Tax Exchange Format version of Tax Report.
- Performance Report can now subtotal by portfolio.
- Price/Activity Graph now shows splits.
- Local Security Table and Open/Closed Shares Tables can use new User Setting to show gain/loss in green/red.
- User-definable macros on toolbar.
- Date Range form now accepts current year, prior year, or user-specified date range.
- Improved numeric field entry.
- You can turn automatic calculations on/off from the Open Shares, Closed Shares, Record Distribution, and Price Update Forms.
- The CGCV.EXE Conversion Filter is now a Windows application that can be run standalone.
- Can now import Weekly prices from Telechart or MetaStock.
- Added Portfolio History feature to track historical value and return.
- Can now restrict reports by Security Type or Broker/Inv Co.
- Can set up to be reminded of backing up data daily, weekly, or monthly.
- Rebuild/Pack can be run automatically at program startup.
- Fixed bug where 'phantom' numbers showed up on Broker/Inv Co Report.
- Fixed bug in AOL import where prices < $1 did not import correctly.
- Update Prices from Screen changed so you update using a list of all securities.
- In Update Prices from File, you can now have fractional values for prices.
- Now supports DD/MM/YY Date Format via User Settings.
- Updating Prices from Screen is now done via a table.

- Can now breakdown Global Securities into many types, for allocation.
- Tax Schedule Report now breaks down Schedule B information in more detail.

In Version 5.1:

- Switched back to CLARION file driver (*.DAT & *.K01 files) from TOPSPEED driver (*.TPS files). The TOPSPEED driver caused data file corruptions for several users.
- Added Standard Deviation and Regression lines to Price Graphs.
- Now updates portfolio when cash security is changed/deleted.

In Version 5.0:

- Capital Gainz is now a Windows application, with movable/resizable windows, pulldown menus, and toolbars with frequently used options.
- The Calculator and Calendar can run as stand-alone mini-applications.
- True internal rate of return calculation added for Performance Report.
- To support margin, you assign a Cash Account for a specific portfolio from the Local Security Table. This account is automatically subtracted from when you record purchases, and added to when you record sales or distributions. Short sales are automatically recorded if the amount subtracted exceeds the amount available.
- Security share balances can now display negative amounts in the Local Security Table, reflecting short sales.
- The Subtract Reinvested User Setting now applies to the values displayed in the Local Security Table, as well as the Portfolio Detail Report. Thus, gain/loss in the Local Security Table can account for reinvested distributions.
- When updating prices from a file or an online service, the displayed log of prices added shows the increase or decrease from the last recorded price.
- A new file format combines all global *.DAT and *.K01 files into a single CGGLO.TPS file, and all local *.DAT and *.K01 files are combined into a single CGLOCnnn.TPS for each portfolio. If you use your own backup routine, be sure to change the file names referenced.
- You can alter the order of the data displayed in the Local Security Table.
- An option in the Open and Closed Shares Tables will automatically combine records with the same date and price. This allows a quick cleanup for securities used as cash repositories.
- Almost all aspects of displayed graphs can be moved or altered, using the mouse or the format feature. 3-D graphs now apply perspective, viewing angle, and lighting. While the displayed 3-D graph may not be very sharp, try printing it out - the resulting output is very impressive.
- Reports use nice looking proportional fonts. There's a Report Setting to allow printing a wide Portfolio Detail Report in landscape mode. Or, you can set your Report Settings so that reports are sent to plain ASCII text files.
- User Settings now go in the CG.INI file. Thus, you can browse this text file for options as opposed to prior method which stored values in a binary data file.
- Gain/loss percentages now go up to 99999%.
- All printer and serial port control falls under Windows Control Panel.

- There is now automated price download support for CompuServe only.

Printing a Manual

These help files constitute the Capital Gainz Users Manual. There is no hard copy version available. Why?:

- Program help files are easier to search.
- Program help files can be brought up during operation, open to a topic that applies to the operation the user is currently on.
- Printed manuals become outdated quickly.
- Printed manuals are expensive - given Capital Gainz' small distribution, I'd have to charge $50 or more for a bound and printed manual to make up costs.
- Printing manuals kills too many trees.

As justification, notice that more and more vendors are taking the program-help-file-route only. For instance, you can buy Microsoft products for hundreds or thousands of dollars, and will often only get one or more CDs.

Some users still prefer printed manuals - I used to be in this camp. However, I've discovered that well-done program help files are better, mainly for their fast search capabilities. However, if you really want a printed manual, you can print out one or more copies of the help files from the Microsoft Help file interface that comes up to view a topic. Plus, **if you choose to print out the entire list of help topics - which will take several hundred pages, they are designed such that topics will print in the order they would appear in a printed manual,**

Program Overview

Overview: What is Capital Gainz?

Capital Gainz is an investment portfolio manager that balances the modest needs of the small investor with the complex requirements of the professional investment manager. It's ideal for investors following a 'dollar-cost averaging' strategy with mutual funds or dividend reinvestment plans:

- You record purchases, sales, and distributions with easy to understand forms.
- You view and select records from scrolling tables.
- To record a sale, you specify how many shares to sell and the selling method: FIFO, LIFO, max gain, max loss, specific ID, average cost.
- You can view the shares selected for a sale before confirming the sale, providing a 'what-if' scenario.
- You can calculate and compare a security's total return with your actual realized performance.
- You can calculate the internal rate of return for any number of securities.
- You can reinvest dividends.
- You can record splits.
- You can record mergers and spinoffs.
- You and enter bond discount/amortization.
- You can update prices from a table.
- You can update prices from almost any online or Internet-based source.
- When you update a security's price, the price will adjust the value of all portfolios holding that security
- You can generate a variety of detail and summary reports.
- You can restrict report information by date range, security, or portfolio.
- You can view portfolio allocation by security and type.
- You can calculate expected income.
- You can generate Schedules B and D of the tax forms.
- You can generate price graphs, allocation charts, and more from your recorded data.
- You can define cash accounts for automatic debit/credit on activity.

Unlike popular retail software that inappropriately forces the checkbook paradigm on users, Capital Gainz is designed solely to manage investments. Thus, investors find it to be more intuitive and 'cleaner' to use.

Program Features

You record purchases, sales, and distributions with easy to understand forms. Capital Gainz' input forms are easy to understand, and not cluttered with useless information. All recorded activity is saved and available for modification or review at any time.

You can easily record the sale of a number of different purchases that occurred over a period. Capital Gainz lets you specify a number of shares to sell and a selling method such as first-in/first-out, and then retrieves and displays the appropriate shares for confirmation of the sale. Thus, selling two years worth of accumulated shares for one security requires you to enter only a single sell transaction. Forget about other programs that force you to manually group purchases, or execute a sale for each individual purchase.

You can access a variety of selling methods. You can sell shares by specific identity, first-in/first-out, last-in/first-out, maximize gains/minimize losses, minimize gains/maximize losses, and average price.

You can calculate a security's total return. Capital Gainz finds the earliest price, latest price, and cumulative reinvested distributions within a range of dates to calculate a true total return figure. This feature is a boon to the investor who seeks both dividends and price appreciation, since these values fall short when viewed individually. You can even generate a total return graph.

You can calculate a security's internal rate of return. Capital Gainz combines purchases, sales, and distributions to arrive at your realized internal rate of return. Compare this to the total return to see how your strategy compares to a 'buy-and-hold' approach. You can generate performance graphs that show the component-by-component breakdown.

You define specific stocks or mutual funds separately from actual holdings. This allows you to update the price of a stock or mutual fund, and have the new price automatically reflected for all holdings of that stock or mutual fund across all portfolios.

You can choose a range of flexible reporting options. Capital Gainz provides more than a dozen different reports, covering detail and summary information. Plus, you can select from a number of customization options to add subtotals, use brief formats, specify date ranges, and more.

You can update prices from forms or from data retrieved from online sources or the Internet. Capital Gainz can cycle through all stocks, letting you input data from newspaper tables. Or, you can tell Capital Gainz to read in price data retrieved from any number of online or Internet sources.

You can easily maintain securities' price histories. When you record activity or update prices, entries are automatically added to the price history. You can generate price and moving average graphs from this data.

You can separate commissions and loads from the basis cost. When recording a mutual fund purchase or sale, the load calculator helps you determine the load and net asset value based on the entered amount and load percentage.

You can maintain separate portfolios. Capital Gainz lets you maintain up to 999 different portfolios. All portfolio-specific screens and reports show the associated portfolio. You can easily copy securities between portfolios.

You can associate brokers and investment companies with securities. Capital Gainz lets you identify brokers or investment companies for securities. Thus, you can quickly find the phone number or address of the broker or mutual fund company responsible for a security.

You can track the performance of investments, such as 401K plans, that report total value but not price information. Capital Gainz' Price From Value calculator helps you maintain a value-derived price in

order to measure performance based on increases and decreases in total holdings.

You can automatically detect and fix incorrect or corrupted data. Duplicate entries, incorrect dates, or mistyped prices are common errors in data entry. Capital Gainz' Data Consistency Check examines all of your data for suspicious values, and reports its findings along with suggested actions to remedy the problems. Or, you can let Capital Gainz automatically fix specific problems.

You can generate information for Schedule B and Schedule D of the tax forms. Security type definitions let you specify the taxable status of distributions, and Capital Gainz automatically determines long and short term capital gains and losses from sales. Grouping sales is a unique feature that automatically groups all purchases involved in a sale into a single short and long term entry.

You can use context-sensitive help. Invoking help displays information for the current program item From there, you can jump around to other topics. The help files contain text equivalent to over 300 pages of a standard users manual.

You can set price alerts for upper and lower limits. These limits are checked whenever you update prices, or can be processed automatically at program startup to alert you to important price breakouts.

You can use graphs to quickly and easily assess trends and performance. You can generate price graphs, total return area graphs, allocation pie charts, security cost/value bar graphs, and performance pie charts from your entered data. You can send the graphs to your printer, the Windows clipboard, or a file. Automatic scaling of data relieves you of the tedious setup details found in many graphing programs.

You can import current or historical prices from Telechart 2000 or Metastock. Capital Gainz includes the ability to read in data from Telechart 2000 and Metastock databases.

You can output reports to ASCII text files. If you want to save report data to an easily readable file, or just want to use fixed fonts for faster and trouble-free printing, you can tell Capital Gainz to send reports to standard ASCII text disk files.

You can track cash accounts. You can define a cash asset in Capital Gainz, and tie it to a portfolio for automatic subtraction on security purchases and addition on security sales and distributions.

You can set your own preferences. Capital Gainz includes numerous ways to customize operation, such as changing the order of data in tables, changing the sort order of data, whether or not to use confirmations, whether or not to use volume on price updates, setting report grouping options, and more.

Requirements

General

Capital Gainz runs on any PC that can run Microsoft Windows 95 or later. Microsoft Windows generally requires:

- An Intel-compatible Pentium based processor, or better. A chip running at least 100Mhz is suggested.
- 8 MB or more of RAM.
- A VGA or monitor.
- A mouse.

Capital Gainz is a 32bit program, and thus needs a 32bit operating system. While it can be run on Windows 3.1 systems using the Win32 library for 32bit support, this is not recommended.

Disk Space

Capital Gainz requires 5 MB of space on your hard disk. You may be able to free up space by deleting those parts of the package that you will not use. For instance, the Tutorial consumes over 1MB of disk space.

Printer

Capital Gainz does not require a printer, as you can view reports or direct them to disk files. However, a printer is strongly recommended to get the most out of the program. While Capital Gainz will work with any printer supported by Microsoft Windows, a laser or inkjet printer is strongly recommended for best performance.

Modem

In order to retrieve information for updating prices in Capital Gainz, you'll need a modem and a connection to an online data source or the Internet.

User Interface

At start up, Capital Gainz automatically opens the default portfolio and displays the holdings in the Local Security Table. At the top of each table is a menu bar with available options, as well as a toolbar with the most common activities. The exact options in the menu and toolbar depend on which table is displayed, although all top-level tables contain a set of common options. To add, change, or delete items in the tables, you select a menu or toolbar option to bring up the appropriate form.

Keys

The Capital Gainz program interface adheres to the common user access (CUA) standard employed by Windows and other graphical user interfaces. Common keys include:

Complete Form: ***Ok*** button or ***Enter*** key.
Complete Field: ***Tab*** key.
Backup Field: ***Shift-Tab*** key
Abort Form: ***Escape*** key or ***Cancel*** button.
Leave Table: ***Escape*** key, ***Exit*** button, or ***Done*** button.
Choose Table Entry: ***Enter*** key, ***Select*** button, or mouse double-click.
Tag Table Entry: ***Spacebar*** or mouse-click.
Help: ***F1*** key or ***Help*** button.

Help

Online context-sensitive help is only a key away on any screen. Use ***F1*** to pop up help for the current screen, and from there you can explore all available help topics via the hypertext-linked WinHelp system. Or, use the ***Help*** pulldown menu item on high-level tables.

Entry Fields and Controls

- **Checkbox** - A square box to the left of an option can be checked (on) or not checked (off). To toggle an option, click on it with the mouse or highlight it and press the ***Spacebar*** .
- **Disabled** - A screen item is disabled for entry when its screen colors are dimmed.
- **Entry Field** - You fill in an entry field using numbers or letters from the keyboard followed by the field completion key.
- **Field Completion Key** - The ***Tab*** key completes the current field.
- **Highlight** - The currently active screen item is displayed in a different color.
- **Hotkey** - A key or key combination shortcut, indicated by a highlighted letter, is a hotkey. For instance, the 'A' in the 'Add' text on a button indicates that you can type ***Alt-a*** for Add.
- **Pulldown Menu** - Some screens have a menu bar at the top, divided into multiple categories. To access the pulldown menu, click on it with the mouse or press one of the indicated hotkeys (an ***Alt***-key combination). To display available pulldown items for the menu choice, use the ***Down Arrow*** key. Select an item in the pulldown box by clicking on it with the mouse, pressing the indicated key (not an ***Alt***-key combination), or highlighting it and pressing the ***Enter*** key.
- **Push Button** - Most forms have a set of rectangular buttons with labels indicating their functions. To 'push' a button, click on it with the mouse, use the associated hotkey, or highlight it (by positioning on it with the ***Tab*** key) and press the ***Enter*** key.
- **Radio Button** - Circular radio buttons precede each element of a multiple choice item. To select one element, click on its button with the mouse or highlight it and press the field completion key.

- **Form Completion Key** - Most forms have a button designated ***Ok*** which immediately completes the form. The ***Enter*** key also completes a form.
- **Scroll Bar** - Vertical and horizontal scroll bars on lists indicates relative position within the lists. To move backwards and forwards or left and right, manipulate the scroll bar with the mouse.
- **Tag** - For some operations, such as reports, you can tag multiple records from a list.
- **Toolbar**- Many tables have toolbars with iconic buttons for the most frequently used operations. **To see what a toolbar icon does, position the cursor over the button, wait a couple of seconds, and a message describing the button's function is displayed below the button.** To invoke a button, click on it with the mouse.

Windows

Tables and forms are contained in windows.

- Move the window by clicking on the caption bar with the mouse and dragging the window.
- Resize the window by clicking on the frame with the mouse and dragging the frame border.
- Maximize the window by double-clicking on the caption bar with the mouse or clicking on the maximize button.
- Minimize the window to an icon by clicking on the minimize button.
- Restore the window from a maximized state by double-clicking on the caption bar or clicking on the restore button.
- Restore the window from icons by double-clicking on the icon with a mouse.

The current window sizes and states are automatically maintained by saving them on exit from Capital Gainz and reapplying them on program entry. **If you need to restore the default window sizes for any reason, you can remove the [SizeSettings] section from the CG.INI file.**

Tables

Tables display a list of data items and provide some set of functions to operate on it.

- Scroll up or down using a mouse on the vertical scroll bar, or by using the ***PgUp/PgDn*** and ***Up Arrow/Down Arrow*** keys.
- Scroll left or right using a mouse on the horizontal scroll bar or the ***Left Arrow/Right Arrow*** keys. The ***Home*** and ***End*** keys position to the far left and far right of the table.
- Move the window by clicking on the caption with the mouse and dragging the window.
- Resize the window by clicking on the border and adjusting the size with the mouse, or use the maximize/minimize buttons in the upper right corner of the window.
- Tables contain pulldown menus and/or toolbars for operating on the displayed data.

There are three variations of tables:

1) **Maintenance Tables** show a lot of data for each item, and provide a number of operations including add, change, and delete. You can also add an item with the ***Ins*** key, change an item with the ***Enter*** key, and delete an item with the ***Del*** key.

2) **Lookup Tables** pop up so you can select a valid value for an entry field. To select an item, double-click on it with the mouse or highlight it and press the ***Enter*** key or ***Select*** button.

3) **Tag Tables** let you select a set of records for an operation. To tag an item, click on it with the mouse or highlight it and press the ***Spacebar***.

Forms

Forms allow data entry.

- Move the window by clicking on the caption with the mouse and dragging the window.
- The form completion key, the ***Enter*** key, completes the form as if the ***Ok*** button were pushed.
- The abort form key, the ***Esc*** key, exits the form as if the ***Cancel*** button were pushed.
- To navigate through the fields, you can use the mouse or the ***Tab*** and ***Shift-Tab*** keys.
- Some fields in a form restrict entry to certain kinds of data, such as numbers or dates.
- Some numeric entries can be negative.
- All forms include buttons for specific operations.
- Some fields on forms show a ***List*** button to the right to bring up a list of values to choose from.
- Some fields require a valid entry, and entering an invalid value results in a list of values for you to choose from.
- Some fields include a pulldown list of values. Click on the down arrow button with the mouse or use the ***Down Arrow*** key to pull down the list.

General Program Flow

Before recording purchases, sales, and distributions in Capital Gainz, you must first define the entities involved. Let's look at the steps required prior to recording your first purchase of the American Century Ultra mutual fund:

1) You **begin at the Local Security Table** of the current portfolio.
2) **Define the Broker/Investment Company** Use the ***Files*** pulldown menu selection to go to the Broker/Investment Company Table. From there, use the ***Add*** button to define the American Century mutual fund company.
3) **Define the Global Security.** Use the ***Files*** pulldown menu selection to go to the Global Security Table. From there, use the ***Add*** button to define the Ultra Global Security. Use American Century as the Broker/Investment Company Select Stock Mutual Fund from the Security Type Lookup Table.
4) **Open or Define the Portfolio.** Capital Gainz automatically creates a default Portfolio, Portfolio 1. If that's the Portfolio you want to use, proceed to the next step. Otherwise, you'll need to either define or open the Portfolio you want using the ***Portfolio Table*** item in the ***Files*** pulldown menu.
5) **Define the Local Security.** Use the ***Files*** pulldown menu selection to go to the Local Security Table for the current portfolio. From there, use the ***Add*** button to define the Ultra Local Security. Link this Local Security to the Ultra Global Security, and use American Century as the Broker/Investment Company.
6) Use the ***Buy*** button on the Local Security Table to **record the purchase information**.

The following set of steps is a bit shorter:

1) You **begin at the Local Security Table** of the current portfolio.
2) **Open or Define the Portfolio.** Capital Gainz automatically creates a default Portfolio, Portfolio 1. If that's the Portfolio you want to use, proceed to the next step. Otherwise, you'll need to either define or open the Portfolio you want to use.
3) **Define the Local Security** using the ***Add*** button on the Local Security Table. Link this Local Security to the Ultra Global Security. This Global Security does not exist, so use the ***Add*** button on the Global Security Lookup Table that pops up to define it. In defining the Global Security, specify American Century as the Broker/Investment Company. This Broker/Investment Company does not exist, so use the ***Add*** button on the Broker/Security Lookup Table that pops up to define it.
4) Use the ***Buy*** button on the Local Security Table to **record the purchase information**.

To record subsequent activity for the Ultra mutual fund, just use the ***Buy***, ***Sell,*** or ***Distr*** buttons, or the ***Activity*** pulldown menu selections, after highlighting the security in the Local Security Table.

Running Capital Gainz

Installation

To install Capital Gainz, run **SETUP.EXE** on the first diskette. **If you are installing Capital Gainz over a previous version**, then the last thing **SETUP** does is upgrade your data files. Your data files must be successfully upgraded in order for Capital Gainz to run. If the upgrade fails, restore a backup copy of the data and reinstall.

Capital Gainz runs either in evaluation mode or registered mode. In evaluation mode, the program can only be used for a specified number of days before you must reinstall it, and may also include advertisements. Registered mode is not restricted and has no advertisements. How you install Capital Gainz determines its mode of operation. **To install the registered version, you must specify a valid Registration Number, User Name, and Code.** Otherwise, Capital Gainz is limited to evaluation mode.

Starting Capital Gainz

SETUP adds a group and several items for starting up Capital Gainz and related programs from Windows. You can also add a shortcut to Capital Gainz on the Windows desktop. The **CG.INI** initialization file includes configuration parameters, and is built at installation and modified with the various ***Configuration*** functions.

Using a Separate Data Directory

You can choose to put your Capital Gainz data in a separate directory from the program. To do this, specify the name of the data directory at installation. Or, you can use the ***System Configuration*** function available from the ***Config*** pulldown menu. Managing one or more data directories outside of the main Capital Gainz directory places several additional responsibilities on the user. Among these are:

- You must implement your own backup/restore procedures in order to handle data in all directories.
- You must initiate data file upgrades on all directories for future program updates.
- You must physically move the data files if you alter the data directory after initial installation.

The great majority of users, especially novices, are much better off leaving the data directory the same as the main Capital Gainz directory.

Getting Help

The ***Help*** pulldown menu on tables offers the following choices:

- ***Contents*** - Bring up the online help contents screen.
- ***Search for Help On*** - Search for a help topic by keyword.
- ***How to Use Help*** - Information on how to use the Windows help system.
- ***Order Capital Gainz*** - Fill in a form for ordering Capital Gainz products,. and print it out.
- ***About Capital Gainz*** - Bring up the Capital Gainz copyright screen.

The ***F1*** key will bring up online context-sensitive help for the current screen you are on.

If you can't find the answer to your question in the online help system. contact us. We prefer electronic mail support, but also offer support via mail, phone or fax.

Contact Information

Upgrade from a Prior Release

When you upgrade from a prior release of Capital Gainz, your data files will likely need to be converted to a new format. The installation program examines the directory you are installing to and determined the current installed version, which it displays for confirmation. At the end of installation, the Capital Gainz Upgrade program is triggered to execute the data file conversion. You can also run the Capital Gainz Upgrade program after installation, using the Capital Gainz Upgrade icon in the Capital Gainz Program Group.

Uninstall Capital Gainz

The Capital Gainz Uninstall program lets you remove some or all of the Capital Gainz files. You run the Capital Gainz Uninstall program using the Capital Gainz Uninstall icon in the Capital Gainz Program Group.

Global and Local Data Items

In Capital Gainz, certain items are referred to as 'global', and others as 'local'. Global items are independent of any portfolio, while local items are contained wholly within a single portfolio.

Let's look at the global items:

- **Global Securities** define stocks, bonds, and mutual funds.
- **Price History** defines date/price data for global securities.
- **Broker/Investment Companies** define name, address, and other information for brokers and mutual fund companies.
- **Security Types** define different types of securities, such as a small company mutual fund, within a predefined set of categories, such as stock mutual funds.
- **Portfolios** group together holdings for a particular person or entity.

A Global Security is defined as a specific Security Type, and is also associated with a specific Broker/Investment Company. Further, a Global Security has an associated Price History, containing price and distribution per share entries. The Price History is built when Portfolio activity is recorded, or when securities' prices are updated.

For instance, Invesco's Industrial Income Fund is a Global Security. The Broker/Investment Company is Invesco, a mutual fund company. The Security Type is a Stock Mutual Fund. The Industrial Income Fund has a Price History that includes dated prices and distributions per share.

Local items include:

- **Local Securities** that are held by individuals and grouped within that individual's Portfolio.
- **Buy Shares** records that are created when you record purchases of a Local Security.
- **Sell Shares** records that are created when you record sales of a Local Security.
- **Distribution** records that are created when you record distributions, such as dividends, of a Local Security.

Think of Global Securities as securities listed on an exchange, and thus having a Price History. Local Securities are created when you purchase shares of a Global Security.

From our previous example, say you record a purchase of 100 shares of Invesco's Industrial Income Fund in your portfolio, Portfolio 1. There are now Global and Local Securities for the Industrial Income Fund, a single Buy Shares entry, and a Price History entry that uses the date and price of your purchase. As time goes on, you'll record more purchases, creating more Buy Shares records; record sales, creating Sell Shares records; and record distributions, creating Distribution records. Data from these activities propagate to the Price History.

Now, say you purchase another mutual fund, American Century Ultra, again adding it to Portfolio 1. As before, there will be a Global and Local Security for the fund, and a Broker/Investment Company for American Century. Any purchase, sale, or distribution activity is associated with the Local Security.

Your spouse notices that Invesco's Industrial Income Fund is a safe, good performing mutual fund, and decides to open an IRA to invest in it. The Global Security is already defined, as is the Broker/Investment Company. However, this account must be kept separate from YOUR Invesco Industrial Income holdings. There are two ways to handle this. First, you can define another Local Security within Portfolio 1, linking it

to the same Industrial Income Global Security. The two Industrial Income Local Securities must have different symbols (abbreviations). Second, you can create a new Portfolio, Portfolio 2, and add the Industrial Income Local Security to it. As before, it is linked to the previously defined Industrial Income Global Security, but this time the two Local Securities can have the same symbol since they are in separate Portfolios.

At the end of the month, you decide to update the Price History of the securities. If you opted for separate Portfolios, it's best to update prices directly through the Global Security Table. With the newspaper stock listings in hand, you step through each security and record the date and price.

When you update the price of a security, it affects the value of any Buy Shares, resulting in increased or decreased unrealized gains. The amount you paid for the shares stays constant, but the amount you could sell them for is what determines their value. If you just had the three securities from our examples, you would update the prices of the Industrial Income and Ultra Global Securities. The values of the two Industrial Income Local Security holdings are updated by the price of the Industrial Income Global Security, and the value of your Ultra Local Security holdings are updated by the price of the Ultra Global Security.

Global Securities, Local Securities, and Symbols

Organizing Data Into Portfolios

In Capital Gainz, you reference a specific Local Security when recording purchases, sales, and distributions. Local Securities are grouped into Portfolios.

The current Portfolio is the one Portfolio open at a given time. Any activity recorded is contained within the current Portfolio. Portfolio-specific screens in the program, such as the Buy Shares Form, indicate the current Portfolio in the window caption.

So how should you organize Local Securities into Portfolios? If you're managing several clients, obviously you want to have a separate Portfolio for each one. However, **for individuals, the best approach is to have as few Portfolios as possible**:

- There is no limit to the number of Local Securities that can be in one Portfolio.
- There is no need to separate out IRA and other retirement vehicles into a separate Portfolio, since you can flag a Local Security such that it's ignored when generating tax reports.
- Switching back and forth between Portfolios can get tedious.
- Although reports can span multiple Portfolios, and the selected Portfolios can be treated as a single virtual Portfolio, reporting is faster and easier with fewer portfolios.
- Even if you have separate holdings of the same security, such as a regular mutual fund account and an IRA account, you can assign them different Local Security symbols within the same Portfolio.
- If you just want to track certain securities, then only add them as Global Securities. Don't create a dummy portfolio for securities that you don't own, as all price history tracking is done with the Global Security.

I suggest that most users have no more than two or three Portfolios. An 'inactive Portfolio', can be convenient for stashing Local Securities that have been completely sold off rather than deleting them. Since Capital Gainz provides the capability to copy Local Securities within and between Portfolios, you can dynamically rearrange portfolios. You can even copy entire Portfolios.

Personally, I have three Portfolios: one for myself, one for my wife, and an inactive Portfolio. Since most of our accounts are joint, I would prefer to combine the two active Portfolios, but maintain the division to simulate multi-portfolio usage of other users for ongoing test purposes.

You can designate a cash account for a specific portfolio. The cash account is a cash asset type that is automatically subtracted from on purchases and added to on sales and distributions.

To track the value of your portfolio over time, use the Portfolio History Table. Capital Gainz can calculate the value and return for a portfolio for a selected date or dates. For instance, you can elect to calculate the portfolio history at the end of each quarter for the last several years.

Global Securities, Local Securities, and Symbols

One of the more confusing aspects of Capital Gainz is the Global/Local Security concept. However, the reasoning behind this division becomes perfectly clear when you need to take advantage of it. First, let's define the two entities:

- **A Global Security defines a particular stock, bond, or mutual fund.** It has a price history and a security type. It is independent of all portfolios, and thus not directly related to any buy, sell, or distribution activity. A Global Security's symbol cannot be duplicated. Global securities are usually linked to local securities held in portfolios, but may exist independently for tracking prices.
- **A Local Security is an instance of a Global Security within a portfolio**, and has buy, sell, and distribution activity. The price history and security type are determined through a link to a Global Security. A Local Security's symbol is unique within a single portfolio, but may be duplicated across portfolios.

The distinction between the Local and Global parts of a security serves two purposes:

1) **You can track prices for a security without adding the security to any portfolio.**

   For instance, say you don't own any AT&T stock, but want to track its prices. To do this, you would define a Global Security for AT&T, then periodically update its price. You do not need to add it to any portfolio.

2) If a given security is held in multiple portfolios, or there are separate holdings of it within a single portfolio, then these Local Securities can all be linked to the same Global Security. Updating the price of the Global Security adjusts the value of all the Local Securities linked to it. A potential source of considerable **data duplication is eliminated** by keeping a single set of price data.

   For instance, a husband and wife both have IRAs with Invesco's Industrial Income mutual fund. There are two Local Securities, either within one portfolio or in separate portfolios, and both are linked to a single Global Security. When you update the price of the Global Security, the value of both Local Securities' holdings are updated.

For the most part, individual users can simply think of the Global and Local Securities as two parts of one security. Capital Gainz masks the actual division:

- If you **update prices from the Local Security Table**, the Global Security link is traced from each Local Security in the portfolio to do the update. Although it looks like you are updating the price of a Local Security, you are actually updating the related Global Security's price.
- If you **update prices from the Global Security Table**, all Global Securities' prices are updated. Given that each Local Security is linked to a Global Security, this indirectly updates the prices for all associated Local Securities.

Now let's turn to security symbols, and what they're used for:

- **The Global Security Symbol is an abbreviation for a Global Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.
- **The Local Security Symbol is an abbreviation for a Local Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.

- **The Exchange Symbol corresponds to the actual symbol, sometimes called the ticker symbol, used on an exchange to uniquely identify the security.** This symbol is only needed if you will be updating prices from files retrieved from online or Internet sources. Even mutual funds have Exchange Symbols. Symbols listed in newspaper tables may not be the actual Exchange Symbols. The Exchange Symbol is defined in the Global Security, and is often referred to as the Ticker Symbol.

How are the symbols related? In most cases:

Local Symbol = Global Symbol

But this does not have to be true. For instance, if a husband and wife have IRAs with Invesco's Industrial Income mutual fund, they can be kept in the same portfolio by defining different Local Security Symbols. Here, the Global Security Symbol may be ININD, and the Local Security Symbols in Portfolio 1 can be ININDH (Husband) and ININDW (Wife). Both Local Security Symbols are linked to the Global Security Symbol ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 1: Local Security
            ININDH <------------------------  ININD ----------------> ININDW
```

Alternatively, the two IRAs can be in separate portfolios. This allows the Local Security Symbols to be the same. Again, a single Global Security with Global Security Symbol ININD is defined. Portfolio 1 is for the husband, and contains his Local Security with Symbol ININD. Portfolio 2 is for the wife, and contains her Local Security with Symbol ININD. The Local Security Symbols are the same, but unique within each portfolio, and both are linked to the Global Security ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 2: Local Security
            ININD <------------------------  ININD ---------------------------------> ININD
```

The Exchange Symbol can be the same as the Global Security Symbol:

Global Security Symbol = Exchange Symbol

Therefore, the following can also be true:

Local Security Symbol = Global Security Symbol = Exchange Symbol

However, Exchange Symbols can be cryptic. For example, the Exchange Symbol for AT&T is T. Thus, users often prefer to use an abbreviation for the Global and Local Security Symbols. For AT&T, the Global and Local Security Symbols may be ATT, while the Exchange Symbol is T.

Summing up:

- **Each Global Security has any number of Local Securities, including none, linked to it.**
- **Each Local Security is linked to exactly one Global Security.**
- **Each Global Security is associated with a single Exchange Symbol.**

Global and Local Data Items

Brokers and Mutual Fund Companies

Capital Gainz provides Broker/Investment Company entities so you can record broker or mutual fund company information for later reference. If you're not interested in keeping this data, just use a single, default Broker/Investment Company with all Global and Local Securities.

If you do maintain Broker/Investment Company data, you'll notice that **both Global and Local Securities include Broker/Investment Company fields in their definitions**. This allows you to define information about the company that issued the stock or mutual fund as well as the broker that you purchased the shares from.

For instance, say you buy AT&T stock through Quick and Reilly, a discount broker. You can define AT&T company information as one Broker/Investment Company, and use it with the Global Security. You would also define Quick and Reilly as a Broker/Investment Company, and use it with the Local Security. Or, you can define just AT&T or just Quick and Reilly as a Broker/Investment Company, and use it for both the Global and Local Securities.

Or, say you bought shares of the Ultra mutual fund directly from American Century. This time, define a single Broker/Investment Company for American Century, and use it for both the Global and Local Securities.

Finally, let's look at the case where you bought the Ultra mutual fund through Quick and Reilly. You can define Broker/Investment Companies for both American Century and Quick and Reilly, using them for the Global and Local Securities respectively. Or, you can define just American Century or just Quick and Reilly as a Broker/Investment Company, and use it for both the Global and Local Securities.

You can use the Broker/Investment Company information several ways:

- **You can generate the Broker/Investment Company Report, providing a ready list of names, addresses, and phone numbers of your brokers and mutual fund companies.** This report also lists the Local Securities related to each Broker/Investment Company, and can show the total commissions and loads recorded for each broker/investment company.
- **The Portfolio Detail Report can be subtotaled by Broker/Investment Company, showing your current holdings by broker and mutual fund company.**

Security Types, Taxes, and Allocation

Security Types are used to classify securities. Each global security is associated with a single Security Type. Local Securities inherit the security type of the Global Security they are linked to. A Security Type consists of:

- **A security Class, which identifies a high-level category for the Security Type.** There are only a few fixed security classes, such as STOCK, BOND, and STOCK FUND.
- **A security Type, which breaks down the security Class in finer detail.** A number of predefined security types are provided, and you can define your own. You are free to use general security types, such as Stock or Bond Fund, or more precise types, such as Large Company Stock or Medium Term Bond Fund. An option lets you add the specific Morningstar fund categories to the Security Type Table.

This effectively gives you three ways to break down your holdings:
By Security
By Security Type
By Security Class

You can view these allocations using the Allocation Report or Allocation Graph.

Security Types also contain a number of items that determine how distributions and sales are treated on Schedules B and D of the tax report. Whereas the Tax Exempt value in the Local Security causes the sales and distributions for that security to be completely omitted from the tax forms, the values in the Security Type provide a finer level of control:

- **Schedule B Dividends/Interest** - Determines whether dividends or interest are taxable on Schedule B.
- **Short/Long Term Capital Gains** - Determines whether capital gain distributions show up on Schedule B or Schedule D.
- **Schedule D Sales** - Determines whether each sale shows each affected purchase on Schedule D, each sale groups all affected purchases on Schedule D, sales appear on Schedule B (for savings bonds), or sales are omitted on Schedule B (for cash securities). Group sales simplify the tax forms considerably for investors using dollar-cost averaging.
- **Schedule D Commission** - Determines whether sales commissions show up on Schedule D added to the purchase amount (as per strict IRS interpretation) or subtracted from the selling amount (as per actual practice).

All predefined types with Tax Free in their names treat dividend or interest distributions as tax exempt on Schedule B. The types in the BOND class are set to distribute interest rather than dividends, the types in the CASH class omit sales on Schedule D, and the U.S. Savings Bond type puts gains from sales on Schedule B. You can set up new security types to behave differently, or change predefined security types in any way you wish.

The Portfolio Allocation Report shows a valuable breakdown, in dollars and percentage, of your holdings by class, type, and security. The Portfolio Allocation Graph presents this information visually with pie charts and legends.

You can also get an allocation of holdings by broker/investment company by turning on the subtotaling switch in the Report Settings and generating the Portfolio Detail Report. In fact, if you are not interested in maintaining broker/investment company information, you can use this feature in a number of interesting ways by interpreting the broker/investment company data differently.

Purchases, Sales, and Distributions

Once you've set up your Local Securities, Global Securities, Broker/Investment Companies, and Portfolios, you are ready to start recording activity. **Purchases, sales, and distributions are recorded for a specific portfolio from the Local Security Table**:

- **Purchases** are recorded via the ***Buy Shares*** item on the ***Activity*** pulldown menu, or the ***Buy*** button on the toolbar.
- **Sales** are recorded via the ***Sell Shares*** item on the ***Activity*** pulldown menu, or the ***Sell*** button on the toolbar.
- **Distributions** are recorded via the ***Record Distribution*** item on the ***Activity*** pulldown menu, or the ***Distr*** button on the toolbar.
- **Fees** are recorded via the ***Record Fee*** item on the ***Activity*** pulldown menu, and are essentially the same as distributions.
- **Short sales are recorded** via the ***Sell Shares Short*** item on the ***Activity*** pulldown menu, and are essentially the same as sales.
- **Short sales are covered** via the ***Cover Short Sale*** item on the ***Activity*** pulldown menu, and are essentially the same as purchases.

When you record purchases, buy shares records are added to the Buy Shares Table, and the associated prices are added to the Global Security's Price History. **When you record sales, buy shares records are converted from the Buy Shares Table into sell shares records on the Sell Shares Table**, and the associated prices are added to the Global Security's Price History. When you record distributions, distribution records are added to the Distribution Table, and the per share values are added to the Global Security's Price History. If you used the ***Set Cash Account*** function on the ***Securities*** pulldown menu to assign a cash account for the portfolio, that account is increased on sales and distributions and decreased on purchases.

Related activities are linked at entry time:

- After recording a distribution, you can choose to **reinvest** the amount via a purchase.
- After recording a sale, you can **redistribute** the proceeds via a purchase.
- After recording a fee, you can record a sale to **cover the fee**.

To enhance the accuracy of entered data, you should record activity directly from statements provided by brokers and mutual fund companies. Items that have given users problems include:

- **Distribution Per Share**: Mutual funds distribute a fixed dividend amount per share just like stocks and bonds. Many funds report the per share amount on the statement immediately following the distribution, but a number of mutual fund companies only report the total distribution amount, not the per share amount. Just let Capital Gainz calculate the per share amount in these cases, as it should be very close to the actual per share amount. **Do not use the purchase price of reinvestments as the distribution per share.**
- **Reinvestments**: When a mutual fund reinvests distributions, be sure to record the distribution and subsequent purchase in Capital Gainz.
- **Fees**: Mutual fund companies often charge a small annual maintenance fee for IRA accounts. You can choose to pay this by separate check, or let the company sell enough shares to cover it. If shares are sold, the number sold will be noted on a statement.

Record a FEE of this amount, then record the sale used to cover this amount.

- **Precision:** You can define the precision of values maintained for individual securities, using fields in the Local Security. Check your statements to see how many decimal places are used for your mutual fund or dividend reinvestment plan shares.

If you make a mistake in entering data into Capital Gainz, it is **very easy to change or delete records through the associated tables.** The Buy Shares Table, Sell Shares Table, and Distributions Table are available via items on the Activity pulldown menu. For instance, if you inadvertently entered a purchase twice, use the Buy Shares Table to delete one of the records. **A special feature in Capital Gainz lets you easily reverse sales.** After deleting an entry in the Sell Shares Table, you are asked if you want to unsell the shares. If you answer Yes, the sell shares entry is removed and the original buy shares entry is recreated. If a sale affected several buy shares entries, set the system date range to the date of the sale, bring up the Sell Shares Table, and use the Delete Range function to delete and unsell all the sell shares entries for the sale.

For speed, current outstanding share, amount, and commission totals are maintained within each local security record. These should match the totals displayed in the Sell Shares Table. Computer, disk drive, or program problems can sometimes corrupt data files, causing the totals maintained in the security to become out-of-sync with the totals in the Buy Shares Table. To fix this, use the Fixup function on the Local Security Table, or let the Data Consistency Check automatically resynchronize the values.

To check your entries, you can also generate Activity Detail Reports, listing individual purchases, sales, and distributions. Or, **the Activity History Report lists all purchases, sales, and distributions for each security in chronological order**, for the specified range of dates. A Report Setting will even result in subtotals after every listed transaction.

Reinvesting Distributions

Mutual fund investors usually choose to let a fund reinvest dividend and capital gain distributions into more shares of the fund. Keep in mind, though, that there's no fundamental difference between an automatic reinvestment and buying more shares with a dividend check. **Failure to include the reinvestment purchase amount in your cost basis results in getting taxed twice on distributions**:

- You pay tax based on 1099 forms mailed at year end for the distributions.
- When you sell shares, the basis does not include the reinvested amounts, resulting in too high of a gain and, therefore, too much capital gains tax being paid.

Capital Gainz eliminates the possibility of double-taxation by leading you through the recording of the distribution and the subsequent purchase. Although recording a reinvested distribution is much easier, you can achieve the same result by recording the distribution and purchase separately.

When any unrealized, or 'paper', gain or loss is displayed in Capital Gainz, the basis of the shares purchased includes reinvested distributions. Thus, income oriented funds that rely on dividends will show little if any unrealized gain. Thus, Capital Gainz provides a User Setting to **subtract the amount of reinvested distributions from the basis** in the Local Security Table and Portfolio Detail Report. With this option set, the unrealized gain is increased (or the unrealized loss is decreased) by the amount of any reinvested distributions.

Unrealized gains and losses do not provide a complete performance picture. Sales are not included in this number, nor is the time-value of money factored in. Subtracting reinvested distributions provides an accurate performance picture only in the simple case of a single initial purchase followed by all distributions being reinvested. To get a true performance assessment, Capital Gainz' Performance Report calculates a return based on purchases, sales, distributions, and time.

Selling Methods

Capital Gainz provides a variety of ways to select shares for a given sale. Automatically selecting shares for a first-in/first-out sale is a welcome alternative to tediously determining individual mutual fund shares to sell from a long history of small monthly purchases.

Two especially powerful selling methods will automatically determine and select those shares to sell that will result in the largest gain or largest loss. However, the IRS requires you to explicitly tell your broker or mutual fund company which shares to dispose of at the time of the sale unless you use the first-in/first out method or an average cost method. To aid IRS compliance, Capital Gainz generates a list of shares to sell, along with a note for the agent, and displays it for you to confirm, cancel, or print.

For most investors, especially those using mutual funds or dividend reinvestment plans, selling shares first-in/first-out is the easiest path. No additional paper work is required, and, especially compared to the average cost method, fewer problems result from erroneously recording activity.

Mutual fund companies and articles on investing often discuss the single category and double category average cost selling methods. The double category method splits the cost of shares into long term and short term holdings. This cruel trap is fraught with special concerns and riddled with omissions. If the holding period is changed or expanded to more than two levels, as it was in 1997, there is no reasonable method of shifting the basis. **Capital Gainz does not support the double category average cost method.**

Capital Gainz does support the single category cost basis, in which the cost of all shares purchased as of the date of a sale are used to determine the cost basis of the shares sold. However, you should observe certain cautions using the average cost method:

- **When using average cost, all purchases prior to a sale must be recorded before entering the sale.** This is because the basis of the shares sold relies on the cost of all purchases up to the selling date. Any purchases recorded or changed with a date prior to one or more recorded sales renders the basis for those sales incorrect. Instead, you must reverse the sales, make the changes, then rerecord the sales.
- **For the average cost selling method, Capital Gainz only averages the recorded amount, not the commission.** This is because the commission or load is never actually invested in shares, and thus is not part of the cost. If you want to include mutual fund loads in the average cost, then don't break out the load - include it in the amount.
- While many mutual fund companies tout the simplicity of the average cost method, their conversion to quarterly statements inexplicably makes it difficult for the investor to utilize this method. They do send confirmations of explicit purchases and sales, but you often do not learn of bank draft purchases or dividend reinvestments until the end of the quarter. Thus, **you have to wait for the quarterly statement before it's possible to determine the average cost of any shares sold during the quarter.**
- Capital Gainz provides impressive features for managing accounts that use the average cost selling method. For example, if you record a sale on a date prior to one or more recorded purchases, the program calculates the average cost as of the selling date specified. However, **when using average cost basis, you are strongly urged to enter data in chronological order**, carefully checking that entries are complete and correct prior to recording a sale. Most importantly, **once you execute a sale of a security using average cost, you can not change to a different selling method for that security.**

Because of these concerns, **a first-in/first-out selling method coupled with software such as Capital Gainz is clearly the easiest and most trouble-free approach to managing investment activity.**

While retroactively adding a missed purchase prior to a sale of some shares is a problem with the average cost method, it is perfectly fine with the first-in/first-out method. (Unless, of course, the purchase missed was one that would have been used in the sale.)

In fact, **any one of the specific identity methods of selling shares offers the same maintainability** advantages of the first-in/first-out method when compared to using average cost. Plus, the **maximum gain/loss methods are far superior to the average cost method for shifting gains and losses for tax purposes**. The only catch is that if you don't use the first-in/first-out method, you need a paper trail indicating that you instructed your broker or mutual fund on which specific shares to sell.

As you can see, the average cost method is neither the easiest nor the most tax advantageous selling method to use. Lawmakers should have consulted with knowledgeable investors and accountants before promoting widespread use of the average cost method.

Price History and Alerts

For each Global Security, Capital Gainz maintains a history of prices and distributions, aptly called the Price History. Local Securities inherit a Price History via their link to a Global Security. Once established, this link is transparent and the act of updating the price of a Local or Global Security is identical.

The Price History can be built in several ways:

- **Recording Activity**: When you record a purchase or sale, the purchase or sale price is used to update the Price History of the associated Global Security. Recording dividend or capital gains distributions also updates the associated Global Security's Price History.
- **Update Prices from Screen**: You can update prices manuallt via a form.
- **Update Prices from File**: You can read in prices retrieved from an online or Internet source.
- **Price History Table**: You can directly add, change, and delete entries in the Price History Table for a selected Global or Local Security.
- **Import from Telechart 2000 or MetaStock**: You can import data from Telechart 2000 or MetaStock databases, using the ***Downoad/Import*** function.

Although you want to keep an eye on your investments, only retain necessary prices. Daily price data wastes a lot of disk space and may slow down some operations. If you need to keep a close eye on holdings, **use the Rebuild Price History feature to periodically trim prices down to weekly or monthly entries**.

Capital Gainz includes the ability to alert you when a security's price crosses a preset threshold. **You can set upper and/or lower limits for any securities, and Capital Gainz will alert you when a price update crosses one of these boundaries.** In fact, you can even set up Capital Gainz to check the current prices of securities against the specified limits at program startup.

Updating Prices

In addition to tracking investment activity, you need to **periodically update prices to determine the current value, and unrealized gain/loss, of your holdings**. There are three basic methods for updating prices.

Method 1: Manual

You can use Capital Gainz' ***Update Prices from Screen*** function to manually update prices from printed stock tables. This feature steps you through each security, asking for a date and price. To ease the process, the securities are presented in alphabetical order by Exchange and Global Security Symbol values defined in the Global Securities. When updating prices through the Global Security Table, all securities in all portfolios are displayed for update. When updating prices through the Local Security Table, only those securities in the current portfolio are displayed for update.

Method 2: Automatic

You can use Capital Gainz' ***Get Prices from Internet*** function to automatically retrieve and read in prices from the Internet, or just to display current prices from the Internet. You must already be connected to the Internet for this to work. If you choose to retrieve prices, Capital Gainz builds a URL to retrieve prices for selected securities, retrieves the prices, then reads the prices in. At this point, you can choose to either display the prices found or update your data with the prices found. If you choose to just view prices, Capital Gainz builds a URL to view prices, and passes it to your default Web browser For a security's price to be retrieved, the exchange symbol value must be set in the global security.

Method 3: Semi-Automatic

You can use Capital Gainz' ***Update Prices from File*** function to read in a file of prices retrieved from an online source, such as America Online, or an Internet source, such as InfoBeat. While Capital Gainz includes support for a number of predefined formats, it can also be configured to accept almost any format. However, many sources now offer Quicken Price File Format, which is simply a comma-delimited file containing:

Symbol, Price, Date

For most people, this is the easiest route, since no alterations need to be made to Capital Gainz to accept files in this format. Some price sources, such as InfoBeat or Quote.com, can be set up to automatically email you prices for your portfolio at the end of each day, and you can then read these into Capital Gainz. Other sites, such as IRNet or Yahoo, let you export prices from their Web site.

To Update Prices from a File:

- Learn how to retrieve a file of price from your selected source. Choose Quicken format if given an option.
- Retrieve prices from your selected source.
- Be sure that Capital Gainz is configured for the price file format you will be using.
- On the Global or Local Security Table, select ***Prices***, ***Update Prices from File***.
- Specify the file containing prices.
- When processing is complete, ***View*** what prices will be added to Capital Gainz to be sure everything worked Ok.
- Complete the price update with the ***Ok*** button.

Some people like to save all the files retrieved, and some people always download to the same file, replacing it each time. Capital Gainz even provides an option to read in the price data from the Windows clipboard. Thus, if you retrieve the prices via email, you can cut them to the Clipboard and read them into Capital Gainz from there - avoiding saving any files on disk.

For more details on price sources, including step-by-step instructions, see the help topic on updating prices from a file.

Reports and Graphs

Capital Gainz displays a considerable amount of information in tables, and this information may be formatted into reports for output to the printer. Many reports contain data that is omitted from screens due to space and program performance considerations.

Some of the most useful reports are:

- **Portfolio Detail Report**: This report is similar to the Local Security Table, and shows current holdings and unrealized gains and losses in a portfolio.
- **Activity History Report**: This report shows a chronological list of purchases, sales, and distributions. The format makes it easy to check your entries against mutual fund and broker statements.
- **Total Return Report**: This report looks at the price history of a security, and calculates the total return based on prices and distributions. The total return calculation is the same as that used by mutual fund companies.
- **Performance Report**: This report calculates your performance based on recorded purchases, sales, and distributions.
- **Tax Schedule Report**: Information for Schedules B and D of the tax forms is generated based on your recorded distributions and sales. Data can be transferred to your paper or electronic tax forms.
- **Activity Detail Reports**: These reports show detailed information on recorded purchases, sales, and distributions.

Reports are generated in one of two ways:

- **From Tables**: Many tables allow you to quickly generate one or more related reports for the current portfolio or security.
- **From the Report Menu**: The Report Menu lets you choose from all available reports. You can print reports for selected portfolios or securities.

You can change the behavior or format of many reports by changing the Report Settings:

- You can generate reports that **Use Brief Formats**, omitting non-essential data. For instance, using this option with the Performance Report results in only the bottom-line figures being printed, omitting the components used in the calculations.
- You can **Show Subtotals**. For instance, using this option with the Activity History Report results in a running total and value of holdings after each purchase, sale, or distribution.
- You can **Combine Portfolios** selected for a report into a single virtual portfolio. For instance, you can treat several portfolios as a whole in order to generate a single combined Schedule B and Schedule D.
- You can **Use Internal Rate of Return** to include IRR calculations on the Performance Report. The internal rate of return factors time into the cash flows to arrive at a rate, while the standard calculation does not factor in time.
- You can specify a ***Date Range*** to restrict the data printed.
- You can send reports to plain ASCII text files with **ASCII File Output**, for storing on disk for future reference or just to increase printing speed.

When you request a report, the report is generated and displayed on the screen. From there, you can send it to your printer.

Some reports can be generated in HTML format for posting to the Web. HTML format reports are only available from the Report Menu, via a checkbox next to the report name. The HTML generated is displayed in the ASCII text file viewer, and from there can be sent to your Web browser for display. Many aspects of the HTML format can be configured by editing the styles files, CGSTYLES.CSS.

Graphs are similar to reports, but display data in a visual format that is easier to comprehend. Capital Gainz offers the following types of graphs:

- **Price-Based Graphs**: You can view line charts of prices or moving averages for securities. Two securities can be graphed at the same time to examine relative price movement. Total return area graphs illustrate price and distribution components of total return.
- **Allocation Graph**: This graph breaks down your current holdings in a portfolio by security class, such as Stock Mutual Fund; security type, such as Small Company Fund; and security.
- **Cost/Value Graph**: This graph compares cost and current market value for securities in a portfolio. The difference between the two bars is unrealized gain or loss, the same value shown on the Portfolio Detail Report.
- **Performance Graph**: This graph illustrates the performance numbers using two equivalent pie charts to analyze gain or loss.
- **Portfolio History Graph**: This graph shows your saved portfolio history over time.

Unlike special graphing programs or spreadsheets, there's no need for you to determine ranges or scaling. Based on the data being graphed, optimal ranges are automatically selected and the data is scaled accordingly. For instance, if a security's price ranges from $10 to $20 between the specified dates, then the price axis of the graph will only go from $10 to $20. Similarly, the width of bars in bar charts will be small enough to include as many as possible on one screen

Like reports, you have a number of optional settings available for graphs. For instance, you can omit statistical lines on the price graph or omit the grid lines. When you request a graph, the graph is generated and displayed on the screen. From there, you can send it to your printer or export it as a Windows BMP file. A button on all graphs lets you view the underlying data used.

Using the Viewer Settings, you can configure Capital Gainz so that multiple reports and graphs can be displayed at one time, while you continue to work in the program. You can even select an alternative program to view reports and graphs with.

Configuration and Customization

Initial configuration of Capital Gainz is accomplished via installation, as file locations are set up and default program behavior is assigned. However, you can easily change a number of program settings via the ***Config*** pulldown menu:

- ***Date Range*** lets you specify a system-wide date range used to restrict the data shown on tables and reports.
- ***User Settings*** let you alter general program behavior. For instance:

  The **Hide Inactive Securities** setting causes securities with no active shares to omitted from the Local Security Table.
  The **Reinvest Distributions** setting causes the program to ask if you want to reinvest the amount after recording a distribution.
  The **Subtract Reinvested Distr** from Cost setting subtracts reinvested distributions from the basis in calculating gain/loss on the Local Security Table.
  The **Use Volume on Price Update** setting lets you include or exclude the volume when recording prices.

- ***Report Settings*** let you customize the available reports. For instance:

  The **Use Brief Formats** setting causes reports to be as brief as possible, omitting non-essential data.
  The **Show Subtotals** setting causes several reports to include subtotals based on break criteria.
  The **Use Internal Rate of Return** setting causes the Performance Report to include a time-weighted performance return calculation.

- ***Price File Settings*** let you configure the system for reading in prices from an onlien source. For instance:

  The **Initialize Format to** setting lets you select from a number of predefined formats.
  The **Start at Token** and **Stop at Token** settings let you tweak file processing to begin and end at specific words.
  The ***Format*** button lets you specify the exact order of data items in the file.

- ***Graphics Settings*** change the look of generated graphs. For instance:

  The **Show Date/Price Grids** setting lets you include or exclude the horizontal and vertical grid on price graphs.
  The **Show Statistical Lines** setting lets to include or exclude the statistical lines on price graphs.
  The **Pie Graph Shape** and **Bar Graph Shape** settings let you determine the shape and perspective of pie and bar graphs.
  The ***Colors*** and ***Fonts*** buttons let you specify colors and fonts for graphs.

- ***Set Password*** lets you assign a password to prevent unauthorized access of your data. If you forget your password, you must reinstall Capital Gainz to get a blank password.
- ***System Configuration*** specifies important program information and file locations. For instance:

  The current version of Capital Gainz is displayed, along with contact information.
  Your **User Name** and **Registration Number** can be viewed or changed.
  The **Data Directory**, where program data files are located, can be changed. This is only recommended for advanced users.

The various settings and configuration information are stored in the **CG.INI** file, in the Capital Gainz program directory.

And, of course, you can use Windows Control Panel to change colors, printers, mouse behavior, and sound.

Analyzing Performance

Measuring performance can be tricky. Capital Gainz provides a number of fundamentally different ways to assess security performance. First, some figures are **calculated solely from the price and distribution history**, with no consideration given to your actual activity:

- The **total return** is calculated just as it is in mutual fund literature. It is derived from the increase or decrease in the value of a single share of the security, from the beginning to the ending date, assuming that all distributions are reinvested. Total return appears on the Total Return Report and Total Return Graph.
- The **yield** is calculated using the most recent price and dividend per share of a security, along with how many times it pays dividends in a year. Yield appears on the Portfolio Detail Report and Global Security Report.

Conversely, realized and unrealized gains and losses tell **how well you fared with actual activity:**

- **Realized gains and losses** result from distributions and sales. The amounts received are not affected by any subsequent price fluctuations. Realized gains and losses appear on the Activity Detail Report and Activity Summary Report.
- **Unrealized gains and losses** are determined by the current price of a security and the number of shares held. These are also frequently called paper gains and losses, since they exist only on paper. A large unrealized gain on a stock could be wiped out by a severe drop in price, just as a loss can be reversed by an increase in price. You can specify that reinvested amounts are subtracted from the basis, resulting in a mix of realized and unrealized amounts. Unrealized gains and losses appear on the Activity Detail Report, Activity Summary Report, Portfolio Detail Report, and Cost/Value Graph.
- Capital Gainz' Performance Report gives you a **comprehensive performance return figure, factoring in purchases, sales, and distributions**. If the User Setting option for showing the internal rate of return is set, you also get a time-weighted calculation based on your actual cash flows. For instance, say you purchased $100 worth of a fund on January 1 and $100 on July 1. The shares owned were worth $220 on December 31. Without any consideration for time, the gain appears to be $20, or 10%. However, this ignores the fact that $100 of the basis was only invested for half the year. With time considered, the gain becomes 13.50%. You can also view performance return figures on the Performance Graph.

Why bother with all of these measurements? A security might have excellent performance based on price increases over the years, while your performance return with the security is poor due to ill-timed sales. Considering only your performance return, you'd be inclined to drop a perfectly good investment. Similarly, fortuitous timing on your part may shield the laggard performance of a security. Your odds of success would be better if the underlying security was a good investment.

Unrealized gain and loss figures show how much of your net worth is only on paper. You can also use these numbers to your advantage in tax planning, by moving up or delaying sales based on your income situation for the current year.

Cash Assets and Cash Accounts

Capital Gainz supports two broad asset types: Cash and Securities. Cash should be used for money market accounts or similar securities with a fixed, $1 per share price. Everything else should be defined as a Security asset type. The main difference between the two asset types results from the fixed versus varying price difference. A sale of a Security asset requires explicit selection of purchased shares, whereas no such matching is required for a Cash asset, since the price does not change. In Capital Gainz, this means that, for Security assets, a sale 'converts' one or more buy shares records to sell shares records in order to match buy/sell amounts. For Cash assets, though, no such conversion is needed since the price is constant and first-in/first-out sales are assumed. Thus, maintaining Cash assets is easier than maintaining Security assets. This is very welcome if you have a brokerage money market account that has a lot of activity, with money going into, and coming out of, stocks.

In fact, you can set a Cash Account for a portfolio so all purchases and sales are automatically accounted for in the cash account. This option is available in the Local Security Table's ***Security*** menu. With a cash account specified:

- **Whenever you buy shares of a security, the amount of the purchase (plus commission) is automatically subtracted from the portfolio's cash account.** If the cash account does not have sufficient holdings, then the balance will be negative.
- **Whenever you sell shares of a security, the amount of the sale (less commission) is automatically added to the portfolio's cash account.** If the account has a negative balance, thenit will be lessened or eliminated by the additional cash.
- **Whenever you record a distribution for a security, the amount of the distribution is automatically added to the portfolio's cash account.** If the account has a negative balance, then it will be lessened or eliminated by the additional cash.
- **Whenever you record a fee for another security, the amount of the fee is automatically subtracted from the portfolio's cash account.** If the cash account does not have sufficient holdings, then the balance will be negative.
- **Whenever you record a distribution for the cash account security, the amount is automatically added to the cash account.** Basically, the amount is automatically reinvested. If the account has a negative balance, then it will be lessened or eliminated by the additional cash.
- **Whenever you record a fee or margin interest for the cash account security, the amount is automatically subtracted from the cash account.** Basically, shares are automatically sold to cover the fee. If the cash account does not have sufficient holdings, then the balance will be negative.

Negative cash accounts are known as margined accounts. You are borrowing money from the broker to buy securities, leveraging your purchasing power. This means you will be making periodic interest payements - margin interest - on the amount loaned.

The only restriction on a Cash Account for a portfolio is that it must be a Cash asset type.

Short Sales

You can sell shares short either by specifying the SHRT selling method when you record the sale, or by choosing the ***Sell Shares Short*** menu item on the Local Security Table's ***Activity*** menu. To cover a short sale, the ***Cover Short Sale*** menu item on the Local Security Table's ***Activity*** menu must be used - recording a regular purchase with ***Buy Shares*** will not cover any outstanding short sales.

In the Local Security Table, Portfolio Detail Report, and Portfolio Summary Report, the **number of shares and cost for short sales display as negative numbers** since the shares are owed. The effects of this are:

- The value is negative since shares * price = value.
- The unrealized gain/loss calculation, current value minus cost, is still valid. If the current price is less than the price you sold the shares short for, then the absolute value of the current value will be less than the absolute value of the cost, resulting in a gain. Likewise, if the current price is greater than the price you sold the shares short for, then the absolute value of the current value will be greater than the absolute value of the cost, resulting in a loss.
- The total portfolio cost will be lowered by the short sales, magnifying the gain/loss percentage calculations.
- The total portfolio value will be lowered by the short sales, since that is money that you owe.

Handling Options

Capital Gainz doesl not include inherent support for options. However, there's no reason you can't record options in Capital Gainz. Simply treat the option as a security - separate from the underlying stock. For instance, if you own 100 shares of Microsoft, you would have an MSFT local security with 100 shares. If you bought a 10/97 140 call option contract (100 options), you would add an MSQJY local security - this is the symbol for Microsoft 10/97 140 calls - and record the purchase of the 100 options. Each local security would also be linked to a separate global security, probably MSFT and MSQJY in this example.

The opening activity for options would be:

- Buy a call : record a purchase
- Buy a put : record a purchase
- Sell a call: record a short sale
- Sell a put : record a short sale

The closing activity for options would be:

- Sell long call: record a sale
- Expire long call: record a sale at $0
- Cover short call: record short sale cover
- Expire short call: record short sale cover at $0
- Exercise long call: Delete the option purchase, record the stock purchase and add the option premium to the amount or the commission
- Sell long put: record a sale
- Expire long put: record a sale at $0
- Cover short put: record short sale cover
- Expire short put: record short sale cover at $0
- Exercise long put: Delete the option purchase, record the stock sale and subtract the option premium from the amount or add it to the commission

(Hint: To record a buy or sale at $0, uncheck the AutoCalc checkbox on the Buy/Sell Form. Be sure to recheck it next time through, so values are calculated automatically.)

Download/Import Prices

For most price sources, you'll use the Price Update from File feature to read in a file of comma-delimited prices retrieved from an online source. However, Capital Gainz includes a Download/Import feature for importing prices from Telechart 2000 and MetaStock data:

- You can specify to only read in prices for specific global securities.
- You can save and retrieve a list of global securities to use.
- You can specify to only retrieve prices for the current date.
- You can specify a range of dates to read in prices for.
- If you read in prices for a range of dates, you can specify the frequency to use: daily, weekly, or monthly.

Telechart 2000 and MetaStock databases can contain a lot of data, and you likely don't want to read all of it into Capital Gainz. Those programs are superior to Capital Gainz in analyzing raw price data. Thus, if you read in historical prices, be sure to pick weekly or monthly frequency.

Consistency Check

Capital Gainz offers a **Consistency Check feature that scans your data and locates potential incorrect entries or corrupt data.** It points out problems such as:

- Local securities with no associated global security, and thus no known prices.
- Stray price history entries, with strange or invalid dates or prices.
- Duplicate entries.
- Inconsistencies between totals in the local security and the buy shares table.

At the end of the consistency check process, a log is generated listing all the findings. Each entry in the log identifies the specific data item, lists a short message, and points to a longer explanation found at the end of the report.

Prior to running the consistency check you can alter the sensitivity, either by adjusting various settings or using the Check For Serious Errors Only option. **You can also tell Capital Gainz to automatically fix certain problems that have straightforward solutions**, such as removing price history entries for a non-existent security.

Some of the messages generated by the consistency check may not be problems at all. For instance, a thinly-traded stock may have dropped a lot in price due to poor earnings. Capital Gainz will report that the large difference between adjacent prices looks suspicious.

Calculator and Calendar

Capital Gainz includes small Calendar and Calculator applications that can be run from Windows or launched from Capital Gainz.

Calculator

The Calculator program pops up a six function calculator that provides addition, subtraction, multiplication, division, exponents, and square roots. There is a single memory for storing and retrieving information. You can even use it to convert between decimal and hexadecimal values. Data from program fields can be retrieved into the calculator by copying the data to the Windows clipboard and pasting it into the calculator, and data can be transferred from the calculator by copying it to the Windows clipboard and pasting it into the entry field.

Calendar

The Calendar program pops up a month-by-month calendar. You can scroll through the months and years. The current system date is underlined, and the current system time is displayed.

Dates and Date Ranges

Date Entry Fields

In Capital Gainz, dates can be entered as:

- MM/DD/YYYY - Four digit year.
- MM/DD/YY - Two digit year: 2000 is used for 0-18, 1900 is used otherwise.
- MM/DD - No year: current year is assumed.

In reports, dates are always shown as MM/DD/YY.

Date Ranges

Capital Gainz allows you to specify date ranges from a number of different pulldown menus. All of these change a single, program-wide date range. Date Ranges are useful for restricting the data displayed in activity and price tables and reports.

Changing Displayed Date

When accepting a date field, Capital Gainz displays the most recently specified date. You can, of course, change this to any date before or after the current date.

Order of Entered Data

Data that you enter in Capital Gainz is sorted by date. Thus, you can enter data in a different order than it actually occurred, although it's much easier to avoid data entry errors by entering data in the order that it does occur.

Changing the Date Format

Via the User Settings, you can configure Capital Gainz to accept and display dates in a different format. Many non-U.S. countries are used to using DD/MM/YY, for example.

Backing Up Data

ALWAYS backup your data. You might even consider backing up after each session with Capital Gainz if you enter activity or modify your data in any way. With today's complicated systems, it's easy to end up inadvertantly corrupting part of your disk. It can be a painful experience (and a lesson you won't soon forget) to reenter many years worth of data, especially considering how little time and effort it takes to maintain backups.

There is no need to backup all the files in Capital Gainz - **just backup the files that contain your personal data.** The program can always be reinstalled. **Capital Gainz data files have .an extension of .DAT and *.K01**, and can be backed up in any of the following ways:

1) Use the **Backup option on the Maint pulldown menu** from within Capital Gainz to start up the Capital Gainz Backup program and copy data files to a diskette or a backup directory.
2) Run the Capital Gainz Backup program directly from the Capital Gainz program group to copy data files to a diskette or a backup directory.
3) Use **Windows Explorer** to copy data files to a diskette or a backup directory.
4) Use a **utility such as PKZIP** to compress the data files into an archive on a diskette or in a backup directory.

Since diskettes are even more prone to failure than hard drives, **use the following backup strategy**:

- Label and set aside two blank diskettes to use for backup.
- For the first backup, use disk 1, and write the date on the label.
- For the second backup, use disk 2 and write the date on the label.
- For the third backup, use disk 1 and write the date on the label.
- Continue rotating the disks on alternate backups. Replace the disks about every year, or whenever one reports any errors when being written to.

This approach gives you an extra level of backup - if one disk fails, you still have another disk. While it may be more out of date than the most previous disk, it beats reentering everything.

Many systems now have tape drives for backups. However, these are only useful if:

- You use it on a regular basis.
- You periodically try to restore a file, to test if the backup system is working. You'd be surprised at how many of the old, cheap QIC tape drives appeared to work fine, until you needed to restore some critical data and learned that the tape drive was not functioning correctly all along.

To restore data:

1) Use the **Restore option on the Maint pulldown menu** from within Capital Gainz to start up the Capital Gainz Restore program and copy data files from a diskette or a backup directory to the Capital Gainz data directory.
2) Run the Capital Gainz Restore program directly from the Capital Gainz program group to copy data files from a diskette or a backup directory to the Capital Gainz data directory.
3) Use **Windows Explorer** to copy data files from a diskette or a backup directory to the Capital Gainz data directory.
4) Use a **utility such as PKZIP** to decompress the data files into from archive on a diskette

or in a backup directory to the Capital Gainz data directory.

If the restored data was created with a prior version of Capital Gainz, then you'll need to run the Capital Gainz Upgrade Program to upgrade the data.

Corrupt Data

The question is not 'if' you will experience disk problems, but 'when'. Disk problems are just a fact of life, especially with the complexity of today's operating systems. **You should implement a sound backup strategy to prevent data loss due to disk failure.** If your system has a tape drive, learn how to use it. And don't just learn how to backup - learn how to restore files as well. It's also a good idea to peridically test the backup by restoring a file, just to be sure your data really is being safeguarded.

By far the **most common problem is 'cross-linked' files**, which are disk blocks that are mixed up in the operating system's file allocation table (FAT). Usually, cross-links are easy to fix by periodically using a disk utility program such as Norton Utilities, or Windows ScanDisk, to detect and fix cross-linked files. Be sure to note which files get fixed and which application they belong to, so you can restore any corrupt or truncated data. To avoid corrupting the disk, always use Windows shutdown command. **Never turn off the PC with Windows still running!** This can cause serious problems.

Capital Gainz includes a backup facility to copy just its data files to diskette or a backup directory. You can use this feature instead of, or in conjunction with, tape backup.

If a hardware or software failure corrupts your Capital Gainz data files, Capital Gainz may fail to run at all. If this is the case, you should restore the data files, ***.DAT** and ***.K01**, from a backup. However, sometimes only the data indexes (the *.K01 files), and not the data itself, gets corrupted. The result is strange program behavior, such as data displayed out of order. If this happens, you can rebuild the indexes using the ***Rebuild/Pack Files*** function in Capital Gainz, or directory from the Capital Gainz Program Group using the Capital Gainz Rebuild program.

Rebuilding indexes also allows you to reclaim disk space from Capital Gainz records that have been deleted.

Viruses

It is wise to **install software that can detect viruses**, such as Norton's AntiVirus. Even shrink-wrapped software contains viruses. In fact, the overwhelming majority of virus infections have originated with commercial software, either from the factory or via packages returned to stores.

Global Securities

Global Securities, Local Securities, and Symbols

One of the more confusing aspects of Capital Gainz is the Global/Local Security concept. However, the reasoning behind this division becomes perfectly clear when you need to take advantage of it. First, let's define the two entities:

- **A Global Security defines a particular stock, bond, or mutual fund.** It has a price history and a security type. It is independent of all portfolios, and thus not directly related to any buy, sell, or distribution activity. A Global Security's symbol cannot be duplicated. Global securities are usually linked to local securities held in portfolios, but may exist independently for tracking prices.
- **A Local Security is an instance of a Global Security within a portfolio**, and has buy, sell, and distribution activity. The price history and security type are determined through a link to a Global Security. A Local Security's symbol is unique within a single portfolio, but may be duplicated across portfolios.

The distinction between the Local and Global parts of a security serves two purposes:

1) **You can track prices for a security without adding the security to any portfolio.**

   For instance, say you don't own any AT&T stock, but want to track its prices. To do this, you would define a Global Security for AT&T, then periodically update its price. You do not need to add it to any portfolio.

2) If a given security is held in multiple portfolios, or there are separate holdings of it within a single portfolio, then these Local Securities can all be linked to the same Global Security. Updating the price of the Global Security adjusts the value of all the Local Securities linked to it. A potential source of considerable **data duplication is eliminated** by keeping a single set of price data.

   For instance, a husband and wife both have IRAs with Invesco's Industrial Income mutual fund. There are two Local Securities, either within one portfolio or in separate portfolios, and both are linked to a single Global Security. When you update the price of the Global Security, the value of both Local Securities' holdings are updated.

For the most part, individual users can simply think of the Global and Local Securities as two parts of one security. Capital Gainz masks the actual division:

- If you **update prices from the Local Security Table**, the Global Security link is traced from each Local Security in the portfolio to do the update. Although it looks like you are updating the price of a Local Security, you are actually updating the related Global Security's price.
- If you **update prices from the Global Security Table**, all Global Securities' prices are updated. Given that each Local Security is linked to a Global Security, this indirectly updates the prices for all associated Local Securities.

Now let's turn to security symbols, and what they're used for:

- **The Global Security Symbol is an abbreviation for a Global Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.
- **The Local Security Symbol is an abbreviation for a Local Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.

- **The Exchange Symbol corresponds to the actual symbol, sometimes called the ticker symbol, used on an exchange to uniquely identify the security.** This symbol is only needed if you will be updating prices from files retrieved from online or Internet sources. Even mutual funds have Exchange Symbols. Symbols listed in newspaper tables may not be the actual Exchange Symbols. The Exchange Symbol is defined in the Global Security, and is often referred to as the Ticker Symbol.

How are the symbols related? In most cases:

Local Symbol = Global Symbol

But this does not have to be true. For instance, if a husband and wife have IRAs with Invesco's Industrial Income mutual fund, they can be kept in the same portfolio by defining different Local Security Symbols. Here, the Global Security Symbol may be ININD, and the Local Security Symbols in Portfolio 1 can be ININDH (Husband) and ININDW (Wife). Both Local Security Symbols are linked to the Global Security Symbol ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 1: Local Security
            ININDH <------------------------  ININD ----------------> ININDW
```

Alternatively, the two IRAs can be in separate portfolios. This allows the Local Security Symbols to be the same. Again, a single Global Security with Global Security Symbol ININD is defined. Portfolio 1 is for the husband, and contains his Local Security with Symbol ININD. Portfolio 2 is for the wife, and contains her Local Security with Symbol ININD. The Local Security Symbols are the same, but unique within each portfolio, and both are linked to the Global Security ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 2: Local Security
            ININD <------------------------  ININD ---------------------------------> ININD
```

The Exchange Symbol can be the same as the Global Security Symbol:

Global Security Symbol = Exchange Symbol

Therefore, the following can also be true:

Local Security Symbol = Global Security Symbol = Exchange Symbol

However, Exchange Symbols can be cryptic. For example, the Exchange Symbol for AT&T is T. Thus, users often prefer to use an abbreviation for the Global and Local Security Symbols. For AT&T, the Global and Local Security Symbols may be ATT, while the Exchange Symbol is T.

Summing up:

- **Each Global Security has any number of Local Securities, including none, linked to it.**
- **Each Local Security is linked to exactly one Global Security.**
- **Each Global Security is associated with a single Exchange Symbol.**

Global and Local Data Items

Global and Local Data Items

In Capital Gainz, certain items are referred to as 'global', and others as 'local'. Global items are independent of any portfolio, while local items are contained wholly within a single portfolio.

Let's look at the global items:

- **Global Securities** define stocks, bonds, and mutual funds.
- **Price History** defines date/price data for global securities.
- **Broker/Investment Companies** define name, address, and other information for brokers and mutual fund companies.
- **Security Types** define different types of securities, such as a small company mutual fund, within a predefined set of categories, such as stock mutual funds.
- **Portfolios** group together holdings for a particular person or entity.

A Global Security is defined as a specific Security Type, and is also associated with a specific Broker/Investment Company. Further, a Global Security has an associated Price History, containing price and distribution per share entries. The Price History is built when Portfolio activity is recorded, or when securities' prices are updated.

For instance, Invesco's Industrial Income Fund is a Global Security. The Broker/Investment Company is Invesco, a mutual fund company. The Security Type is a Stock Mutual Fund. The Industrial Income Fund has a Price History that includes dated prices and distributions per share.

Local items include:

- **Local Securities** that are held by individuals and grouped within that individual's Portfolio.
- **Buy Shares** records that are created when you record purchases of a Local Security.
- **Sell Shares** records that are created when you record sales of a Local Security.
- **Distribution** records that are created when you record distributions, such as dividends, of a Local Security.

Think of Global Securities as securities listed on an exchange, and thus having a Price History. Local Securities are created when you purchase shares of a Global Security.

From our previous example, say you record a purchase of 100 shares of Invesco's Industrial Income Fund in your portfolio, Portfolio 1. There are now Global and Local Securities for the Industrial Income Fund, a single Buy Shares entry, and a Price History entry that uses the date and price of your purchase. As time goes on, you'll record more purchases, creating more Buy Shares records; record sales, creating Sell Shares records; and record distributions, creating Distribution records. Data from these activities propagate to the Price History.

Now, say you purchase another mutual fund, American Century Ultra, again adding it to Portfolio 1. As before, there will be a Global and Local Security for the fund, and a Broker/Investment Company for American Century. Any purchase, sale, or distribution activity is associated with the Local Security.

Your spouse notices that Invesco's Industrial Income Fund is a safe, good performing mutual fund, and decides to open an IRA to invest in it. The Global Security is already defined, as is the Broker/Investment Company. However, this account must be kept separate from YOUR Invesco Industrial Income holdings. There are two ways to handle this. First, you can define another Local Security within Portfolio 1, linking it

to the same Industrial Income Global Security. The two Industrial Income Local Securities must have different symbols (abbreviations). Second, you can create a new Portfolio, Portfolio 2, and add the Industrial Income Local Security to it. As before, it is linked to the previously defined Industrial Income Global Security, but this time the two Local Securities can have the same symbol since they are in separate Portfolios.

At the end of the month, you decide to update the Price History of the securities. If you opted for separate Portfolios, it's best to update prices directly through the Global Security Table. With the newspaper stock listings in hand, you step through each security and record the date and price.

When you update the price of a security, it affects the value of any Buy Shares, resulting in increased or decreased unrealized gains. The amount you paid for the shares stays constant, but the amount you could sell them for is what determines their value. If you just had the three securities from our examples, you would update the prices of the Industrial Income and Ultra Global Securities. The values of the two Industrial Income Local Security holdings are updated by the price of the Industrial Income Global Security, and the value of your Ultra Local Security holdings are updated by the price of the Ultra Global Security.

Global Securities, Local Securities, and Symbols

Global Security Table

The Global Security Table, available from the ***Files*** pulldown menu, lists the following information for global securities:

- If the global security has a comment defined and the User Setting to flag records with comments is set, an * is shown at the far left.
- The global security **Symbol**.
- The global security **Name**.
- The global security's **Ticker** symbol.
- The **Last Price** recorded in the price history.
- The current **Yield**.

If the ***Hide Inactive*** checkbox at the top of the table (or in the User Settings) is checked, then securities without recent prices recorded are not shown.

The table is listed in order by global security symbol, unless the option to sort by name is selected in the User Settings. You can use the A-Z keys to jump to the first global security whose symbol begins with that letter. The ***Securities*** pulldown menu has operations specific to the Global Security Table:

- ***Add Security*** - Add a global security. (Also available from the toolbar.)
- ***Change Security*** - Change the highlighted global security. (Also available from the toolbar.)
- ***Delete Security*** - Delete the highlighted global security. (Also available from the toolbar.)
- ***Copy Security*** - Copy the highlighted global security to a new security.
- ***Init Exchange Symbols*** - Set the exchange symbols to the global symbols. Any global security with a blank exchange symbol will have its exchange symbol set to the global symbol value.
- ***Convert to Cash Asset*** **-** Convert the highlighted global security to a **CASH** asset type.
- ***Refresh Table*** - Rebuild the Global Security Table from the data files and redisplay it.
- ***Ticker Symbol List -*** Generate a text file containing the exchange symbols for all securities, one symbol per line. This is useful when setting up a procedure to automate price downloads.
- ***Save Exchange/Global Symbol Mapping -*** Save a mapping of global security symbols to exchange symbols. This will write the current values of the exchange symbols in the global securities to a file.
- ***Retrieve Exchange/Global Symbol Mapping -*** Retrieve a mapping of global security symbols to exchange symbols. This will update the current values of the exchange symbols in the global securities from a file.
- ***Type Percentages*** - Breakdown the holdings of the highlighted global security among different types, such as the percentages of stocks, bonds, and cash held by mutual funds.

Add, Change, Delete Global Security

The Global Security Form is brought up to add, change, or delete a global security on the Global Security Table. The fields in this form are:

- (Required) The **Global Symbol** for the security.
- (Required) The global security **Name**.
- (Required) The **Broker/Inv Co** responsible for selling and/or holding the shares. if you enter an invalid name or click on the ***List*** button, the Broker/Investment Company Lookup Table pops up.
- (Optional) The **Account Number**.
- (Required) The **Asset Type**, either SECURITY or CASH.
- (Required) The security **Type** of this global security. If you enter an invalid security type or click on the ***List*** button, the Security Type Lookup Table pops up. After entering or selecting a security type, the security type's description is displayed.
- (Optional) The expected number of **Dividends/Year or Interest/Year**.
- (Optional) The **Exchange** that the security trades on. There is a pulldown list with common Exchanges to choose from - NYSE, AMEX, OTC, etc. - but you are free to enter any value you wish here. It's a good idea to be consistent with your naming though.
- (Optional) The **Exchange Symbol**, or ticker symbol,.used by the exchange to uniquely identify the security. When adding a Global Security, the field is prefilled to the Global Symbol, since often the Global and Exchange Symbols are the same.
- (Optional) **Comment** lines that let you enter descriptive text.

Buttons available on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Type*** - Bring up the Security Type Form to change values in the associated security type. If you just want to change the security type for this global security, set the **Type** field. This button is only available when changing securities.
- ***Bond*** - Popup a form to define bond information:
- ***Cancel*** - Dismiss the form.

When changing a global security symbol, all local securities and price history entries linked to the global security are also changed. Capital Gainz will prevent you from deleting a global security that is referred to by any local security. To determine which local securities use which global securities, use the Global Security Report, with the **Show Subtotals When Applicable** Report Setting turned on. If a global security can be deleted, then all related price history entries in the Price History Table are also deleted.

Example: Add a Global Security
Example: Change a Global Security
Example: Delete a Global Security

Example: Add a Global Security

From the ***Files*** pulldown menu, select the ***Global Securities*** item to bring up the Global Securities Table. Click on the ***Add*** button, and complete the Global Security Form:

Global Symbol:	CPL
Name:	Carolina Power & Light
Broker/Inv Co:	Wachovia Bank & Trust
Account Number:	
Asset Type:	SECURITY
Type:	LCS
Dividends/Year:	4
Exchange:	NYSE
Exchange Symbol:	CPL

- The broker/investment company and security type were previously defined.
- The global symbol happens to be the same as the exchange symbol.
- This is not a bond, so we skipped the bond information fields.
- The global security is added to the Global Security Table.

Example: Change a Global Security

From the ***Files*** pulldown menu, select the ***Global Securities*** item to bring up the Global Securities Table. Click on the ***Change*** button with CPL highlighted on the Global Security Table, and change the global security symbol field on the Global Security Form to CP&L:

- The global security is changed in the Global Security Table.
- Any local securities linked to this global security are updated to use the new global security symbol.
- Price history entries are updated to use the new global security symbol.

Example: Delete a Global Security

From the ***Files*** pulldown menu, select the ***Global Securities*** item to bring up the Global Securities Table. Click on the ***Delete*** button with CP&L highlighted on the Global Security Table, and confirm the deletion on the Global Security Form:

- If any local securities are linked to this global security, a message indicating that it can not be deleted will be displayed.
- If the global security can be deleted, it is removed from the Global Security Table.
- If the global security can be deleted, price history entries for it are also deleted.

Copy Global Security

The ***Copy Security*** item on the ***Securities*** pulldown menu brings up the Copy Global Security Form to copy the highlighted security on the Global Security Table to a new global security. The new global security must be given a new symbol. The global security information and its associated price history are copied to the new security. The fields in this form are:

- (Display) The **From Global Security** shows the highlighted global security to copy from.
- (Required) Enter the global security symbol and name for the **To Global Security**.

Buttons available on the form are:

- ***Ok*** - Execute the copy operation.
- ***Cancel*** - Dismiss the form.

Example: Copy a Global Security

Example: Copy a Global Security

You've been tracking PSNC stock for some time, and it just reported splitting 2 shares for 1. You don't have any actual holdings, so no local securities are linked to it. Your PC's hard drive has been having problems lately, so to preserve the large amount of data in case of an error while processing the split:

- From the ***Global Securities*** pulldown menu, select the ***Copy Security*** item to bring up the Copy Global Security Form. Use the Copy Global Security Form to copy PSNC to PSNCBU. All price history entries for the security are also copied.
- Make sure that PSNC is highlighted on the Global Security Table and execute the split using the ***Price Split*** item on the ***Prices*** pulldown menu.
- Using the ***Price History*** item on the ***Prices*** pulldown menu, verify that the price history reflects the split entered.
- If all is well, return to the table, highlight PSNCBU, and push the ***Delete*** button to get rid of the backup copy.

Convert Security to Cash Asset

The ***Convert Security to Cash Asset*** selection on the ***Securities*** pulldown menu on the Global or Local Security Table converts the highlighted security from a SECURITY asset type to a CASH asset type. If you have been using a security for a portfolio's Cash Account (prior to the introduction of the CASH asset type), you need to first convert it to a CASH asset type before you can reset the Cash Account to point to it. Also, any money market accounts that currently are SECURITY assets can be converted to CASH asset types.

CASH asset types require a fixed $1 price. The conversion process will:

- Break up any sell shares records into separate buy shares and sell shares records. CASH assets don't include purchase information in their sell shares records.
- Convert the purchase price of any buy shares to $1 and set shares = amount if necessary.This should be true for existing records.
- Convert the sell price of any sell shares records to $1 and set shares = amount if necessary This should be true for existing records.
- Remove any commissions in buy shares and sell shares records This should be true for existing records.
- Combine buy shares records with the same date into a single purchase Thus, buy shares broken up by sales are recombined.
- Combine sell shares records with the same date into a single sale Thus, multiple sell shares created by sales are combined.

This process can not be reversed.

Example: Convert Security to Cash Asset

Example: Convert Security to Cash Asset

You've been using Capital Gainz for several years, and the latest release added the new CASH asset type feature. You definitely want to take advantage of this. In fact, since you use Fidelity Cash Reserves for your portfolio's Cash Account, you need to convert it in order to continue using it for the Cash Account.

Assume the following activity in your Fidelity Cash Reserves account:

1/1/98 Buy 1000 shares at $1
1/31/98 Dividend of $3
1/31/98 Buy $3 at $1 (reinvestment)
2/1/98 Buy 1000 shares at $1
2/28/98 Dividend of $3
2/28/98 Buy $3 at $1 (reinvestment)
3/1/98 Buy 1000 shares at $1
3/31/98 Dividend of $3
3/31/98 Buy $3 at $1 (reinvestment)
4/1/98 Buy 2000 shares at $1
4/15/98 Sell 1500 shares at $1 (to buy a stockl)
4/22/98 Sell 2000 shares at $1 (to buy a stock)

The current Buy Shares records are:

Date	Shares	Price	Amount
4/1/98	1509	1	1509

The current Sell Shares records are:

Date	Shares	Price	Amount	Buy-Date	Buy-Price	Buy-Amt
4/15/98	1000	1	1000	1/1/98	1	1000
4/15/98	3	1	3	1/31/98	1	3
4/15/98	497	1	497	2/1/98	1	497
4/22/98	503	1	503	2/1/98	1	503
4/22/98	3	1	3	2/28/98	1	3
4/22/98	1000	1	1000	3/1/98	1	1000
4/22/98	3	1	3	3/31/98	1	3
4/22/98	491	1	491	4/1/98	1	491

The current Distribution Shares records are:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

You then use the ***Convert to Cash Asset*** function on this security.

The Buy Shares records are now:

Date	Amount
1/1/98	1000
1/31/98	3
2/1/98	1000
2/28/98	3
3/1/98	1000

3/31/98	3
4/1/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. Notice that buy shares records that had been split up by sales have been recombined.

The Sell Shares records are now:

Date	Amount
4/15/98	1000
4/22/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. There is no purchase information stored with sales of CASH assets. Notice that sell shares records that had been split up by sales have been recombined.

The Distribution Shares records are unchanged:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

Global Security Type Percentage Table

While you assign a Security Type to a Global Security, you can break it down even farther by assigning percentages to different types for a specific security. For instance, if a Global Security is a Mutual Fund, you can assign percentages based on the fund's actual allocation amount stocks, bonds, etc. This breakdown will be reflected in the Portfolio Allocation Report and Portfolio Allocation Graph.

To break down a Global Security by percentages, choose ***Type Percentages*** on the Global Security Table. This brings up the Global Security Type Pct Table, which shows the Global Security Symbol, Name , and the remaining unassigned percentage. Any unassigned percentage is allocated to the actual Global Security's Security Type. For each type in the table:

- The security **Class**.
- The security **Type** and description.
- The **Percentag**e allocated to that type.

Buttons on the toolbar are:

- ***Add*** - Add a type percentage.
- ***Change*** - Change the highlighted type percentage.
- ***Delete*** - Delete the highlighted price percentage.
- ***Delete All*** - Delete all price percentages in the table.
- ***Exit*** - Exit from the table.

If a Global Security has been broken down into different percentages, a '+' sign is appended to the type code in the Global Security Report.

Example: Global Security Type Percentage

Global Security Type Pct: Example

You buy $5000 worth of the Invesco Industrial Income mutual fund. From the fund's annual report, you see that it is invested 70% in stocks, 25% in bonds, and 5% in cash.

The Global Security is set up like this:

Global Symbol:	FIIIX
Name:	Invesco Industrial Income
Broker/Inv Co:	Invesco
Account Number:	
Type:	F
Dividends/Year:	4
Exchange:	MUTUAL
Exchange Symbol:	FIIIX

Notice that we simply assigned it the F, or Mutual Fund, Security Type. After defining the Global Security, use the ***Type Percentages*** item on the ***Securities*** pulldown menu from the Global Security Table. From there, use the Add button to define the percentage breakdown:

Type		Pct
S	Stock	70.00
B	Bond	25.00
CASH	Cash Equivalent	5.00

Then, define the Local Security:

Local Symbol:	FIIIX
Linked to Global Symbol:	FIIIX
Broker/Inv Co:	Invesco
Account Number:	12345-67890
Sell Method:	FIFO
Tax Exempt:	Off

Finally, record the purchase of $5000 worth of FIIIX.

When you generate a Portfolio Allocation Report or Graph, rather than assigning the the entire value to the assigned Global Security's Type, Mutual Fund, it will be allocated percentage-wise according to the breakdown. Thus, if the current value of FIIIX was $6000, then $4200 would be allocated to Stock, $1500 would be allocated to Bond, and $300 would be allocated to Cash Equivalent. If no type percentage breakdown were assigned, then the entire $6000 would have been allocated to Mutual Fund.

Price History and Updates

Updating Prices

In addition to tracking investment activity, you need to **periodically update prices to determine the current value, and unrealized gain/loss, of your holdings**. There are three basic methods for updating prices.

Method 1: Manual

You can use Capital Gainz' ***Update Prices from Screen*** function to manually update prices from printed stock tables. This feature steps you through each security, asking for a date and price. To ease the process, the securities are presented in alphabetical order by Exchange and Global Security Symbol values defined in the Global Securities. When updating prices through the Global Security Table, all securities in all portfolios are displayed for update. When updating prices through the Local Security Table, only those securities in the current portfolio are displayed for update.

Method 2: Automatic

You can use Capital Gainz' ***Get Prices from Internet*** function to automatically retrieve and read in prices from the Internet, or just to display current prices from the Internet. You must already be connected to the Internet for this to work. If you choose to retrieve prices, Capital Gainz builds a URL to retrieve prices for selected securities, retrieves the prices, then reads the prices in. At this point, you can choose to either display the prices found or update your data with the prices found. If you choose to just view prices, Capital Gainz builds a URL to view prices, and passes it to your default Web browser For a security's price to be retrieved, the exchange symbol value must be set in the global security.

Method 3: Semi-Automatic

You can use Capital Gainz' ***Update Prices from File*** function to read in a file of prices retrieved from an online source, such as America Online, or an Internet source, such as InfoBeat. While Capital Gainz includes support for a number of predefined formats, it can also be configured to accept almost any format. However, many sources now offer Quicken Price File Format, which is simply a comma-delimited file containing:

Symbol, Price, Date

For most people, this is the easiest route, since no alterations need to be made to Capital Gainz to accept files in this format. Some price sources, such as InfoBeat or Quote.com, can be set up to automatically email you prices for your portfolio at the end of each day, and you can then read these into Capital Gainz. Other sites, such as IRNet or Yahoo, let you export prices from their Web site.

To Update Prices from a File:

- Learn how to retrieve a file of price from your selected source. Choose Quicken format if given an option.
- Retrieve prices from your selected source.
- Be sure that Capital Gainz is configured for the price file format you will be using.
- On the Global or Local Security Table, select ***Prices***, ***Update Prices from File***.
- Specify the file containing prices.
- When processing is complete, ***View*** what prices will be added to Capital Gainz to be sure everything worked Ok.
- Complete the price update with the ***Ok*** button.

Some people like to save all the files retrieved, and some people always download to the same file, replacing it each time. Capital Gainz even provides an option to read in the price data from the Windows clipboard. Thus, if you retrieve the prices via email, you can cut them to the Clipboard and read them into Capital Gainz from there - avoiding saving any files on disk.

For more details on price sources, including step-by-step instructions, see the help topic on updating prices from a file.

Price History Table

The ***Price History*** item on the ***Prices*** pulldown menu brings up the the Price History Table, showing historical price data for the highlighted security on the Local or Global Security Table. The global security is displayed in the window caption. The high and low prices and the dates they occurred are shown at the top of the table. You can use the ***Price Date Range*** pulldown menu item to restrict the date range displayed. The table shows:

Price history entries include prices, distributions, and splits. The table shows:

- The **Date** of the price, distribution, or split.
- For prices, the **Price**.and **Volume** are shown.
- For distributions, the distribution type and distribution per share are shown.
- For splits, the split ratio is shown

Buttons available on the toolbar are:

- ***Add*** - Add a price, distribution, or split.
- ***Change*** - Change the highlighted price, distribution, or split.
- ***Delete*** - Delete the highlighted price, distribution, or split.
- ***Delete Range*** - Delete the displayed range of prices, distributions, or both.
- ***Print Report*** - Generate the Price History Report for the displayed global security and date range.
- ***Exit*** - Exit from the table.

Add, Change, Delete Price History

The Price History Form is brought up to add, change, or delete a price history entry on the Price History Table:

- (Display) The global security's **Symbol** and name.
- (Required) The **Date** for the price information.
- (Required) The **Type** of price history you're entering. You can pull down a list of valid price types to choose from.

If you selected the **Price** type, you also enter:

- (Required) The **Price** of the security.
- (Optional) The security's trading **Volume** on that day. You can specify in the User Settings that you always want to skip this field.

If you selected the **Dividend**, **Interest**, **Short Term Capital Gain**, or **Long Term Capital Gain** type, you also enter:

- (Required) The distribution **Per Share**.

If you selected the **Split** type, you also enter:

- (Required) The stock split **Ratio**.

Entering a stock split with the Price History Form simply records it in the table. To execute and record a stock split, use the ***Price Split*** item on the Local or Global Security Table's ***Prices*** pulldown menu item.

Buttons on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Load*** - Calculate the net asset value of a mutual fund based on the entered price, which includes a load, from the Calculate Load Form. This button is only displayed when adding or changing entries.
- ***Prc Val*** - Calculate the price based on an entered value, using the Price From Value Form This button is only displayed when adding or changing entries through the Local Security Table.
- ***Cancel*** - Dismiss the form.

If an existing entry has the same type/date, it is deleted before adding the new one. Thus, only a single price can be recorded for a given date. You can't change the type of an existing price history entry - you must delete the original entry and add the new entry.

You can allow entry of 0 for the price using the ***Auto Calc*** check box or from the User Settings.

Example: Add a Price History

Example: Change a Price History
Example: Delete a Price History

Example: Add a Price History Entry

From the Local or Global Security Table, highlight the security and select the ***Price History*** item on the ***Prices*** pulldown menu. Click on the ***Add*** button on the Price History Table's toolbar, and complete the Price History Form:

Global Symbol:	CPL
Date:	1/02/92
Type:	PRC
Price:	$27.00

- If a price history entry exists for 1/02/92, it is deleted.
- The price history entry is added to the Price History Table.
- Any activity records for 1/02/92 are not changed.
- You can choose to always skip the volume field by changing the User Settings.

Example: Change a Price History Entry

From the Local or Global Security Table, highlight the security and select the ***Price History*** item on the ***Prices*** pulldown menu.Click on the ***Change*** button on the Price History Table with the previously recorded entry for 1/02/92 highlighted. Change the date to 1/31/92.

- The old price history entry is deleted from the Price History Table.
- The displayed price history entry is added to the Price History Table.
- Any activity records for 1/02/92 or 1/31/92 are not affected.

Example: Delete a Price History Entry

From the Local or Global Security Table, highlight the security and select the ***Price History*** item on the ***Prices*** pulldown menu. Click on the ***Delete*** button on the Price History Table with the previously recorded entry for 1/31/92 highlighted, and confirm the deletion on the Price History Form.

- The old price history entry is deleted from the Price History Table.
- Any activity records for 1/31/92 are not affected.

Price From Value

The Price From Value Form, reached via the Price History Form or Update Price Form, accepts:

- (Required) The **Value** listed on the statement you received.
- (Required) The **Price**, which is automatically calculated by dividing the **Value** by the number of shares of the security you own.

Buttons available on the form are:

- ***Ok*** - Transfer the price back to the calling form.
- ***Cancel*** - Dismiss the form.

The ***Price From Value*** function lets you track securities for which you don't know the share price. This is common with retirement plans, such as a company-sponsored 401k plan. You typically receive a statement showing your contributions, and the value of your holdings at the end of the period. To track such plans:

- Set up the local security to use the average selling method to take care of partial withdrawals.
- Record the initial purchase at a price of $100. This allows more precision than $1.
- When you receive a statement, use the **Value** listed on the statement to calculate a **Price** in the Price From Value Form.
- On subsequent purchases, use the most recently calculated price.

Since the gains and losses are determined by the calculated price, this strategy works well. Avoid other approaches, such as using fees or fabricated sales, since they result in realized gains and losses. Since the price is derived from local security value, this feature requires price updates via the Local Security Table, and only a single local security can be linked to the global security.

Example: Price From Value

Example: Price From Value

Assume you have a 401K plan, and your monthly payroll deduction is $500. The plan statements do not indicate how many shares are owned or the current price, only the amount added and the current value. Over the quarter, you'll record three purchases - start with a price of $100.00:

Date	Price	Amount	Shares
1/01/92	100.0000	500.00	5.0000
2/01/92	100.0000	500.00	5.0000
3/01/92	100.0000	500.00	5.0000
Total		1500.00	15.0000

Value: 15.0000 shares at 100.0000 = 1500.00

At the end of the quarter, you receive a statement indicating:

Your investment plan is worth $1575.00 on 3/31/92.

Update the price and use the ***Price From Value*** function, entering the $1575 value on 3/31/92. Capital Gainz calculates the new price to be $105. You now have:

Value: 15.0000 shares at 105.0000 = 1575.00

Purchases over the next three months are recorded with a price of $105, an amount of $500, and a calculated 4.7619 (500/105) shares:

Date	Price	Amount	Shares
1/01/92	100.0000	500.00	5.0000
2/01/92	100.0000	500.00	5.0000
3/01/92	100.0000	500.00	5.0000
4/01/92	105.0000	500.00	4.7619
5/01/92	105.0000	500.00	4.7619
6/01/92	105.0000	500.00	4.7619
Total		3000.00	29.2857

Value: 29.2857 shares at 105.0000 = 3075.00

At the end of the quarter, you receive a statement indicating:

Your investment plan is worth $3200.00 on 6/30/92.

Update the price and use the ***Price From Value*** function, entering the $3200 value on 6/30/92. The new price calculated is $109.2683, and you now have:

Value: 29.2857 shares at 109.2683 = 3200.00

Your cost is $3000, as it should be, and your gain is $200:

Value - Amount = 3200.00 - 3000.00 = 200.00

No gains have been realized. If you make a partial withdrawal, let the Sell Shares Form calculate the number of shares based on the amount and the last price.

Update Prices from the Screen

The ***Update 1 Price*** function on the ***Prices*** pulldown menu presents the Update Price Form, discussed below after the Update Price Table, for the currently highlighted security on the Local or Global Security Table.

The ***Update Prices from /Screen*** function on the ***Prices*** pulldown menu brings up the Update Price Table of securities to set prices for. If called via the Local Security Table, the table includes only securities in the current portfolio. If called via the Global Security Table, the table includes all securities. The securities are sorted first by **Exchange** then by global security symbol. For each security, you are shown:

- The **Exchange** for the global security.
- The global security **Symbol** .
- The **Exchange Symbol** for the global security.
- The **Date** for the price being recorded.
- The **Price** being recorded.
- The **Volume** (in hundreds) for the price being recorded.

Buttons available on the toolbar are:

- ***Change/Set*** - Set the price for the highlighted security.
- ***Delete/Clear*** - Clear the price for the highlighted security.
- ***Add/Record*** - Record all prices set and exit from the table.
- ***Exit*** - Exit from the table. You are asked if you want to **Record All Prices**.

Note that no prices are actually recorded unless you specifically use the *Add/Record* to exit from the table, or answer Yes when asked if you want to Record All Prices upon exiting from the table. Securities that have not had their prices set, or have had their prices cleared, will show no date and won't be added.

You can step through the securities in order, updating each one. The Exchange/Global Symbol ordering eliminates flipping back and forth when updating prices from newspaper listings, as you'll cycle through the Mutual Funds, then the NASDAQ issues, then the NYSE issues, and so on. In fact, if there are certain securities that you don't want to update prices for, set their exchange to blank or something like ZZZZZ so you can skip them at the beginning or the end of updating.

To set a price, you fill in the Price Update Form:

- (Displayed) The exchange and exchange symbol for the global security.
- (Displayed) The global security **Symbol** and name.
- (Required) **Date** for the price. You can accept this date or enter a different one.
- (Required) **Price** of the security. You can specify that a fraction table is displayed for conversion in the User Settings.
- (Optional) The security's trading **Volume** (in hundreds) on that day. You can specify in the User Settings to always skip the volume field.

Buttons available on the form are:

- ***Ok/Next*** - Add the price and advance to the next security.
- ***Skip/Next*** - Skip this security and go to the next one. (Not available if called using ***Update 1 Price***.)
- ***Skip/Prev*** - Skip this security and go to the previous one. (Not available if called using ***Update 1 Price***.)
- ***Exit*** - Dismiss the form.
- ***Load*** - Calculate the net asset value of a mutual fund based on the loaded price.
- ***Prc Val***- Calculate the price based on entered value.

You can allow entry of 0 for the values using the ***Auto Calc*** check box or from the User Settings.

Update Prices from a File

The ***Update Prices from File*** item on the ***Prices*** pulldown menu from the Local or Global Security Table brings up the Update Prices From File Form:

- (Required) The **Filename** of the comma-delimited ASCII price update file to read in. The ***List*** button lets you browse the available files.
- (Display) The expected **Format** of the file is displayed below the filename.

Buttons available on the form are:

- ***Ok*** - Process the entered file.
- ***Clipboard*** - Process data from the Windows' Clipboard. This allows you to cut data from a displayed screen to the clipboard and then read it into Capital Gainz, so an intermediate file is not necessary.
- ***Settings*** - Set price file settings, such as start/stop tokens.
- ***Format*** - Specify the order of data in the price file to be read in.
- ***Example*** - Generate an example price update file using the currently set format and the latest prices. This helps you determine what the price input file should look like.
- ***Cancel*** - Dismiss the form.

Prices are extracted from the file using the currently set format, and, when done, you choose from the following buttons:

- ***Ok*** - The price data is added to the Price History Table.
- ***View*** - Display the price data read from the file, prior to adding it to the price history.
- ***Cancel*** - Exit without adding any price data.

It's almost always a good idea to choose the ***View*** button before adding the prices, as an incorrectly formatted file can affect the price history of many securities.

The global securities in the file can be in any portfolio - you aren't limited to the current portfolio's securities even if the function is called from the Local Security Table. Also, a given global security can have more than one date/price added from this file.

Price file data is matched to Capital Gainz securities in the following order:

1) The symbol in the price file is compared to Exchange Symbols defined in Capital Gainz global securities.
2) If no match is found, the symbol in the price file is compared to Capital Gainz Global Security Symbols.

Thus, if you always specify the Global Security Symbol to be the actual symbol used on the exchange, you don't really need to set the Exchange Symbol field when defining global securities.

Update Prices from Comma-Delimited File
Update Prices from AOL

Update Prices from Comma-Delimited File

This topic discusses reading in prices from a 'generic' comma-delimited file, to illustrate how the order can be specified to Capital Gainz.

Assume you want to update closing prices from a file that looks like this:

```
+----------------------------------------+
|      Prices from The Stock Guy         |
+----------------------------------------+

SYMBOL, DATE, HIGH, LOW, CLOSE
"CPL"," 5/30/92",27,26,26.25
"FPINC"," 5/30/92",11.38,11.38.11.38
"FPTXF"," 5/30/92",15.74,15.74.15.74
"GRACE"," 5/30/92",34,33,34
"PFZ"," 5/30/92",75.125,73.875,74.625
"PSNC"," 5/30/92",14,13.5,13.5
"TCHTG"," 5/30/92",8.98,8.98,8.98
"TCVIS"," 5/30/92",10.90,10.90,10.90

For the best stock market advice,call:
    Dewey,Cheetham,and Howe
```

Since this does not conform to the default format expected by Capital Gainz (**SYMBOL,DATE,PRICE**), and includes a notice at the top and advertisements at the bottom, you need to tell Capital Gainz how to process it.

Capital Gainz Set Up Procedure:

- Choose the ***Update Prices from File*** item on the ***Prices*** pulldown menu on the Global or Local Security Table.
- Click on the ***Settings*** button on the Update Prices From File Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Custom**.
- Under **Format Settings**, set the **Start at Symbol** field to **SYMBOL**. This will skip over the notice at the top of the file.
- Under **Format Settings**, set the **Stop at Symbol** field to **-Blank Line-**. This will skip over the advertisements at the bottom of the file.
- Under **Format Settings**, be sure that **Convert Multiple Blanks to Commas** is not checked.
- Click on the ***Ok*** button to save the settings and return to the Update Prices From File Form.
- Click on the ***Format*** *button.*
- At the Set Price File Format Form, set the fields as follows:

  Field #1: SYMBOL
  Field #2: DATE
  Field #3: IGNORE
  Field #4: IGNORE
  Field #5: PRICE

- Click on the ***Ok*** button to save the format.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to, then click on the ***Ok*** button to read it in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- Since the settings and formats are saved in Capital Gainz, you won't need to set them again if you continue to get prices from this service in this format.

Update Prices From America Online

You can update prices from a file retrieved from America Online using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using America Online's default format. Be sure to read the **Notes** section below for important information.

America Online: http://www.aol.com

File Format:

- America Online's default format is tab-delimited text that looks like this:

```
--------------------------------------------------------------------------------
                Curr.           Purch.  Gain/
Symbol  Qty.    Price   Change  Price   Loss    Value
BLS     ---     56 5/8  -1 7/8
COMS    ---     56 3/8  +1 1/8
FIIIX   ---     12.17   -0.19
--------------------------------------------------------------------------------
```

- This format is:

  SYMBOL,QUANTITY,PRICE,CHANGE,PURCHASE PRICE,GAIN/LOSS,VALUE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,IGNORE,PRICE

America Online Set Up Procedure:

- Connect to America Online.
- Go to the **News & Finance** area.
- Choose **Business/Finance/Stocks/Markets**.
- Choose **StockLink**.
- Create a portfolio.

America Online Process Procedure:

- Connect to America Online.
- Go to the **News & Finance** area.
- Choose **Business/Finance/Stocks/Markets**.
- Choose **StockLink**.
- Select a portfolio.
- Click on the **Display Portfolio** button.
- Click on the **Save Portfolio** button.
- Select **Save** on the **File** pulldown menu.
- Specify the filename to save prices to, such as \CAPGNZ\PRICES.TXT

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **America Online**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to.
- Specify the **Date**, since it is not included in the data.
- Click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the America Online procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If America Online offers formatting options, see if you can retrieve prices in Quicken Price File Format. If not, see if you can retrieve prices in comma-delimited format. Either of these formats is much more reliable and stable than America Online's default format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from America Online using the ***Download/Import*** function.
- The downloaded data does not include dates, so be sure to set the **Date** field on the Update Prices From File Form.
- In the Price Settings Form, **Start at Token** is set to **SYMBOL**. This means that the data in the price file will not be processed until a line starting with SYMBOL is found.
- In the Price Settings Form, **Stop at Token** is set to **-Blank Line-**. This means that the price file will be processed until a blank line, or the end of the file, is found.
- In the Price Settings Form, **Convert Multiple Blanks to Comma** is set. This converts the blanks and tabs in the price file to commas, essentially turning it into a comma-delimited price file.
- There is no volume data available.

Update Prices from CompuServe

You can update prices from a file retrieved from CompuServe using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using CompuServe's WinCim default format. Be sure to read the **Notes** section below for important information.

CompuServe: http://www.compuserve.com

- CompuServe's WinCim default format is tab-delimited text that looks like this:

```
-------------------------------------------------------------------------------
 Ticker   Volume    High       Low      Last    Change   Update

 CCBF        58    50.500    49.750    50.500  +  0.750   3/05
 CPL        823    36.750    36.500    36.625  -  0.125   3/05
 T        21854    64.750    63.250    64.750  +  1.000   3/05
-------------------------------------------------------------------------------
```

- This format is:

  SYMBOL,VOL-100,HIGH,LOW,LAST,CHANGE,UPDATE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,VOL-100,IGNORE,IGNORE,PRICE,IGNORE,DATE

CompuServe Set Up Procedure:

- Connect to CompuServe.
- Click on the **Quotes** button on the toolbar.
- Build your list of symbols to retrieve quotes for, using the **Add** button.

CompuServe Process Procedure:

- Connect to CompuServe.
- Click on the **Quotes** button on the toolbar.
- Use the **Get** button to retrieve prices.
- From the pulldown menu, select **File**, **Save As**, and save the retrieved quotes to a file such as \CAPGNZ\PRICES.TXT..

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **CompuServe**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to.
- Specify the **Date**, since it may not be included in the data.
- Click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the CompuServe procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If CompuServe offers formatting options, see if you can retrieve prices in Quicken Price File Format. If not, see if you can retrieve prices in comma-delimited format. Either of these formats is much more reliable and stable than CompuServe's default format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from CompuServe using the ***Download/Import*** function.
- While CompuServe offers many ways to get prices using a terminal emulator or an emulator-based service such as TAPCIS, it is unknown how long these methods will be supported. If you are using one of these older methods, then it should still work with Capital Gainz ***Download/Import*** function. However, Capital Gainz now focuses on retrieving and importing current prices using the ***Update Prices from File*** function.
- The downloaded data may not include dates, so be sure to set the **Date** field on the Update Prices From File Form.
- In the Price Settings Form, **Start at Token** is set to **Ticker**. This means that the data in the price file will not be processed until a line starting with Ticker is found.
- In the Price Settings Form, **Stop at Token** is set to **-Blank Line-**. This means that the price file will be processed until a blank line, or the end of the file, is found.
- In the Price Settings Form, **Convert Multiple Blanks to Comma** is set. This converts the blanks and tabs in the price file to commas, essentially turning it into a comma-delimited price file.

Update Prices From InfoBeat

InfoBeat is a free Internet service that lets you set up portfolios and receive price updates via email. You should set up InfoBeat to send prices as email attachments, in Quicken Price File Format. Then, you can easily update prices from email using Capital Gainz' ***Update Prices from File*** function.

InfoBeat: http://www.infobeat.com

File Format:

- Follow the set up directions below to get data in Quicken Price File Format:

  SYMBOL,PRICE,DATE

InfoBeat Set Up Procedure:

- Go to http://www.infobeat.com.
- Select the **Finance** section.
- Select **Finance** again.
- Enter your email address.
- InfoBeat will ask you to sign up, since the email address has not been registered before.
- To sign up, enter a password and the requested demographics information, and click on the **Submit** button.
- Click on the button to go back to InfoBeat.
- Then set up the format and contents of your portfolio as follows.
- For **1) Select Products**, choose **Full Closing Bell**.
- For **2) Choose Format**, choose any one.
- For **3) Attachments**, choose **Quicken Attached**.
- For **4) Enter Securities**, enter the symbols for your securities.
- Click on the **Subscribe** button.
- You can always go back and change your portfolio - be sure to save the password you specified.

InfoBeat Process Procedure:

- InfoBeat sends the prices as an attachment to the email message.
- The attachment is usually listed at the end of the email message, although email programs may differ. Either write down the path or highlight the path with the mouse and use Ctrl-C to copy it to the Windows Clipboard.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.

- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **InfoBeat**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \EUDORA\ATTACH\0813.TXT, of the InfoBeat price file. Either type in the path or use Ctrl-V to copy the path from the Windows Clipboard. Then, click on the ***Ok*** button to read it in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the InfoBeat procedure at the time of this writing - it is subject to change.
- Be sure to tell InfoBeat to send prices in Quicken Attached format.
- Use the attached file, not the displayed email message text.
- If you want volume information, choose **Comma-Delimited** for **3) Attachments** in Infobeat Setup Procedure. Then,.you need to set the ***Format*** in ***Update Prices from File*** to:

  SYMBOL,PRICE,IGNORE,VOL/100,DATE

Update Prices From IRNet

IRNet is a free Internet service that lets you set up portfolios and export prices to a file. By default, IRNet exports prices in Quicken Price File Format. Thus, you can easily update prices from exported files using Capital Gainz' ***Update Prices from File*** function. IRNet can also be configured to email portfolio updates at the end of the day, but unfortunately the data in the email message is not provided in a format that can be read into Capital Gainz.

IRNet: http://www.irnet.com

File Format:

- By default, IRNet sends and exports data in Quicken Price File Format:

  SYMBOL,PRICE,DATE

IRNet Set Up Procedure:

- Go to http://www.irnet.com.
- Select **Portfolio** from the home page.
- Select the option to set up a new portfolio.
- You will be asked to fill in registration information.
- You can always go back and change your portfolio - be sure to save the username and password you specified.

IRNet Process Procedure:

- Go to http://www.irnet.com.
- Enter your login (username) and password and **Go** to your portfolio.
- Use **Export** to generate a Web page of quotes in Quicken Format.
- You can save the result to a file or the Windows Clipboard. To save the data to a file, from the browser use **File**, **Save As**, specify a **Filename** such as \CAPGNZ\PRICES.TXT, and set **Type** to **Text (*.txt)**. To save the data to the Windows Clipboard, highlight the price data on the Web page and use Ctrl-C.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **IRNet**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- If you saved the data to a file, specify the **Filename,** such as \CAPGNZ\PRICES.TXT, of the IRNet price file and click on the ***Ok*** button. If you saved the data to the Windows Clipboard, click on the ***Clipboard*** button.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the IRNet procedure at the time of this writing - it is subject to change.
- IRNet can be configured to email price updates at the end of the day, but unfortunately the data in the email is not in a format that can be read into Capital Gainz.
- There is no volume data available.

Update Prices From Merrill Lynch On Line

If you are a Merrill Lynch customer, you can use Merrill Lynch On Line to download prices of stocks in your portfolio. You can update prices from this file using Capital Gainz' ***Update Prices from File*** function.

File Format:

- Merrill Lynch sends a file of tab-delimited data in this format:

```
-----------------------------------------------------------------------------------------
"Value Date"      "Account Number"  "Security Number" "Symbol\Policy Number"  "Cusip   "
" 1/16/98"      "11223344"      "07522"   "BK                "   "064057102"
" 1/16/98"      "11223344"      "18997"   "CMCSK             "   "200300200"
" 1/16/98"      "11223344"      "19305"   "CPQ               "   "204493100"
" 1/16/98"      "11223344"      "58010"   "ORCL              "   "68389X105"
" 1/16/98"      "11223344"      "665K3"   "STM               "   "784213100"
" 1/16/98"      "11223344"      "78254"   "USW               "   "912889102"
" 1/16/98"      "11223344"      "9DAM2"   "IND97C            "   "294701800"
" 1/16/98"      "11223344"      "9DAM3"   "DOW972            "   "294701792"
-----------------------------------------------------------------------------------------
```

- This format is:

  DATE,ACCOUNT NUMBER,SECURITY NUMBER,SYMBOL,CUSIP,DESCRIPTION.QUANTITY,PRICE,VALUE

- For Capital Gainz mapping, this format becomes:

  DATE, IGNORE, IGNORE, SYMBOL, IGNORE, IGNORE, IGNORE, PRICE

Merrill Lynch Process Procedure:

- Retrieve the price file, such as C:\CAPGNZ\PRICES.TXT, from Merrill Lynch On Line.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Merrill Lynch On Line**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, of the Merrill Lynch On Line price file and click on the ***Ok*** button.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.

- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- In the Price Settings Form, **Start at Token** is set to **Value Date**.
- In the Price Settings Form, **Stop at Token** is set to **-End Of File-**.
- There is no volume data available.

Importing Prices from MetaStock

MetaStock is a service that provides stock quotes only.Actually, MetaStock encompasses all services, including Telescan, that provide data in 'MetaStock' format. You can only import MetaStock prices into Capital Gainz using the ***Download/Import*** function. You can't update prices from Metastock using Capital Gainz' ***Update Prices from File*** function, since the data is binary.

Equis International: 800-882-3040

File Structure:

```
\METASTOCK_DIR
    \DATA
        MASTER
        F1.DAT
        F2.DAT
...
```

Procedure:

Retrieve prices using the MetaStock software.

In Capital Gainz, select ***Other***, then the ***Download/Import*** function.
Specify METASTOCK as the **Service.**
Select Current prices and the Date, or Historical prices and the Date Range.
Select the securities to get prices for.
Click on the ***Import*** button, and specify the MetaStock DATA directory.

Notes:

- Capital Gainz will ask for the METASTOCK_DIR to import from. Actually, you can specify either the METASTOCK_DIR or METASTOCK_DIR\DATA. For instance, if MetaStock is installed to C:\MSTOCK, you can specify C:\MSTOCK or C:\MSTOCK\DATA. If the directory you specify contains the MASTER file, then it is assumed to be the DATA directory. Otherwise, the data directory is assumed to be DATA.
- If you have a 'stray' MASTER file in the main METASTOCK_DIR and specify that directory to import from, then that directory is assumed to be the DATA directory. If it is not the actual DATA directory, then no prices will be found. To get around this, remove the stray MASTER file or specify the full METASTOCK_DIR\DATA path.
- The Exchange Symbol field in the Global Security must be set to retrieve data for a given security. The Global Security Symbol is not used. Any Global Securities with a blank Exchange Symbol will be skipped when retrieving prices.
- Downloaded volume is assumed to be in hundreds of shares.
- If Current prices are requested, then only prices for the specified date are read in
- If Historical prices are requested, you can limit the prices read in with the From/To dates and Frequency fields on the Download/Import Prices Form.
- Use the METASTOCK service for any price service that provides data in MetaStock format, such as Telescan.
- The MetaStock conversion feature was made possible using a conversion library from **Ed Zappulla, Blue Sky Group Inc., Copyright 1991-95.**

Example

To use ***Download/Import*** to import current prices from MetaStock data:

- (MetaStock) Use the MetaStock software to download prices.
- Start up Capital Gainz
- (Capital Gainz) Select ***Other***, then the ***Download/Import*** function on the pulldown menu.
- (Capital Gainz) Select METASTOCK as the service.
- (Capital Gainz) Select Current prices.
- (Capital Gainz) Be sure the Date is set correctly.
- (Capital Gainz) Click on the ***Import*** button, and specify the MetaStock data directory, C:\MSTOCK\DATA.
- (Capital Gainz) The files are converted, and the prices found are displayed for confirmation before being added to the price history.

Update Prices From Prodigy

You can update prices from a file retrieved from Prodigy using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using Prodigy's default Current Prices format. Be sure to read the **Notes** section below for important information.

Prodigy: http://www.prodigy.com

File Format:

- Prodigy's Current Prices file format is:

  SYMBOL,DATE,LAST,CHANGE,OPEN,HIGH,LOW,VOLUME,NOTE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,DATE,PRICE,IGNORE,IGNORE,IGNORE,IGNORE,VOL-TOTAL

Prodigy Set Up Procedure:

- Connect to Prodigy.
- Set up your **Quote Tracks**.

Prodigy Process Procedure:

- Connect to Prodigy.
- Go to **Quote Tracks**.
- Choose **Download**.
- Set the format to **Comma-Delimited with Headings**.
- Specify to retrieve **Current Prices**, not **Closing Prices**.
- Download the quotes to a file such as \CAPGNZ\PRICES.TXT

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Prodigy**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.

- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to, then click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the Prodigy procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If Prodigy offers formatting options, see if you can retrieve prices in Quicken Price File Format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from Prodigy using the ***Download/Import*** function.
- If you want Closing Price format, change the comma-delimited format Capital Gainz expects to see.
- In the Price Settings Form, **Start at Token** is set to "**SYMBOL"** (include quotes) This means that the data in the price file will not be processed until a line starting with "SYMBOL" is found.
- In the Price Settings Form, **Stop at Token** is set to **-End Of File-**. This means that the price file will be processed until the end of the file is found.

Update Prices From Quicken

Intuit, maker of Quicken, provides a free Internet service that lets you set up portfolios and retrieve prices. Since the data is in Quicken Price File Format, you can easily update prices from retrieved files using Capital Gainz' ***Update Prices from File*** function.

Quicken: http://www.quicken.com

File Format:

- Quicken provides data in Quicken Price File Format: (without **DATE**):

  SYMBOL,PRICE

Quicken Set Up Procedure:

- Go to http://www.quicken.com.
- Select **Investments** from the home page.
- Select **Portfolio**.
- Choose **Create New Account**. You will be asked to fill in registration information.
- Choose **Create New Portfolio**, and set up your portfolio of symbols.
- You can always go back and change your portfolio - be sure to save the username and password you specified.

Quicken Process Procedure:

- Go to http://www.quicken.com.
- Sign in if necessary. Quicken saves your information to a Web cookie, so you likely don't need to sign in unless you access the service from a different PC.
- Select **Investments** from the home page.
- Select **Portfolio**.
- At the bottom of the page, click on **Click Here to Download Prices into Quicken**. A Web page of quotes is displayed in Quicken Format.
- From the browser, use **File**, **Save As**, specify a **Filename** (such as \CAPGNZ\PRICES.TXT), and set **Type** to **Text (*.txt)**.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Quicken**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as C:\CAPGNZ\PRICES.TXT, of the Quicken price file.
- Be sure to specify the **Date** field, since the file does not include dates.
- Click on the ***Ok*** button to read in the price file.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the Quicken procedure at the time of this writing - it is subject to change.• Quicken does not include the DATE field in the price data, so be sure to specify the date in Capital Gainz' ***Update Prices from File*** function.
- The Web page of price data generated by Quicken can not be copied and then pasted from the Windows Clipboard (like IRNet), since lines are not properly terminated and the data will thus be copied as one long line.
- There is no volume data available.

Update Prices From Quote.com

Quote.com is a fee-based Internet investment information service that lets you define portfolios, and can be set up to automatically email you the closing prices at the end of each day. You can update prices from this email using Capital Gainz' ***Update Prices from File*** function.

Quote.com: http://www.quote.com

File Format:

- While Quote.com can be configured to email data in Quicken Price File Format, Capital Gainz assumes the default Quote.com format is used:

  SYMBOL,DATE,OPEN,HIGH,LOW,LAST,VOL-TOTAL,OPEN INTEREST

- For Capital Gainz mapping, this format becomes:

  SYMBOL,DATE,IGNORE, IGNORE,IGNORE,PRICE,VOL-TOTAL

Quote.com Set Up Procedure:

- Go to http://www.quote.com.
- Select **Subscribe**, and fill in the information, including username and password.
- Then, from home page, go to **My Portfolios** and set up the portfolio.
- Select **My Email Options**, and be sure the **Send Email Reports on this Portfolio** is checked.
- You can always go back and change your portfolio - be sure to save the username and password you specified.

Quote.com Process Procedure:

- Quote.com sends the prices in an email message.
- You can save the message to a file or the Windows Clipboard. To save the data to a file, from your email reader choose **File**, **Save As**, and specify a **Filename** such as \CAPGNZ\PRICES.TXT. To save the data to the Windows Clipboard, highlight the message text and use Ctrl-C.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Quote.com**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- If you saved the data to a file, specify the **Filename,** such as \CAPGNZ\PRICES.TXT, of the Quote.com message and click on the ***Ok*** button. If you saved the data to the Windows Clipboard, click on the ***Clipboard*** button.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the Quote.com procedure at the time of this writing - it is subject to change.
- In the Price Settings Form, **Start at Token** is set to **Symbol** This means that the data in the price file will not be processed until a line starting with Symbol is found, skipping the header messages.
- In the Price Settings Form, **Stop at Token** is set to **-Blank Line-**. This means that the price file will be processed until a blank line is found, skipping the news items after the prices.

Update Prices From Reuters

Reuters MoneyNetwork is a fee-based service that provides stock quote files. You can update prices from these files using Capital Gainz' ***Update Prices from File*** function. Charles Schwab makes Reuters MoneyNetwork available for its customers at an extra cost. Reuters MoneyNetwork price files are in Quicken Price File Format, so updating from them uses the same process as Updating Price from Quicken.

Importing Prices from Telechart 2000

Telechart 2000 is a service that provides stock quotes only. If you don't need any of the other features of online services, and frequently build price histories for a number of securities, this is an excellent value. Capital Gainz can automatically extract prices from Telechart 2000 data files. You can't update prices from Telechart 2000 using Capital Gainz' ***Update Prices from File*** function, since the data is binary.

Worden Brothers, Inc.: 800-776-4940

File Structure:

```
\TELEFILE_DIR
    TELEFILE (points to DATA directory)
    \DATA
        BASENAME (lists securities with NDX files)
        A\
            AAA.NDX
                (Format: 24 bytes of header
                         date,high,low,close,volume,open)
            ABB.NDX
            ABC.NDX
        B\
            BA.NDX
...
```

Procedure:

Retrieve prices using the Telechart 2000 software.

In Capital Gainz, select ***Other***, then the ***Download/Import*** function.
Specify TELECHART as the **Service.**
Select Current prices and the Date, or Historical prices and the Date Range.
Select the securities to get prices for.
Click on the ***Import*** button, and specify the Telechart 2000 DATA directory.

Notes:

- Capital Gainz will ask for the TELEFILE_DIR to import from. Actually, you can specify either the TELEFILE_DIR or TELEFILE_DIR\DATA. For instance, if Telechart 2000 is installed to C:\TC2000, you can specify C:\TC2000 or C:\TC2000\DATA. If the directory you specify contains the BASENAME file, then it is assumed to be the DATA directory. Otherwise, the TELEFILE file will point to the DATA directory.
- If you have a 'stray' BASENAME file in the main TELEFILE_DIR and specify that directory to import from, then that directory is assumed to be the DATA directory. If it is not the actual DATA directory, then no prices will be found. To get around this, remove the stray BASENAME file or specify the full TELEFILE_DIR\DATA path.
- The Exchange Symbol field in the Global Security must be set to retrieve data for a given security. The Global Security Symbol is not used. Any Global Securities with a blank Exchange Symbol will be skipped when retrieving prices.
- Downloaded volume is divided by 100 by the conversion process.
- If Current prices are requested, then only prices for the specified date are read in
- If Historical prices are requested, you can limit the prices read in with the From/To dates

and Frequency fields on the Download/Import Prices Form.

Example

To use ***Download/Import*** to import current prices from Telechart 2000:

- (Telechart 2000) Use the Telechart 2000 software to download prices.
- Start up Capital Gainz
- (Capital Gainz) Select ***Other***, then the ***Download/Import*** function on the pulldown menu.
- (Capital Gainz) Select TELECHART as the service.
- (Capital Gainz) Select Current prices.
- (Capital Gainz) Be sure the Date is set correctly.
- (Capital Gainz) Click on the ***Import*** button, and specify the Telechart 2000 data directory, C:\TC2000\DATA.
- (Capital Gainz) Capital Gainz determines the data files from the BASENAME file.
- (Capital Gainz) The files are converted, and the prices found are displayed for confirmation before being added to the price history.

Update Prices From Yahoo

Yahoo provides a free Internet service that lets you set up portfolios and retrieve prices. While files are not really in Quicken Format by default, the first three fields match the Quicken format so you can easily update prices from retrieved files using Capital Gainz' ***Update Prices from File*** function.

Yahoo: http://quote.yahoo.com

File Format:

- By default, Yahoo provides data in an 'extended' Quicken Price File Format:

  SYMBOL,PRICE,DATE,TIME,CHANGE,OPEN,HIGH,LOW,VOL-TOTAL

- For Capital Gainz mapping, this format becomes:

  SYMBOL,PRICE,DATE,IGNORE, IGNORE,IGNORE,IGNORE,IGNORE,VOL-TOTAL

Yahoo Set Up Procedure:

- Go to http://quote.yahoo.com.
- Select **Portfolios**.
- Select **Register/SignIn**, then sign up by filling in the registration information.
- Choose **Create New Portfolio**, and set up your portfolio of symbols.
- You can always go back and change your portfolio - be sure to save the username and password you specified.

Yahoo Process Procedure:

- Go to http://quote.yahoo.com.
- Select **Register/SignIn** and enter your username and password.
- Select the portfolio from the **Portfolios** list.
- Select **Download Spreadsheet Format** option. This will generate a spreadsheet file (CSV) of prices. Depending on how your browser is set up, it may automatically start up Microsoft Excel. If Excel is started, use **File**, **Save As**, specify the **Filename** such as \CAPGNZ\PRICES, and specify **Type** as **CSV (comma-delimited) *.CSV**.

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Yahoo**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as C:\CAPGNZ\PRICES.CSV, of the Yahoo price file, then click on the ***Ok*** button to read in the price file.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the Yahoo procedure at the time of this writing - it is subject to change.
- While you can alter what specific data items are retrieved in Yahoo, Capital Gainz assumes you use the default.
- You can get historical quotes from Yahoo, but it is not especially easy. Plus, since the historical data is in a difference format, importing into Capital Gainz will require some work. If you want to experiment with this anyway, to get historical quotes:
- After retrieving quote, select Views: Detailed.
- Under the chart, select the period: 1d, 5d, 3m, 1y, 2y, or 5y.
- Under the new chart, choose Table: Daily, Weekly, or Monthly.
- Download the table to spreadsheet format.
- In the spreadsheet, add a column for the symbol, then change the date column's format to mm/dd/yy or yymmdd.
- Save the speadsheet data to CSV format.
- In Capital Gainz, specify the format for the data, then update prices from the CSV file.

Updating Prices from Automated Programs

Several services, such as Quote.com, InfoBeat, and IRNet automate price retrieval by sending you price update files at the end of the day, which you can then read using Capital Gainz' ***Update Prices from File*** function. However, there are also some programs that can automatically retrieve price quotes from various Internet sources:

Personal Stock Monitor : http://www.personaltools.com/psm
NetStock: http://www.jaxnet.com/~henrik

Once these programs retrieve prices, they must be exported to a file for Capital Gainz to read in. It's much easier if the program supports exporting to Quicken Price File Format, since you can then just use the process for Updating Prices from Quicken.

Comparison of Price Sources

At the time of this writing, the following were the most popular sources of price data for Capital Gainz:

- **America OnLine**: The price data provided is in tab-delimited format, and subject to change whenever they see fit. Thus, while Capital Gainz may be able to read in prices from America OnLine now, tomorrow America OnLine can break this capability by changing the format. Not recommended.
- **CompuServe**: The price data provided is in tab-delimited format, and subject to change whenever they see fit. Thus, while Capital Gainz may be able to read in prices from CompuServe now, tomorrow CompuServe can break this capability by changing the format. Not recommended.
- **InfoBeat**: This free Internet source can be set up to email price data as message attachments, and these attachments can be easily read into Capital Gainz. But there is no way to get immediate price data from the site for reading into Capital Gainz. While the default format, Quicken file attachment, doesn't include volume, you can configure InfoBeat to include volume for Capital Gainz.
- **IRNet**: This free Internet source has a nice export function to immediately get price update data that can be read into Capital Gainz. While it can also be configured to send price updates via email at the end of the day, the data in the email is unfortunately in a format that can't be read into Capital Gainz. Also, the exported data does not contain volume.
- **MetaStock**: This is a program/service designed to store and graph historical data. However, the MetaStock format is so popular that programs other than MetaStock often provide data in MetaStock format. Thus, if you have software that builds MetaStock data files, these files can be a source for building historical price histories in Capital Gainz.
- **Merrill Lynch On Line**: If you are a Merrill Lynch customer, this is a viable option for getting prices for Capital Gainz. But there are better, more straight-forward ways to get prices from Internet sources.
- **Prodigy**: Of the old legacy online services, Prodigy is the best at providing price data since you can get it in comma-delimited format that won't change. But you can't configure it to email prices at the end of the day.
- **Quicken**: This free Internet source allows you to retrieve price data from the site in a format that can easily be read into Capital Gainz. There are two shortcomings: the data does not include dates, and the displayed data can not be copied to the clipboard for import - and intermediate file must be used. Also, there is no capability to email prices at the end of the day.
- **Quote.com**: This fee-based Internet source can be set up to email price data that can be easily read into Capital Gainz. But there is no way to get immediate price data from the site for reading into Capital Gainz. Email data does contain volume.
- **Reuters**: If you are a Charles Schwab customer, this is a viable option for getting prices for Capital Gainz. But as of this writing, it does cost extra.
- **Telechart 2000**: This is a fee-based program/service designed to store and graph historical data. Data from TC2000 price databases can be read into Capital Gainz. Thus, if you use TC2000, it can be a source for building historical price histories in Capital Gainz.
- **Yahoo**: This free Internet source allows you to export price data from the site into a comma-delimited spreadsheet file that can be read into Capital Gainz. However, depending on how your browser is set up, the export may automatically start up Microsoft Excel, adding another step to the proces since the data will then have to be exported

from Excel. There is no capability to email prices at the end of the day. Exported data does contain volume.

As of this writing, considering the ease of getting prices into Capital Gainz, the following services are recommended:

For receiving prices automatically via email:
InfoBeat (free), **Quote.com** (monthly charge)

For retrieving prices immediately from a source:
IRNet (free), **Reuters** (if you have this service already)

For importing historical data:
Telechart 2000

Typical Price Update Procedure

I've been updating prices from Quote.com for awhile. While there are free Internet sources that provide what Quote.com does, I started using Quote.com before these other services were available. Plus, the Internet Service Provider I use has a special deal where I only pay about $3/month for Quote.com. Here's what I typically do:

At the end of the day, Quote.com emails me prices for my securities.

- I open the email message from Quote.com in my email reader, Eudora Light.
- I use File, Save As, and save the price file to a file with a name in the format YYMMDD.TXT, in the \Quote.com directory. For instance, if an email message contains prices for 8/14/98, I save the file to \Quote.com\980814.txt.
- In Capital Gainz, I use Prices, Update Prices from File and specify the \Quote.com\YYMMDD.TXT file, such as \Quote.com\980814.txt.

This approach has several advantages:

- I don't have to update prices every day in Capital Gainz. Instead, I can update prices at any time in the future. For instance, if I fall behind and don't update prices for the week of 8/10/98, I can just save the email messages in files 980810.txt through 980814.txt and then update prices in Capital Gainz on 8/14/98, cycling through each file.
- By using similar file names, when I choose to Update Prices from File in Capital Gainz, I only have to change the filename by a character or so, since Capital Gainz displays the name of the last file prices were updated from.
- If for any reason I need to rebuild prices, I have all of the prior price files on hand to read in.

Price Update File Format

The ***Set File Format*** function, available when updating prices from a file using the Update Prices From File Form, lets you specify the format of the comma-delimited ASCII price file to read in. The fields are numbered in the order they will appear in the file:

Field #1, Field #2, Field #3, Field #4, ...

For each field position, you specify which data item will be found in that position. You specify the data item by selecting it from the pulldown list associated with each field. Data items are:

- (Required) ***Symbol*** - Global security symbol or exchange symbol with optional quotes. Capital Gainz first checks if the symbol matches any exchange symbols, then if it matches any global security symbols.
- (Required) ***Price*** - Price in decimal or fractional format.
- (Optional) ***Date*** - Date with optional quotes. The following formats are recognized: MM/DD/YY, MM/DD/YYYY, YYMMDD, YYYYMMDD. (You can specify a different slash-delimited date format via User Settings, but the YYMMDD or YYYYMMDD formats will always be recognized.)
- (Optional) ***Type*** - PRC, DIV, INT, STCG, or LTCG, with optional quotes. If omitted, PRC (price) is assumed.
- (Optional) ***Vol 100 or Vol Total*** - trading volume in hundreds or total.

There are several fields called **IGNORE**. An IGNORE field is one that will contain data, but should be ignored. The default field mapping for the price file is:

Field #1: Symbol
Field #2: Price
Field #3: Date
Field #4: Type
Field #5: Volume in 100s

Displayed as: Symbol,Price,Date,Type,Volume

Actually, since the Type and Volume fields are optional, the default format will work with Quicken Price Files.

Once you specify a price file format, it remains in effect until you explicitly change it. Every time you read in a price file, the currently set format is used to interpret the contents. The following buttons are available from this form:

- ***Ok*** - Save the displayed price file format.
- ***Default*** - Set the price file format to the default format.
- ***Exit*** - Dismiss the form.

Example: Set Price Update File Format

Example: Price Update File Format

You can retrieve price data from an online service in a comma-delimited file with the following format:

"symbol",date,opening price,closing price,volume

To read this file into Capital Gainz, select ***Prices,*** then ***Update Prices/File***. Then, click on the ***Format*** button. Next, set the fields as follows:

- Field #1: SYMBOL - Capital Gainz will automatically strip the quotes.
- Field #2: DATE
- Field #3: IGNORE1 - You don't care about the opening price.
- Field #4: PRICE - You want to record the closing price.
- Field #5: VOL-TOTAL - This value will be divided by 100 before recording.

Leave the remaining fields blank. Click on the ***Ok*** button to save this format - it will be remembered for future sessions as well. The format will displayed on the Update Prices From File Form, where you will specify the name of the file to read in and then click on the ***Ok*** button to process it.

Get Prices from Internet

The ***Get Prices from Internet*** item on the ***Prices*** pulldown menu from the Local or Global Security Table brings up the Get Prices from Internet form, which lets you retrieve prices from the Internet and either display them in your default Web browser or read them into Capital Gainz, updating your price data. The title bar for the form shows the date and time of the last successful price retrieval. This form has two sections. The top section has buttons for processing:

- ***Get*** - Gets prices from the Internet, and reads them into Capital Gainz. The date and time of the last successful price retrieval is displayed in the form's title bar.
- ***View*** - Gets prices from the Internet and displays them in your default Web browser. This is also useful for looking up symbols.
- ***Global Sec*** - Select global securities to get prices for from the Global Security Tag Table .
- ***Save*** - Save the selected global securities on the Global Security Tag Table, for recall in future sessions.
- ***Recall*** - Recall the last global securities saved with the ***Save*** button.
- ***Exit*** - Dismiss the form and return to the Global or Local Security Table.

The bottom section of the form has fields to configure the Internet retrieval process:

- **Get URL Base** - The base URL for getting prices to read into Capital Gainz.This URL will be appended with selected security symbols.
- **View URL Base** - The base URL for viewing prices in the default Web browser. This URL will be appended with selected security symbols.
- **File Name Base** - The base name for the temporary file to pass symbols and retrieve prices. If you want this in a directory other than the current data directory, specify a full or relative pathname. For instance, if your data directory is the same as your Capital Gainz directory - C:\CAPGNZ - then to put the temporary files in your DNLD directory use .\DNLD\CGINET (the '.\' means the current directory).
- **Proxy Server** - If you use a proxy server to access the Internet, enter the server name or address here. Note that this value is not used if you choose to View prices from the default Web browser - the Web browser itself must be configured to go through a proxy server.
- **Use Price File Format** - Whether or not to use a custom defined price format from the Set File Format function. Since the retrieval process always puts prices in the default Capital Gainz format, this should not be set.
- **Timeout -** The number of seconds to wait when opening the Internet site to get prices. After the specified number of seconds have elapsed, the price retrieval will be cancelled.

Buttons on the bottom section are:

- ***Save*** - Save the displayed configuration data.
- ***Default*** - Set the configuration data to the default values.

If you select the ***Get*** button at the top of the form:

A file of selected security symbols is built. Only those securities with a specified exchange symbol will be used.

The **Get URL Base** and symbol file are passed to the retrieval process.

The retrieval process builds the URL to retrieve prices by appending the symbols.
The retrieval process opens the URL, directing the result to an output file.
The output file is processed just like Updating Prices from a File.

If you select the ***View*** button at the top of the form:

A file of selected security symbols is built. Only those securities with a specified exchange symbol will be used.
The **View URL Base** and symbol file are passed to the retrieval process.
The retrieval process builds the URL to view prices by appending the symbols.
The retrieval process determines the default application for .HTM files (default Web browser).
The retrieval process starts up the default Web browser, passing it the URL constructed.

Notes:

- Only those securities with a specified exchange symbol in the global security will be used. The global security symbol is not used to retrieve prices.
- Special symbols, such as for market indexes or options, vary from Web site to Web site. The best approach is to guess at the exchange symbol, then use the ***View*** function. From the Web page that is displayed, you can lookup what that site's format for special symbols is, and set your exchange symbols accordingly. If you want to update prices both via this automatic feature and also from a file, you need to set up global/exchange symbol mapping files.
- **Other than the Proxy Server value, the values in the bottom section of the form should only be changed in extreme circumstances** For the most part, they are provided to allow flexibility in the future.
- These functions do not provide the capability to connect to the Internet. **Your computer must already be connected to the Internet**, such as via a dial-up line to an Internet Service Provider.

Example: Get Prices from Internet

Example: Get Prices from Internet

In the middle of the day, you decide to check on the prices of securities that you hold:

- Assume you already have set the Exchange Symbol for all the global securities you want to get prices for.
- Connect to the Internet in your usual manner, if you are not already connected.
- Select ***Prices*** from the menu on the Local Security Table, then ***Get Prices from Internet***.
- Click on the ***View*** button.
- Capital Gainz generates an Internet request to display information on the selected securities, and starts up an instance of your Web browser to bring up the page.

At the end of the week, you want to update the value of your holdings:

- Assume you already have set the Exchange Symbol for all the global securities you want to get prices for.
- Connect to the Internet in your usual manner, if you are not already connected.
- Select ***Prices*** from the menu on the Local Security Table, then ***Get Prices from Internet***.
- Click on the ***Get*** button.
- Capital Gainz generates an Internet request to get prices for the selected securities, and retrieves the prices into a temporary file.
- Capital Gainz reads in the temporary file of prices, and displays the number of prices found.
- After the temporary price file is processed, elect to first view the prices.
- After verifying that the prices read in look Ok, exit from viewing and choose to update your data with the prices.
- Capital Gainz displays your current holdings, updated to reflect current prices.

Get Historical Prices from Internet

The ***Get Historical Prices from Internet*** item on the ***Prices*** pulldown menu from the Local or Global Security Table brings up the Get Historical Prices from Internet form, which lets you retrieve historical prices for a security from Yahoo!'s Internet site and either display them in your default Web browser or read them into Capital Gainz, updating your price data. You can also bring up a 1 year price chart in your Web browser. This form has two sections. The top section has buttons for processing:

- ***Symbol*** - The global security symbol to lookup prices for. The corresponding exchange symbol for the selected security symbol is actually used. If you enter an invalid global symbol or click on the ***List*** button, the Global Security Lookup Table pops up.
- ***Begin Date*** - Specify the beginning date to get prices for.
- ***End Date*** - Specify the ending date to get prices for.
- ***Frequency*** - Specify whether to get Daily, Weekly (Friday), or Monthly (last day of month) prices in the specified date range.
- ***Get*** - Gets historical prices for a security from the Internet, and reads them into Capital Gainz.
- ***View*** - Gets historical prices for a security from the Internet and displays them in your default Web browser.
- ***Chart*** - Displays a 1 year price chart for a security in your default Web browser. Once displayed, you can choose to display prices over other ranges.
- ***Exit*** - Dismiss the form and return to the Global or Local Security Table.

The bottom section of the form has fields to configure the Internet retrieval process:

- **File Name Base** - The base name for the temporary file to pass symbols and retrieve prices. If you want this in a directory other than the current data directory, specify a full or relative pathname. For instance, if your data directory is the same as your Capital Gainz directory - C:\CAPGNZ - then to put the temporary files in your DNLD directory use .\DNLD\CGINET (the '.\' means the current directory).
- **Proxy Server** - If you use a proxy server to access the Internet, enter the server name or address here. Note that this value is not used if you choose to View prices from the default Web browser - the Web browser itself must be configured to go through a proxy server.
- **Timeout -** The number of seconds to wait when opening the Internet site to get prices. After the specified number of seconds have elapsed, the price retrieval will be cancelled.

Buttons on the bottom section are:

- ***Save*** - Save the displayed configuration data.
- ***Default*** - Set the configuration data to the default values.

If you select the ***Get*** button at the top of the form:

The retrieval process builds the URL to retrieve prices for the specified exchange symbol and the specified date range.
The retrieval process opens the URL, directing the result to an output file.
The output file is processed just like Updating Prices from a File.

If you select the ***View*** button at the top of the form:

The retrieval process builds the URL to retrieve prices for the specified exchange symbol and the specified date range.

The retrieval process determines the default application for .HTM files (default Web browser).
The retrieval process starts up the default Web browser, passing it the URL constructed.

If you select the ***Chart*** button at the top of the form:

The retrieval process builds the URL to construct a 1 year price chart for the specified exchange symbol.
The retrieval process determines the default application for .HTM files (default Web browser).
The retrieval process starts up the default Web browser, passing it the URL constructed.

Notes:

- Only those securities with a specified exchange symbol in the global security will be used. The global security symbol is not used to retrieve prices.
- **Other than the Proxy Server value, the values in the bottom section of the form should only be changed in extreme circumstances** For the most part, they are provided to allow flexibility in the future.
- These functions do not provide the capability to connect to the Internet. **Your computer must already be connected to the Internet**, such as via a dial-up line to an Internet Service Provider.
- This feature is not as flexible as the ***Get Prices from Internet*** feature to get current prices.**Yahoo!'s Internet site is used to get historical prices, and the complex URL is not configurable.** Thus, any exchange symbol requested must conform to Yahoo!'s conventions, which may differ from other sites for indexes and options.
- The exact range of prices available is determined by Yahoo!, which may limit prices to several years.
- If you request a lot of prices, the operation may timeout if you have a dial-up connection. You can try again, or request a smaller range.
- If you request a wide range of dates for reading into Capital Gainz with the ***Get*** option, it is suggested that you use weekly or monthly frequency to reduce the amount of data stored.

Example: Get Historical Prices from Internet

Example: Get Historical Prices from Internet

You noticed a number of recent news releases from Acme Incorporated, and want to see how the stock (Symbol: ACME) has performed.

- Define a global security for Acme Incorporated, being sure to set the Exchange Symbol to ACME.
- Connect to the Internet in your usual manner, if you are not already connected.
- With ACME selected on the Global Security Table. select ***Prices*** from the menu, then ***Get Historical Prices from Internet***.
- Set the ***Begin Date*** and ***End Date*** values to the desired range of dates.
- Set the ***Frequency*** value to Daily to get daily prices.
- Click on the ***View*** button.
- Capital Gainz generates an Internet request to display a list of prices for ACME, and starts up an instance of your Web browser to bring up the page.
- For further analysis, select the ***Chart*** button on the Get Historical Prices from Internet form.
- Capital Gainz generates an Internet request to display a one year chart of prices for ACME, and starts up an instance of your Web browser to bring up the page. From this page in your Web browser, you can select a different range of dates.

You decide to bring a year's worth of prices for Acme Incorporated into Capital Gainz:

- Connect to the Internet in your usual manner, if you are not already connected.
- With ACME selected on the Global Security Table. select ***Prices*** from the menu, then ***Get Historical Prices from Internet***.
- Set the ***Begin Date*** and ***End Date*** values to the desired range of dates.
- Select ***Prices*** from the menu on the Local Security Table, then ***Get Historical Prices from Internet***.
- Set the ***Frequency*** value to Weekly to get weekly prices. You decide you don't need to get prices for every day.
- Click on the ***Get*** button.
- Capital Gainz generates an Internet request to get prices for the selected security, and retrieves the prices into a temporary file.
- Capital Gainz reads in the temporary file of prices, and displays the number of prices found.
- After the temporary price file is processed, elect to first view the prices.
- After verifying that the prices read in look Ok, exit from viewing and choose to update your data with the prices.
- Capital Gainz now contains a history of prices for Acme Incorporated.

Price Split

The ***Price Split*** function on the ***Prices*** pulldown menu brings up the Price Split Form to record a split or stock dividend for the highlighted security on the Local or Global Security Table. The fields in this form are:

- (Displayed) The **Global Symbol** and name of the security to be split.
- (Required) The **Date** of the split.
- (Required) The **Split Ratio**, entered as **Value1** for **Value2**.For instance, if you get 2 shares for every 1 you owned previously, it would be 2-for-1.
- (Required) Whether or not to **Adjust Sell Records** for the split. This has no effect on the gains or losses of recorded sales, but does adjust the number of shares and prices involved. It is recommended to use this option, especially if historical performance calculations use shares that have been sold after the requested period's end date.
- (Required) Execution restrictions:
    - **Adjust Prices and All Activity**: The split will affect the price history and activity for all local securities linked to this global security. This should be used except for special cases.
    - **Adjust Price History Only**: Skips any modifications to any security's recorded activity. This should rarely be used, as you almost always need to alter activity for a split.
    - **Adjust Only this Security's Activity**: The split will only affect the current local security's activity, and not the price history or local securities that are linked to the same global security. Again, this should rarely be used, because you amost always need to alter prices and activity for securities linked to the same global security.

Buttons on the form are:

- ***Ok*** - Execute the price split.
- ***Cancel*** - Dismiss the form.

You are always asked for confirmation, since many entries may be affected. After confirmation, all buy shares records, sell shares records (if you chose to adjust them), distribution records, and price history entries for the security are updated to reflect the split ratio. The number of shares is multiplied by the ratio, while the price and per share values are divided by the ratio. Normally, the split is applied to all local securities, in all portfolios, that are linked to the global security. Stock splits can:

- **Increase the number of shares**, such as in a 2-for-1 split. When you increase the number of shares, the price of the shares is decreased.
- **Decrease the number of shares**, such as in a 1-for-3 split. When you decrease the number of shares, the price of the shares is increased.

Reversing a split is simple: just split the shares with the inverse split ratio. So, if you performed a 2-for-1 split, to reverse it you'd perform a 1-for-2 split on the same day. However, because of rounding, the resulting values may not be exactly the same as the original values.

Example: Price Split

Example: Price Split

Assume you have the following buy shares information for a security:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

Also, you've recorded the following distributions:

Date	Type	Amount	Per Share
2/01/90	DIV	2.40	0.240
3/01/90	LTCG	0.59	0.030

This activity generated the following price history entries:

Date	Type	Price	Per Share
1/01/90	PRC	4.9000	
2/01/90	DIV		0.240
2/01/90	PRC	5.3900	
3/01/90	LTCG		0.030
3/01/90	PRC	4.6550	

Recording a 2 for 1 stock split on 6/1/90, for all prices and activity, alters the entries as follows.

Buy shares records:

Date	Shares	Price	Amount	Comm
1/01/90	20.0000	2.4500	49.00	1.00
2/01/90	18.1818	2.6950	49.00	1.00
3/01/90	21.0526	2.3275	49.00	1.00

Distribution records:

Date	Type	Amount	Per Share
2/01/90	DIV	2.40	0.120
3/01/90	LTCG	0.59	0.015

Price history entries:

Date	Type	Price	Per Share	
1/01/90	PRC	2.4500		
2/01/90	DIV		0.120	
2/01/90	PRC	2.6950		
3/01/90	LTCG		0.015	
3/01/90	PRC	2.3275		
6/01/90	SPLT			2 for 1

Price Alert Table

If you have specific upper and/or lower price or volume limits for securities that you own or track, you can have Capital Gainz monitor them with price alerts. The ***Set Price Alerts*** item on the ***Prices*** pulldown menu from the Local or Global Security Table gives you access to the Price Alert Table for viewing, adding, changing, processing, and deleting alerts. For each alert, the Price Alert Table shows:

- The global security **Symbol** and **Name**.
- The **Effective** date to start checking for the alert.
- The **Type** of alert, either **UPPER** for upper limit or **LOWER** for lower limit.
- The **Price** value for the alert.
- The **Volume** value, in 100s, for the alert.

Buttons on the toolbar are:

- ***Add*** - Add a price alert.
- ***Change*** - Change the highlighted price alert.
- ***Delete*** - Delete the highlighted price alert.
- ***Delete All*** - Delete all price alerts in the table.
- ***Check*** - Check for price history entries that trigger price alerts.
- ***Exit*** - Exit from the table.

Example: Price Alerts

Example: Price Alerts

You want to be alerted if GRACE breaks out from the $40-50 price range, and if PFZ breaks out above $70. From the Local or Global Security Table, highlight the security and select the ***Set Price Alerts*** item on the ***Prices*** pulldown menu. Click on the ***Add*** button on the Price Alert Table and fill in the Price Alert Form for each of the following:

Symbol	Effective	Type	Price
GRACE	1/01/94	UPPER	50.00
GRACE	1/01/94	LOWER	40.00
PFZ	1/01/94	UPPER	70.00

The dates specify when the alerts should be triggered. In the above example, if prices were entered for 12/01/93, the limits would not be checked since they are dated 1/1/94. They would be checked for price entries on or after 1/01/94. Only the last recorded price is compared to the limits.

Volume alerts work similarly. The price is checked first, unless it's 0. If the price does not trigger an alert, the volume is checked unless it's zero. For instance:

Symbol	Effective	Type	Price	Volume
GRACE	1/01/94	UPPER	50.00	800
PFZ	1/01/94	UPPER	0.00	10000

Here, GRACE will generate an alert if the price exceeds 50, or if the volume exceeds 80,000 shares, after 1/01/94. For PFZ, volume over 1,000,000 shares after 1/01/94 will trigger an alert. (Remember, Capital Gainz uses volume in 100s.)

Add, Change, Delete Price Alert

The Price Alert Form is brought up to add, change, or delete a price alert on the Price Alert Table. The fields are:

- (Required) The global security **Symbol**. After entry, the global security name is displayed. If you enter an invalid symbol or click on the ***List*** button the Global Security Lookup Table to pops up.
- (Required) The **Effective** date of the alert. Only the last price history entry after this date is processed. An effective date may be past, present, or future.
- (Required) The **Type** of alert, either **UPPER** or **LOWER**.
- (Optional) The upper or lower **Price** limit for the alert. You can set it to 0 to just check the **Volume** limit.
- (Optional) The upper or lower **Volume** limit, in 100s, for the alert. You can set it to 0 to just check the **Price** limit. You can specify in the User Settings to always skip the volume field.

Buttons available on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Cancel*** - Dismiss the form.

Example: Price Alerts

Example: Price Alerts

You want to be alerted if GRACE breaks out from the $40-50 price range, and if PFZ breaks out above $70. From the Local or Global Security Table, highlight the security and select the ***Set Price Alerts*** item on the ***Prices*** pulldown menu. Click on the ***Add*** button on the Price Alert Table and fill in the Price Alert Form for each of the following:

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GRACE	1/01/94	LOWER	40.00
PFZ	1/01/94	UPPER	70.00

The dates specify when the alerts should be triggered. In the above example, if prices were entered for 12/01/93, the limits would not be checked since they are dated 1/1/94. They would be checked for price entries on or after 1/01/94. Only the last recorded price is compared to the limits.

Volume alerts work similarly. The price is checked first, unless it's 0. If the price does not trigger an alert, the volume is checked unless it's zero. For instance:

Symbol	Effective	Type	Price	Volume
GRACE	1/01/94	UPPER	50.00	800
PFZ	1/01/94	UPPER	0.00	10000

Here, GRACE will generate an alert if the price exceeds 50, or if the volume exceeds 80,000 shares, after 1/01/94. For PFZ, volume over 1,000,000 shares after 1/01/94 will trigger an alert. (Remember, Capital Gainz uses volume in 100s.)

Check Price Alerts

The ***Check Price Alerts*** function on the ***Prices*** pulldown menu from the Local or Global Security Table processes any price/volume alerts you've specified with the ***Set Price Alerts*** function. The Price History Table is scanned, and an alert is triggered if:

- The price history entry's date is later than the **Effective** date specified for the alert.

  And

- (**UPPER** alert) The price history entry's price (or volume) is greater than the price (or volume) of the alert. The price (or volume) of both the price history entry and the alert must not be 0.
- (**LOWER** alert) The price history entry's price (or volume) is less than the price (or volume) of the alert. The price (or volume) of both the price history entry and the alert must not be 0.

When processing is complete, a log of any alerts that were triggered is displayed.

Example: Price Alerts

Example: Price Alerts

You want to be alerted if GRACE breaks out from the $40-50 price range, and if PFZ breaks out above $70. From the Local or Global Security Table, highlight the security and select the ***Set Price Alerts*** item on the ***Prices*** pulldown menu. Click on the ***Add*** button on the Price Alert Table and fill in the Price Alert Form for each of the following:

Symbol	Effective	Type	Price
GRACE	1/01/94	UPPER	50.00
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Volume alerts work similarly. The price is checked first, unless it's 0. If the price does not trigger an alert, the volume is checked unless it's zero. For instance:

Symbol	Effective	Type	Price	Volume
GRACE	1/01/94	UPPER	50.00	800
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Here, GRACE will generate an alert if the price exceeds 50, or if the volume exceeds 80,000 shares, after 1/01/94. For PFZ, volume over 1,000,000 shares after 1/01/94 will trigger an alert. (Remember, Capital Gainz uses volume in 100s.)

Rebuild Price History

The ***Rebuild Price History*** function on the ***Prices*** pulldown menu from the Local or Global Security Table lets you alter price history:

- **For current security** - For the highlighted security only..
- **For All Securities** - For all global securities.

using one of these **operation**:

- **Add Prices from Activity** - Add prices from purchases and sales.
- **Keep Only Last Price of Each Month** - Trim the price history, so only the last price in each month is saved. All distribution entries are retained.
- **Keep Only Last Price of Each Week** - Trim the price history, so only the last price in each week is saved. All distribution entries are retained.

over one of these **periods**:

- **For All Dates** - Execute the selected operation for all dates.
- **For Dates up to** - Execute the selected operation up to the entered date only. For example, this lets you trim prices from prior years, but still save all prices for the current year.
- **Save Prices with Corresponding Activity** - This option will always save prices that are also found in the activity records, regardless of the operation.

Buttons available on the form are:

- ***Ok*** - Execute the price history rebuild.
- ***Exit*** - Dismiss the form.

Example: Rebuild Price History

Example: Rebuild Price History

Assume you have the following price data for a security:

Date	Price	Date	Price
1/01/93	10.000	1/18/93	10.750
1/04/93	10.250	1/20/93	11.000
1/06/93	10.125	1/22/93	11.125
1/08/93	10.000	1/25/93	11.250
1/11/93	10.375	1/27/93	11.125
1/13/93	10.500	1/29/93	11.000
1/15/93	10.750	2/13/93	11.500

If you trim prices using the ***Rebuild Price History*** item on the ***Prices*** pulldown menu, specifying **For All Dates**, the price history would be condensed to:

With the **Keep Only Last Price of Each Week** operation:

Date	Price
1/01/93	10.000
1/08/93	10.000
1/15/93	10.750
1/22/93	11.125
1/29/93	11.000
2/13/93	11.500

With the **Keep Only Last Price of Each Month** operation:

Date	Price
1/29/93	11.000
2/13/93	11.500

Security Types

Security Types, Taxes, and Allocation

Security Types are used to classify securities. Each global security is associated with a single Security Type. Local Securities inherit the security type of the Global Security they are linked to. A Security Type consists of:

- **A security Class, which identifies a high-level category for the Security Type.** There are only a few fixed security classes, such as STOCK, BOND, and STOCK FUND.
- **A security Type, which breaks down the security Class in finer detail.** A number of predefined security types are provided, and you can define your own. You are free to use general security types, such as Stock or Bond Fund, or more precise types, such as Large Company Stock or Medium Term Bond Fund. An option lets you add the specific Morningstar fund categories to the Security Type Table.

This effectively gives you three ways to break down your holdings:
By Security
By Security Type
By Security Class

You can view these allocations using the Allocation Report or Allocation Graph.

Security Types also contain a number of items that determine how distributions and sales are treated on Schedules B and D of the tax report. Whereas the Tax Exempt value in the Local Security causes the sales and distributions for that security to be completely omitted from the tax forms, the values in the Security Type provide a finer level of control:

- **Schedule B Dividends/Interest** - Determines whether dividends or interest are taxable on Schedule B.
- **Short/Long Term Capital Gains** - Determines whether capital gain distributions show up on Schedule B or Schedule D.
- **Schedule D Sales** - Determines whether each sale shows each affected purchase on Schedule D, each sale groups all affected purchases on Schedule D, sales appear on Schedule B (for savings bonds), or sales are omitted on Schedule B (for cash securities). Group sales simplify the tax forms considerably for investors using dollar-cost averaging.
- **Schedule D Commission** - Determines whether sales commissions show up on Schedule D added to the purchase amount (as per strict IRS interpretation) or subtracted from the selling amount (as per actual practice).

All predefined types with Tax Free in their names treat dividend or interest distributions as tax exempt on Schedule B. The types in the BOND class are set to distribute interest rather than dividends, the types in the CASH class omit sales on Schedule D, and the U.S. Savings Bond type puts gains from sales on Schedule B. You can set up new security types to behave differently, or change predefined security types in any way you wish.

The Portfolio Allocation Report shows a valuable breakdown, in dollars and percentage, of your holdings by class, type, and security. The Portfolio Allocation Graph presents this information visually with pie charts and legends.

You can also get an allocation of holdings by broker/investment company by turning on the subtotaling switch in the Report Settings and generating the Portfolio Detail Report. In fact, if you are not interested in maintaining broker/investment company information, you can use this feature in a number of interesting ways by interpreting the broker/investment company data differently.

Security Type Table

The Security Type Table, brought up from the ***Files*** pulldown menu, shows security types, divided into sections by class. The values displayed are:

- The **Type** code, an abbreviation for the full type description.
- A **Description** of the type.
- Whether a security of this type will have dividends or interest (**Div,Int**), and if they are taxable.
- Where short term capital gains distributions (**STCG**) by a security of this type are reported on the tax forms.
- Where long term capital gains distributions (**LTCG**) by a security of this type are reported on the tax forms.
- Whether to group **Sales** of a security of this type on Schedule D.
- Where return of **Principal** distributions by a security of this type are reported on the tax forms.
- Where sales **Commissions** are factored in on Schedule D.

There are a number of predefined security types for you to choose from, add to, or change.

The ***Security Types*** pulldown menu has operations specific to the Security Type Table:

- ***Add Security Type*** - Add a security type. (Also available from the toolbar.)
- ***Change Security Type*** - Change the highlighted security type. (Also available from the toolbar.)
- ***Delete Security Type*** - Delete the highlighted security type. (Also available from the toolbar.)
- ***Fill in Predefined Types*** - Add in predefined security types, if some have been deleted.
- ***Add Morningstar Types*** - Add in Morningstar security types. Morningstar types all use a '*' as the first character of the type code.
- ***Refresh Table*** - Rebuild the Security Type Table from the data files and redisplay it.

Add, Change, Delete Security Type

The Security Type Form is brought up to add, change, or delete a security type on the Security Type Table. The fields in this form are:

- (Required) The **Class** of the security type. These classes are used in the Portfolio Allocation Report, and also serve to distinguish between mutual funds and other securities:
- (Required) The **Type Code** for the security type. This can be any 1-4 character code, usually having some mnemonic link to the description. It must be unique over all security types.
- (Required) The security type **Description**.
- (Required) Whether a security of this type has dividend **(DIV)** or interest **(INT) Distributions.**
- (Required) Whether **Schedule B Dividends or Interest** distributions by a security of this type are taxable. Choices are:

  OMIT - Distributions are omitted from the tax forms. This is not the same as being tax exempt or non-taxable.
  TAX - Distributions are taxable, and added in with other dividends and interest on Schedule B.
  NOTAX - Distributions are tax exempt, and added in with other dividends and interest on Schedule B before being subtracted back out as non-taxable.

- (Required) Where **Short Term Capital Gains** distributions by a security of this type are reported on the tax forms. Choices are:

  OMIT - Distributions are omitted from the tax forms.
  B SCH - Distributions are added to the dividends on Schedule B. This is the normal tax treatment.
  D<-B - Distributions are added to the dividends on Schedule B, but then subtracted back out for inclusion on Schedule D.

- (Required) Where **Long Term Capital Gains** distributions by a security of this type are reported on the tax forms. Choices are:

  OMIT - Distributions are omitted from the tax forms.
  B SCH - Distributions are added to the dividends on Schedule B.
  D<-B - Distributions are added to the dividends on Schedule B, but then subtracted back out for inclusion on Schedule D. This is the normal tax treatment.

- (Required) How to handle **Schedule D Sales** for a security of this type. Choices are:

  OMIT - Don't include sales on Schedule D. This is the default for security types of class CASH.
  EACH - Each purchase sold during the year is shown on Schedule D. This is the normal tax treatment.
  GROUP - All purchases for a sale are lumped into short and long term groups, so only one or two entries are on Schedule D for each sale. This can also be specified when the Tax Report is generated.
  B SCH - Report sales on Schedule B. This is useful for U.S. Savings Bonds, which allow you to defer taxes on implied interest until they are redeemed.

- (Required) Where **Return of Principal** distributions by a security of this type are reported on the tax forms. Choices are:

  OMIT - Distributions are omitted from the tax forms.
  B SCH - Distributions are added to the dividends on Schedule B, but then subtracted back out.

This is the normal tax treatment.

- (Required) How **Schedule D Sales Commission** is treated. According to IRS rules, commissions should be added to the basis on Schedule D. However, most 1099-B Forms subtract the sales commission from the sales amount. Choices are:

  OMIT - Sales commissions are not included in the sales price or basis on Schedule D.
  COST - Sales commissions are added to the open basis on Schedule D.
  SALE - Sales commissions are subtracted from the sales price on Schedule D. This is the default value.

Buttons available on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Cancel*** - Dismiss the form.

When adding a security type, the fields are initialized to the most common values. If you change the type code, all affected global securities are updated. Capital Gainz will prevent you from deleting a security type that is referred to by any global security. To determine which global securities use which security types, use the Global Security Report.

Example: Add a Security Type
Example: Change a Security Type
Example: Delete a Security Type

Example: Add a Security Type

From the ***Files*** pulldown menu, select the ***Security Types*** item to bring up the Security Type Table. Click on the ***Add*** button, and complete the Security Type Form:

Class:	Stock Fund
Type Code:	SHLT
Description:	Sector Fund - Health Care
Distributions:	DIV
Sched B Div/Int:	TAX
Short Term CG:	B SCH
Long Term CG:	D<-B
Sched D Sales:	EACH
Ret of Principal:	B SCH
Sales Commission:	SALE

- The security type is added to the Security Type Table.
- Securities defined with this type pay taxable dividends. Short and long term capital gains distributions will be reported on Schedule B, with long term gains subtracted out for inclusion on Schedule D. Sales are not grouped, and sales commission is subtracted from the selling amount on Schedule D.

Example: Change a Security Type

From the ***Files*** pulldown menu, select the ***Security Types*** item to bring up the Security Type Table. Click on the ***Change*** button with SHLT highlighted on the Security Type Table, and change the **Type Code** field on the Security Type Form to HLTH.

- The security type is changed in the Security Type Table.
- Global securities that use this type are updated to use the new type code.

Example: Delete a Security Type

From the ***Files*** pulldown menu, select the ***Security Types*** item to bring up the Security Type Table. Click on the ***Delete*** button with HLTH highlighted on the Security Type Table, and confirm the deletion on the Security Type Form.

- If no global securities use this security type, it is deleted from the Security Type Table.

Broker/Investment Companies

Brokers and Mutual Fund Companies

Capital Gainz provides Broker/Investment Company entities so you can record broker or mutual fund company information for later reference. If you're not interested in keeping this data, just use a single, default Broker/Investment Company with all Global and Local Securities.

If you do maintain Broker/Investment Company data, you'll notice that **both Global and Local Securities include Broker/Investment Company fields in their definitions**. This allows you to define information about the company that issued the stock or mutual fund as well as the broker that you purchased the shares from.

For instance, say you buy AT&T stock through Quick and Reilly, a discount broker. You can define AT&T company information as one Broker/Investment Company, and use it with the Global Security. You would also define Quick and Reilly as a Broker/Investment Company, and use it with the Local Security. Or, you can define just AT&T or just Quick and Reilly as a Broker/Investment Company, and use it for both the Global and Local Securities.

Or, say you bought shares of the Ultra mutual fund directly from American Century. This time, define a single Broker/Investment Company for American Century, and use it for both the Global and Local Securities.

Finally, let's look at the case where you bought the Ultra mutual fund through Quick and Reilly. You can define Broker/Investment Companies for both American Century and Quick and Reilly, using them for the Global and Local Securities respectively. Or, you can define just American Century or just Quick and Reilly as a Broker/Investment Company, and use it for both the Global and Local Securities.

You can use the Broker/Investment Company information several ways:

- **You can generate the Broker/Investment Company Report, providing a ready list of names, addresses, and phone numbers of your brokers and mutual fund companies.** This report also lists the Local Securities related to each Broker/Investment Company, and can show the total commissions and loads recorded for each broker/investment company.
- **The Portfolio Detail Report can be subtotaled by Broker/Investment Company, showing your current holdings by broker and mutual fund company.**

Broker/Investment Company Table

From the ***Files*** pulldown menu, the ***Broker/Inv Companies*** item brings up the Broker/Investment Company Table. Each entry shows the broker/investment company's name, phone number, and address. If the broker/investment company has a comment defined and the User Setting to flag records with comments is set, then an ***** is shown at the far left.

When you start Capital Gainz for the first time, a broker/investment company with the name **DEFAULT** is created.

You can use the A-Z keys to jump to the first broker/investment company whose name begins with that letter. The ***Broker/Inv Cos*** pulldown menu has operations specific to the Broker/investment Company Table:

- ***Add Broker/Inv Co*** - Add a broker/investment company. (Also available from the toolbar.)
- ***Change Broker/Inv Co*** - Change the highlighted broker/investment company. (Also available from the toolbar.)
- ***Delete Broker/Inv Co*** - Delete the highlighted broker/investment company. (Also available from the toolbar.)
- ***Refresh Table*** - Rebuild the Broker/Investment Company Table from the data files and redisplay it.

Add, Change, Delete Broker Investment Company

The Broker/Investment Company Form is brought up to add, change, or delete an entry on the Broker/Investment Company Table. This form accepts:

- (Required) The **Name** of the broker/investment company.
- (Optional) The street **Address.**
- (Optional) The **City**.
- (Optional) The 2 letter **State** code, which is not validated.
- (Optional) The **Zip Code**, which is not validated.
- (Optional) The **Phone Number**.
- (Optional) **Comment** lines that let you enter descriptive text, or information such as a mutual fund's Web site address.

Buttons on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Cancel*** - Dismiss the form.

If you change the name of a broker/investment company, all global and local securities associated with the broker/investment company are updated. Capital Gainz will prevent you from deleting a broker/investment company if it is referred to by any global or local security. To determine which local securities use which brokers, use the Broker/Investment Company Report, with the **Show Subtotals When Applicable** Report Setting turned on.

Example: Add a Broker/Investment Company
Example: Change a Broker/Investment Company
Example: Delete a Broker/Investment Company

Example: Add a Broker/Investment Company

From the ***Files*** pulldown menu, select the ***Broker/Inv Companies*** item to bring up the Broker/Investment Company Table. Click on the ***Add*** button, and complete the Broker/Investment Company Form:

Name:	Wachovia Bank & Trust
Address:	Dividend Reinvestment Section
	P.O. Box 3001
City:	Winston-Salem
State:	NC
Zip:	27102-3001
Phone #:	800-633-4236

- The broker/investment company is added to the Broker/Investment Company Table.

Example: Change a Broker/Investment Company

From the ***Files*** pulldown menu, select the ***Broker/Inv Companies*** item to bring up the Broker/Investment Company Table. Click on the ***Change*** button with Wachovia Bank & Trust highlighted, and change the **`Name`** field on the Broker/Investment Company Form to First Wachovia.

- The broker/investment company is changed in the Broker/Investment Company Table.
- All local or global securities that use this broker/investment company are changed to use the new broker/investment company.

Example: Delete a Broker/Investment Company

From the ***Files*** pulldown menu, select the ***Broker/Inv Companies*** item to bring up the Broker/Investment Company Table. Click on the ***Delete*** button with First Wachovia highlighted, and confirm the deletion on the Broker/Investment Company Form.

- The broker/investment company is deleted from the Broker/Investment Company Table if no global or local securities use it.

Portfolios

Organizing Data Into Portfolios

In Capital Gainz, you reference a specific Local Security when recording purchases, sales, and distributions. Local Securities are grouped into Portfolios.

The current Portfolio is the one Portfolio open at a given time. Any activity recorded is contained within the current Portfolio. Portfolio-specific screens in the program, such as the Buy Shares Form, indicate the current Portfolio in the window caption.

So how should you organize Local Securities into Portfolios? If you're managing several clients, obviously you want to have a separate Portfolio for each one. However, **for individuals, the best approach is to have as few Portfolios as possible**:

- There is no limit to the number of Local Securities that can be in one Portfolio.
- There is no need to separate out IRA and other retirement vehicles into a separate Portfolio, since you can flag a Local Security such that it's ignored when generating tax reports.
- Switching back and forth between Portfolios can get tedious.
- Although reports can span multiple Portfolios, and the selected Portfolios can be treated as a single virtual Portfolio, reporting is faster and easier with fewer portfolios.
- Even if you have separate holdings of the same security, such as a regular mutual fund account and an IRA account, you can assign them different Local Security symbols within the same Portfolio.
- If you just want to track certain securities, then only add them as Global Securities. Don't create a dummy portfolio for securities that you don't own, as all price history tracking is done with the Global Security.

I suggest that most users have no more than two or three Portfolios. An 'inactive Portfolio', can be convenient for stashing Local Securities that have been completely sold off rather than deleting them. Since Capital Gainz provides the capability to copy Local Securities within and between Portfolios, you can dynamically rearrange portfolios. You can even copy entire Portfolios.

Personally, I have three Portfolios: one for myself, one for my wife, and an inactive Portfolio. Since most of our accounts are joint, I would prefer to combine the two active Portfolios, but maintain the division to simulate multi-portfolio usage of other users for ongoing test purposes.

You can designate a cash account for a specific portfolio. The cash account is a cash asset type that is automatically subtracted from on purchases and added to on sales and distributions.

To track the value of your portfolio over time, use the Portfolio History Table. Capital Gainz can calculate the value and return for a portfolio for a selected date or dates. For instance, you can elect to calculate the portfolio history at the end of each quarter for the last several years.

Portfolio Table

The Portfolio Table, available from the ***Files*** pulldown menu, lists the following information for portfolios:

- Portfolio **Id**.
- Portfolio **Name.**
- The **Cash Account** for the portfolio.

An arrow designates the currently open portfolio. When you start Capital Gainz for the first time, a portfolio with an Id of 001**,** named <<Default Portfolio>>, is created. By default, portfolios are listed by number - you can change the User Settings so that they are sorted by name instead.

The ***Portfolios*** pulldown menu has operations specific to the Portfolio Table:

- ***Open Portfolio*** - Open the highlighted portfolio, making it the current portfolio. (Also available on the toolbar.)
- ***Add Portfolio*** - Add a portfolio. (Also available on the toolbar.)
- ***Change Portfolio*** - Change the highlighted portfolio. (Also available on the toolbar.)
- ***Delete Portfolio*** - Delete the highlighted portfolio. (Also available on the toolbar.)
- ***Copy Portfolio*** - Copy the highlighted portfolio, along with all the associated securities and activity, to a new portfolio.
- ***Portfolio History*** - Show a list of historical values for the portfolio.
- ***Today's Portfolio History*** - Calculate and record the current value for one or all portfolios.
- ***Refresh Table*** - Rebuild the Portfolio Table from the data files and redisplay it.

Open Portfolio

Use the ***Open Portfolio*** item on the Portfolio Table's ***Portfolios*** pulldown menu, or the ***Open*** button on the Portfolio Table, to make the highlighted portfolio the current portfolio. This opens the portfolio for buy, sell, and distribution activity. After making a portfolio current, you are taken to that portfolio's Local Security Table. The id and name of the current portfolio are displayed in the window caption of all portfolio-specific forms and tables.

The current portfolio is distinguished in the Portfolio Table by an arrow to the left of its id. The current portfolio is 'remembered' between sessions, so whenever you start up Capital Gainz, the last portfolio that you had open automatically becomes the current portfolio.

From the Local Security Table. you can quickly open portfolios 1-9 using the ***Alt-1*** through ***Alt-9*** keys.

Add, Change, Delete Portfolio

The Portfolio Form is brought up to add, change, or delete a portfolio on the Portfolio Table. This form accepts:

- (Required) The **Id** for the portfolio. This is a value from 1 to 999, with the first unused id being displayed when you add a portfolio.
- (Optional) The portfolio **Name.**
- (Optional) A **Description** of the portfolio.

Buttons on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Cancel*** - Dismiss the form.

After adding a portfolio, the corresponding Local Security, Buy Shares, Sell Shares, and Distribution Files are created. If you change the portfolio id, then the associated data files are renamed accordingly. If you delete a portfolio, all local securities and activity records in the portfolio are also deleted.

Example: Add a Portfolio
Example: Change a Portfolio
Example: Delete a Portfolio

Example: Add a Portfolio

From the ***Files*** pulldown menu, select the ***Portfolios*** item to bring up the Portfolio Table. Click on the ***Add*** button, and complete the Portfolio Form:

ID: 002
Name: Junior's Portfolio
Desc: Goal: To save money for college.

- The portfolio is added to the Portfolio Table.
- The security and activity data files for the portfolio are created.

Example: Change a Portfolio

From the ***Files*** pulldown menu, select the ***Portfolios*** item to bring up the Portfolio Table. Click on the ***Change*** button with portfolio 002 highlighted on the Portfolio Table, and change the id field on the Portfolio Form to 003.

- The portfolio is changed in the Portfolio Table.
- The security and activity data files for the portfolio are renamed.

Example: Delete a Portfolio

From the ***Files*** pulldown menu, select the ***Portfolios*** item to bring up the Portfolio Table. Click on the ***Delete*** button with portfolio 003 highlighted on the Portfolio Table, and confirm the deletion on the Portfolio Form.

- The portfolio is deleted from the Portfolio Table.
- The security and activity data files for the portfolio are removed.

Copy Portfolio

The ***Copy Portfolio*** item on the ***Portfolios*** pulldown menu brings up the the Copy Portfolio Form to copy the highlighted portfolio on the Portfolio Table to a new portfolio. The new portfolio must be given a new id. All the portfolio information and its associated local securities and activity are copied to the new portfolio. The fields in this form are:

- (Display) The **From Directory**, which is the current data directory.
- (Display) The **From Portfolio** shows the id and name of the portfolio to be copied.
- (Required) The **To Directory**, where the portfolio will be copied to. This is usually the same as the **From Directory**.
- (Display) The portfolio id for the **To Portfolio**. This is set to the next unused id.
- (Required) Enter the new portfolio name for the **To Portfolio**.

Buttons available on the form are:

- ***Ok*** - Execute the copy operation.
- ***Cancel*** - Dismiss the form.

Example: Copy a Portfolio

Example: Copy a Portfolio

You just executed several sales to raise cash for a major purchase. Prior to recording the sales, you want to make a backup in case you do something wrong. You decide to copy the portfolio:

- Use the ***Copy Portfolio*** item on the Portfolio Table's ***Portfolio*** menu to copy portfolio 001 to 002.
- Record the sales in portfolio 001.
- After verifying that the data was recorded correctly, use the ***Delete*** button on the Portfolio Table to delete backup portfolio 002.

Portfolio History Table

The ***Portfolio History*** item on the ***Portfolio*** pulldown menu (or on the ***Securities*** pulldown menu) brings up the Portfolio History Table, showing the saved value and return history for the highlighted portfolio. You can use ***Config/Date Range*** to restrict the date range displayed. The items on the table are:

- The **Date** for the saved cost and value.
- The total portfolio **Value** on the displayed date.
- The total portfolio **Return** and **Return Percentage** (corresponding to the Standard Return) on the displayed date. This is the same return as calculated on the Performance Report.

Buttons available on the toolbar are:

- ***Add*** - Add a portfolio history item.
- ***Change*** - Change the highlighted portfolio history item.
- ***Delete*** - Delete the highlighted portfolio history item.
- ***Delete Range*** - Delete the displayed range of portfolio history items
- ***Calculate*** - Calculate one or more portfolio history items for specific date(s).
- ***Print Report*** - Generate the Portfolio History Report for the displayed range of portfolio history items.
- ***Exit*** - Exit from the table.

Portfolio History Calculation

Portfolio History Calculation

Portfolio History is made up of a series of dates with two components

- **Value**: the value of currently active securities on the given date. This essentially is:

  shares = shares held on that date
  price = price on that date
  SUM(shares * price) for all securities

- **Return**: the realized and unrealized gain/loss for all securities on the given date. To see the details of this calculation, look at the Performance Return Calculation topic. The **Return Rate** calculated is the standard rate, not the internal rate of return.

If no money every leaves the portfolio, then the difference between the Value and Return is Cost. However, if any money leaves the portfolio (as is more common), it's not possible to accurately assign the portions of the cost of prior transactions to the amount removed. Thus, the difference between Value and Return is not Cost. Instead, the figures just show historical Value and Return figures.

Example: Portfolio History Calculation

Portfolio History Calculation Example

You have the following activity

Date	Type	Security	Shares	Price	Amount
1/01/95	BUY	CASH			5000.00
2/01/95	SELL	CASH			1000.00
2/01/95	BUY	ABC	100	10.00	1000.00
4/01/95	SELL	CASH			2000.00
4/01/95	BUY	XYZ	100	20.00	2000.00

On 12/31/95, ABC is selling for $11.00, and XYZ is selling for $30.00. CASH is a money market fund with a constant $1.00 price. Thus:

Value of ABC = 100 * 11.00 = 1100.00
Value of XYZ = 100 * 30.00 = 3000.00
Value of CASH = 2000 * 1.00 = 2000.00
Value = 6100.00

Return for ABC =
    Unrealized = 1100.00 - 1000.00 = 100.00
    Realized = 0.00
Return for XYZ =
    Unrealized = 3000.00 - 2000.00 = 1000.00
    Realized = 0.00
Return for CASH=
    Unrealized = 2000.00 - 2000.00 = 0.00
    Realized = 1000.00 - 1000.00 + 2000.00 - 2000.00 = 0.00
Return = 1100.00
Return Rate = 1100.00/(5000.00 + 1000.00 +- 2000.00 - 1000.00 - 2000.00) = 22%

Since no money has left the portfolio, the different between the Value and the Return is $5000.00, which is the Cost. Now, if you had sold all $2000.00 in the CASH account and used the proceeds to pay bills on 12/31/95, you would have:

Value of ABC = 100 * 11.00 = 1100.00
Value of XYZ = 100 * 30.00 = 3000.00
Value of CASH = 0 * 1.00 = 0.00
Value = 4100.00

Return for ABC =
    Unrealized = 1100.00 - 1000.00 = 100.00
    Realized = 0.00
Return for XYZ =
    Unrealized = 3000.00 - 2000.00 = 1000.00
    Realized = 0.00
Return for CASH=
    Unrealized = 0.00 - 0.00 = 0.00
    Realized = 1000.00 - 1000.00 + 2000.00 - 2000.00 + 2000.00 - 2000.00 = 0.00
Return = 1100.00
Return Rate = 1100.00/(5000.00 + 1000.00 + 2000.00 - 1000.00 - 2000.00) = 22%

As you can see, the Return is the same, but the Value is different. The difference between the Value and Return is no longer the Cost since money had left the portfolio. It's easy to imagine a case where Return actually exceeds Cost - a very large percentage of the portfolio is sold and the proceeds used elsewhere,

such as a down payment for a house.

Today's Portfolio History

The ***Today's Portfolio History*** item on the ***Portfolios*** pulldown menu automatically calculates and records the current value and return for one or all portfolios. If the All Portfolios option is checked, then the figures are calculated for all portfolios. Otherwise, only the highlighted portfolio's figures are calculated.

You can view the portfolio histories using the ***Portfolio History*** selection on the ***Portfolios*** pulldown menu.

Portfolio History Calculation

Local Securities

Global Securities, Local Securities, and Symbols

One of the more confusing aspects of Capital Gainz is the Global/Local Security concept. However, the reasoning behind this division becomes perfectly clear when you need to take advantage of it. First, let's define the two entities:

- **A Global Security defines a particular stock, bond, or mutual fund.** It has a price history and a security type. It is independent of all portfolios, and thus not directly related to any buy, sell, or distribution activity. A Global Security's symbol cannot be duplicated. Global securities are usually linked to local securities held in portfolios, but may exist independently for tracking prices.
- **A Local Security is an instance of a Global Security within a portfolio**, and has buy, sell, and distribution activity. The price history and security type are determined through a link to a Global Security. A Local Security's symbol is unique within a single portfolio, but may be duplicated across portfolios.

The distinction between the Local and Global parts of a security serves two purposes:

1) **You can track prices for a security without adding the security to any portfolio.**

   For instance, say you don't own any AT&T stock, but want to track its prices. To do this, you would define a Global Security for AT&T, then periodically update its price. You do not need to add it to any portfolio.

2) If a given security is held in multiple portfolios, or there are separate holdings of it within a single portfolio, then these Local Securities can all be linked to the same Global Security. Updating the price of the Global Security adjusts the value of all the Local Securities linked to it. A potential source of considerable **data duplication is eliminated** by keeping a single set of price data.

   For instance, a husband and wife both have IRAs with Invesco's Industrial Income mutual fund. There are two Local Securities, either within one portfolio or in separate portfolios, and both are linked to a single Global Security. When you update the price of the Global Security, the value of both Local Securities' holdings are updated.

For the most part, individual users can simply think of the Global and Local Securities as two parts of one security. Capital Gainz masks the actual division:

- If you **update prices from the Local Security Table**, the Global Security link is traced from each Local Security in the portfolio to do the update. Although it looks like you are updating the price of a Local Security, you are actually updating the related Global Security's price.
- If you **update prices from the Global Security Table**, all Global Securities' prices are updated. Given that each Local Security is linked to a Global Security, this indirectly updates the prices for all associated Local Securities.

Now let's turn to security symbols, and what they're used for:

- **The Global Security Symbol is an abbreviation for a Global Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.
- **The Local Security Symbol is an abbreviation for a Local Security.** It may be the symbol listed in the newspaper listings, the Exchange Symbol, or any short-hand desired.

- **The Exchange Symbol corresponds to the actual symbol, sometimes called the ticker symbol, used on an exchange to uniquely identify the security.** This symbol is only needed if you will be updating prices from files retrieved from online or Internet sources. Even mutual funds have Exchange Symbols. Symbols listed in newspaper tables may not be the actual Exchange Symbols. The Exchange Symbol is defined in the Global Security, and is often referred to as the Ticker Symbol.

How are the symbols related? In most cases:

Local Symbol = Global Symbol

But this does not have to be true. For instance, if a husband and wife have IRAs with Invesco's Industrial Income mutual fund, they can be kept in the same portfolio by defining different Local Security Symbols. Here, the Global Security Symbol may be ININD, and the Local Security Symbols in Portfolio 1 can be ININDH (Husband) and ININDW (Wife). Both Local Security Symbols are linked to the Global Security Symbol ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 1: Local Security
            ININDH <------------------------  ININD ----------------> ININDW
```

Alternatively, the two IRAs can be in separate portfolios. This allows the Local Security Symbols to be the same. Again, a single Global Security with Global Security Symbol ININD is defined. Portfolio 1 is for the husband, and contains his Local Security with Symbol ININD. Portfolio 2 is for the wife, and contains her Local Security with Symbol ININD. The Local Security Symbols are the same, but unique within each portfolio, and both are linked to the Global Security ININD:

```
Portfolio 1:Local Security          Global Security            Portfolio 2: Local Security
            ININD <------------------------  ININD ---------------------------------> ININD
```

The Exchange Symbol can be the same as the Global Security Symbol:

Global Security Symbol = Exchange Symbol

Therefore, the following can also be true:

Local Security Symbol = Global Security Symbol = Exchange Symbol

However, Exchange Symbols can be cryptic. For example, the Exchange Symbol for AT&T is T. Thus, users often prefer to use an abbreviation for the Global and Local Security Symbols. For AT&T, the Global and Local Security Symbols may be ATT, while the Exchange Symbol is T.

Summing up:

- **Each Global Security has any number of Local Securities, including none, linked to it.**
- **Each Local Security is linked to exactly one Global Security.**
- **Each Global Security is associated with a single Exchange Symbol.**

Global and Local Data Items

Global and Local Data Items

In Capital Gainz, certain items are referred to as 'global', and others as 'local'. Global items are independent of any portfolio, while local items are contained wholly within a single portfolio.

Let's look at the global items:

- **Global Securities** define stocks, bonds, and mutual funds.
- **Price History** defines date/price data for global securities.
- **Broker/Investment Companies** define name, address, and other information for brokers and mutual fund companies.
- **Security Types** define different types of securities, such as a small company mutual fund, within a predefined set of categories, such as stock mutual funds.
- **Portfolios** group together holdings for a particular person or entity.

A Global Security is defined as a specific Security Type, and is also associated with a specific Broker/Investment Company. Further, a Global Security has an associated Price History, containing price and distribution per share entries. The Price History is built when Portfolio activity is recorded, or when securities' prices are updated.

For instance, Invesco's Industrial Income Fund is a Global Security. The Broker/Investment Company is Invesco, a mutual fund company. The Security Type is a Stock Mutual Fund. The Industrial Income Fund has a Price History that includes dated prices and distributions per share.

Local items include:

- **Local Securities** that are held by individuals and grouped within that individual's Portfolio.
- **Buy Shares** records that are created when you record purchases of a Local Security.
- **Sell Shares** records that are created when you record sales of a Local Security.
- **Distribution** records that are created when you record distributions, such as dividends, of a Local Security.

Think of Global Securities as securities listed on an exchange, and thus having a Price History. Local Securities are created when you purchase shares of a Global Security.

From our previous example, say you record a purchase of 100 shares of Invesco's Industrial Income Fund in your portfolio, Portfolio 1. There are now Global and Local Securities for the Industrial Income Fund, a single Buy Shares entry, and a Price History entry that uses the date and price of your purchase. As time goes on, you'll record more purchases, creating more Buy Shares records; record sales, creating Sell Shares records; and record distributions, creating Distribution records. Data from these activities propagate to the Price History.

Now, say you purchase another mutual fund, American Century Ultra, again adding it to Portfolio 1. As before, there will be a Global and Local Security for the fund, and a Broker/Investment Company for American Century. Any purchase, sale, or distribution activity is associated with the Local Security.

Your spouse notices that Invesco's Industrial Income Fund is a safe, good performing mutual fund, and decides to open an IRA to invest in it. The Global Security is already defined, as is the Broker/Investment Company. However, this account must be kept separate from YOUR Invesco Industrial Income holdings. There are two ways to handle this. First, you can define another Local Security within Portfolio 1, linking it

to the same Industrial Income Global Security. The two Industrial Income Local Securities must have different symbols (abbreviations). Second, you can create a new Portfolio, Portfolio 2, and add the Industrial Income Local Security to it. As before, it is linked to the previously defined Industrial Income Global Security, but this time the two Local Securities can have the same symbol since they are in separate Portfolios.

At the end of the month, you decide to update the Price History of the securities. If you opted for separate Portfolios, it's best to update prices directly through the Global Security Table. With the newspaper stock listings in hand, you step through each security and record the date and price.

When you update the price of a security, it affects the value of any Buy Shares, resulting in increased or decreased unrealized gains. The amount you paid for the shares stays constant, but the amount you could sell them for is what determines their value. If you just had the three securities from our examples, you would update the prices of the Industrial Income and Ultra Global Securities. The values of the two Industrial Income Local Security holdings are updated by the price of the Industrial Income Global Security, and the value of your Ultra Local Security holdings are updated by the price of the Ultra Global Security.

Global Securities, Local Securities, and Symbols

Local Security Table

The Local Security Table, available from the ***Files*** pulldown menu, lists the following information for local securities in the current portfolio:

- If the local security has a comment defined and the User Setting to flag records with comments is set, an * is shown at the far left.
- The local security **Symbol.**
- The associated global security's **Name.**
- The number of current **Shares**.
- The **Current Value** of the buy shares.
- The **Current Gain/Loss** of the buy shares.
- The **Last Price** recorded for the security.
- The **Average Price** paid for the buy shares.
- The current **Yield**, based on the last distribution and last price.
- The total **Amount Paid** for the buy shares.
- The total purchase **Commission** or load for the buy shares.

You have to scroll the screen horizontally to view some of these fields. You can change the order that the fields are displayed in by using the ***Set Table Order*** function.

If the ***Hide Inactive*** checkbox at the top of the table (or in the User Settings) is checked, then securities with no shares are not shown.

If you set the option to subtract reinvestments in the User Settings, then the current gain/loss calculation subtracts reinvested distributions from cost, and **Subtract Reinvested** is displayed in the window caption.

Portfolio totals are displayed at the top of the table for the **Current Value**, **Amount Paid+Commission**, and **Current Gain/Loss**.

The table is listed in order by local security symbol, unless the option to sort by name is selected in the User Settings. You can use the ***A-Z*** keys to jump to the first local security whose symbol begins with that letter.

The ***Securities*** pulldown menu has operations specific to the Local Security Table:

- ***Add Security*** **-** Add a local security. (Also available from the toolbar.)
- ***Change Security*** **-** Change the highlighted local security. (Also available from the toolbar.)
- ***Delete Security*** **-** Delete the highlighted local security. (Also available from the toolbar.)
- ***Copy Security*** **-** Copy the highlighted local security to a new security.
- ***Convert Security*** **-** Record a conversion, merger, or spinoff involving the highlighted local security.
- ***Fixup Security*** **-** Resynchronize the highlighted local security's open share totals with actual totals from the Open Shares Table.

- ***Set Cash Account*** **-** Set the cash account for the portfolio to the highlighted local security.
- ***Clear Cash Account*** **-** Clearthe cash account for the portfolio.
- ***Convert to Cash Asset*** **-** Convert the highlighted local security to a **CASH** asset type.
- ***Portfolio History*** - Show a list of historical values for the portfolio.
- ***Next Portfolio -*** Open the portfolio with the next highest id and display its Local Security Table. You can also go to the portfolio table and open a specific portfolio, or use ***Alt-1*** through ***Alt-9*** to open portfolios 1-9.
- ***Set Table Order*** **-** Change the order of the fields displayed on the Local Security Table.
- ***Refresh Table -*** Rebuild the Local Security Table from the data files and redisplay it.
- ***Ticker Symbol List -*** Generate a text file containing the exchange symbols for all securities in the current portfolio, one symbol per line. This is useful when setting up a procedure to automate price downloads.

The ***Activity*** pulldown menu provides the following operations:

- ***Buy Shares*** **-** Record a purchase of the highlighted security. (Also available from the toolbar.)
- ***Sell Shares*** **-** Record a sale of the highlighted security. (Also available from the toolbar.)
- ***Record Distribution*** **-** Record a distributions for the highlighted security. (Also available from the toolbar.)
- ***Record Fee*** **-** Record a fee for the highlighted security.
- ***Cover Short Sale*** **-** Cover short sale for the highlighted security.
- ***Sell Shares Short*** **-** Record a short sale for the highlighted security.
- ***Transfer Shares*** -Transfer buy shares from the highlighted security.
- ***Activity Date Range*** -Set the date range for tables and reports.
- ***Buy Shares Table*** **-** Display the Buy Shares Table for the highlighted security.
- ***Sell Shares Table*** **-** Display the Sell Shares Table for the highlighted security.
- ***Distribution Table*** **-** Display the Distribution Table for the highlighted security.

Add, Change, Delete Local Security

The Local Security Form is brought up to add, change, or delete a local security on the Local Security Table. This form accepts:

- (Required) The **Local Symbol** for the security. This is a short-hand tag used in many other forms and screens. Often, it will be the same as the related global security symbol.
- (Required) The symbol of the global security that this local security is **Linked to**. If you enter an invalid global symbol or click on the ***List*** button, the Global Security Lookup Table pops up. When adding a Local Security, this field is automatically prefilled to the Local Symbol, since often the Local and Global Symbols are the same.
- (Required) The **Broker/Investment Company** you use to buy/sell shares. If you enter an invalid name or click on the ***List*** button, the Broker/Investment Company Lookup Table pops up.
- (Optional) Your brokerage **Account Number**, company dividend reinvestment plan number, mutual fund account number, or blank.
- (Required) The **Sell Method** you will use to dispose of shares of this security. You can pull down a list of valid selling methods to choose from. A different selling method can be specified when you actually record the sale, unless you use the **SCAT** (average cost) method. Even if you plan to use **SCAT**, it's a good idea to defer this selection until you actually record the first sale.
- (Required) If this security is held in an IRA, Keough, or pension plan, it is **Tax Exempt**.
- (Required) The **Price Precision** value specifies how many decimal places to use for prices for this local security. If this is changed to less precision, then existing activity records will be adjusted accordingly.
- (Required) The **Shares Precision** value specifies how many decimal places to use for number of shares for this local security. If this is changed to less precision, then existing activity records will be adjusted accordingly.
- (Optional) The **Front-End Load** is the load normally charged on purchases of this local security. It can be adjusted or ignored for each purchase.
- (Optional) The **Back-End Load** is the load normally charged on sales of this local security. It can be adjusted or ignored for each sale.
- (Optional) **Comment** lines that let you enter descriptive text.

Buttons available on the form are:

- ***Ok*** - Execute the add/change/delete operation.
- ***Global*** - Bring up the Global Security Form to change values in the associated global security. If you just want to change the global security this local security is linked to, set the **Linked to** field. This button is only available when changing securities.
- ***Cancel*** - Dismiss the form.

If you change the local security symbol, all of the security's buy shares, sell shares, and distribution records are also changed. If you delete a local security, all associated buy shares, sell shares, and distribution shares are also deleted.

Example: Add a Local Security

Example: Change a Local Security
Example: Delete a Local Security

Example: Add a Local Security

From the ***Files*** pulldown menu, select the ***Local Securities*** item to bring up the Local Securities Table. Click on the ***Add*** button, and complete the Local Security Form:

Local Symbol:	CPL
Linked to Global Symbol:	CPL
Broker/Inv Co:	Wachovia Bank & Trust
Account Number:	12345-67890
Sell Method:	FIFO
Tax Exempt:	Off

- The global security and broker/investment company were previously defined.
- The local security is added to the Local Security Table.

Example: Change a Local Security

From the ***Files*** pulldown menu, select the ***Local Securities*** item to bring up the Local Securities Table. Click on the ***Change*** button with CPL highlighted on the Local Security Table, and change the **Local Symbol** field on the Local Security Form to CP&L.

- The local security is changed in the Local Security Table.
- All buy shares, sell shares, and distribution records for this security are updated to use the new symbol.

Example: Delete a Local Security

From the ***Files*** pulldown menu, select the ***Local Securities*** item to bring up the Local Securities Table. Click on the ***Delete*** button with CP&L highlighted on the Local Security Table, and confirm the deletion on the Local Security Form.

- The local security is deleted from the Local Security Table.
- All buy shares, sell shares, and distribution records for this local security are deleted.

Copy Local Security

The ***Copy Security*** item on the ***Securities*** pulldown menu from the Local Security Table brings up the the Copy Local Security Form to copy the highlighted security on the Local Security Table to a new local security. The new local security can be in the same or a different portfolio. All the local security information and its associated activity are copied to the new security. The fields in this form are:

- (Display) The **From Portfolio** shows the portfolio containing the highlighted local security to be copied.
- (Display) The **From Local Security** shows the highlighted local security to be copied and the name of the associated global security.
- (Required) Enter the portfolio to copy the local security to for the **To Portfolio**. This can be the same as the **From Portfolio**. Click on the ***List*** button to popup a list of portfolios to choose from
- (Required) Enter the new local security symbol for the **To Local Security**. The new local security will be linked to the same global security, so the global security name is also displayed. If you are copying within one portfolio, the new symbol must be different than the old symbol. If you are copying across portfolios, then the new symbol must be unique within the destination portfolio.

Buttons available on the form are:

- ***Ok*** - Execute the copy operation.
- ***Cancel*** - Dismiss the form.

Example: Copy a Local Security

Example: Copy a Local Security

You are thinking about selling some shares of PFZ, and want to experiment with the different selling methods available in Capital Gainz. To avoid mistakenly confirming a sale, you decide to experiment on a backup of the security:

- Use the ***Copy Security*** item on the Local Security Table's ***Securities*** pulldown menu pulldown menu to copy PFZ to PFZBU.
- Use the ***Sell*** button on the Local Security Table's toolbar to bring up the Sell Shares Form for PFZBU, and try the different selling methods.
- When done, use the ***Delete*** button on the Local Security Table's toolbar to remove PFZBU.

Convert Local Security

The ***Convert Security*** item on the ***Securities*** pulldown menu for the Local Security Table brings up the the Convert Local Security Form to convert the highlighted security on the Local Security Table to another local security in the same portfolio. Conversions can be:

- **Conversions** - One security is converted into another security. Only use this operation when the security is significantly affected.
- **Mergers** - All of the basis of the highlighted security is merged into a different security.
- **Spinoffs** - Some of the highlighted security's basis is spun-off into one or more different securities.

The fields in this form are:

- (Display) The **From Local Security** shows the highlighted local security to convert from and the name of the associated global security.
- (Display) The **Current Open Amount** of the highlighted local security.
- (Required) The **Open Amount to Convert** from the highlighted local security.
- (Optional) The **Additional Amount** to add. to the open amount converted from the highlighted local security. For instance, if you convert 100 warrants and $500 into a new security, then the entire open amount would be converted plus an additional $500.
- (Required) The **Share Conversion Ratio**, specifying how to convert the number of shares from the highlighted security to the security being converted to. If you get 2 new shares for every existing share, it would be: From 1 To 2.
- (Required) The **To Local Security**, which is the local security being converted to. **This local security must already be defined.** If you enter an invalid local security symbol, the Local Security Lookup Table pops up.
- (Optional) Whether to **Alter Price History**, if only a portion of the basis is being converted. Otherwise, the global price history for the securities is unaffected.

Buttons on the form are:

- ***Ok*** - Execute the conversion.
- ***Cancel*** - Dismiss the form.

Converting securities can be a complex operation. **Be sure you have all of the paperwork from the broker or company available, know the basis being converted, and understand the various ratios that are used.** Then, work through the examples listed at the end of this topic. It is even a good idea to backup you Capital Gainz data first, so if you make a mistake you can restore it and try again. Above all, be sure that you REALLY should be executing a conversion:

- **If a mutual fund is being comverted,** this is almost always a sale, so you should execute a sale then a redistribution of the proceeds.
- **If only the security's name is being changed**, use the ***Change*** button on the Local/Global Security Tables instead.
- **If only the share price is being adjusted**, use the ***Price Split*** function instead.

- **If open shares are only being transferred to another account**, use the ***Transfer Shares*** function instead.

Conversions are non-taxable events with holding periods maintained. If the local security is being split into multiple different securities, execute the conversion routine once for each security being converted to, specifying the open amount to convert for each.

Convert Local Security Process
Example: Local Security Merger
Example: Local Security Spinoff
Example: Local Security Conversion

Local Security: Convert Process

After completing the Convert Local Security Form, the Convert Local Security Report, showing the buy shares records that would be created, is generated and displayed. You are asked if you want to confirm the conversion, and, if you answer Yes:

- The amounts of all buy shares records for the security being converted from are reduced by a proportion equal to the conversion amount divided by the total buy amount. The number of shares is not affected.
- Buy shares records for the security being converted to are created using the same dates as buy shares records from the security being converted from. The amounts removed from the buy shares records of the security being converted from, plus a proportional amount of any specified additional amount, are used to create the buy shares records of the security being converted to. The new number of shares is determined by the ratio entered, and the number of shares of the security being converted from is not adjusted.
- Any buy shares records from the security being converted from that are reduced to 0 amount are deleted.
- The local securities being converted from/to are updated to reflect the changed amounts.
- If you checked the option to adjust prices, the prices of the security being converted from are adjusted by subtracting an amount corresponding to the proportion of the amount converted. If no prices exist for the security being converted to, prices are added by multiplying the prices of the security being converted from by the proportion of the amount converted and also by the conversion ratio.
- You are asked if you want to record a price for the security being converted to.

Example: Local Security Merger

You bought 100 shares of Acme, Inc. (Symbol: ACME) for $300 on 1/01/92, and 100 more shares for $400 on 1/01/93. On 12/31/93, Amalgamated Corp. (Symbol: AMAL) bought ACME in a stock swap, exchanging 1 share of AMAL for every 2 shares of ACME. At the time of the purchase, AMAL was trading at $10.00. Your broker reports that you now have 100 shares of AMAL, valued at $1000.

- Define the AMAL local and global securities.
- Use the ***Convert Security*** item on the Local Security Table's ***Securities*** pulldown menu to convert all $700 of ACME to AMAL, using a conversion ratio of 2-to-1. When done, record a price of $10.00 for AMAL.
- You now show 0 shares of ACME, and 100 shares of AMAL valued at $1000. There are two AMAL purchases, preserving the original purchases' holding periods:

  50 shares on 1/01/92 for $300
  50 shares on 1/01/93 for $400

- The unrealized gain for AMAL is $300. No taxable event has occurred.

Example: Local Security Spinoff

On 1/01/94, Amalgamated Corp. (Symbol: AMAL) decides to spin-off their burgeoning Widget division into a new company, Widgets Intl. (Symbol: WIDI). All AMAL stock holders will receive 2 shares of WIDI, valued at $1.00 each, for each share of AMAL they own. This represents 20% of the value of AMAL, based on the current $10.00 per share value.

You have purchases for AMAL of 50 shares on 1/01/92 for $300 and 50 shares on 1/01/93 for $400.

- Define the WIDI local and global securities.
- Use the ***Convert Security*** item on the Local Security Table's ***Securities*** pulldown menu to convert 20%, or $140, of your basis in AMAL to WIDI, using a conversion ratio of 1 to-2. When done, record a price of $1.00 for WIDI.
- You still have 100 shares of AMAL, now valued at $800. You will need to update the price to $8.00, reflecting the basis conversion. In addition, you also have 200 shares of WIDI valued at $200. There are 2 WIDI purchases, preserving the original purchases' holding periods:

  100 shares on 1/01/92 for $60
  100 shares on 1/01/93 for $80

- The purchases for AMAL are now:

  50 shares on 1/01/92 for $240
  50 shares on 1/01/93 for $320

- The unrealized gain for AMAL is $240, and the unrealized gain for WIDI is $60. This is a total unrealized gain of $300 - the same as before the spin-off. No taxable event has occurred.

Example: Local Security Conversion

You bought 100 shares of U.S. Home stock for $662.50 and paid a $35 commission on 4/16/87. In 1993, a Chapter 11 filing and subsequent emergence from bankruptcy left you with 7 shares of U.S. Home New valued at $153 and 4 U.S. Home New Warrants valued at $37. Although the total value of your holding is now only $190, no loss has been realized for tax purposes yet.

Since the original cost was $662.50, you need to determine how much to allocate to each new security. The most accurate method is to use the value of each new security divided by the total value of the current holdings.

For U.S. Home New: 153/190 * 662.50 = $533.49
For U.S. Home Warrants: 37/190 * 662.50 = $129.01

- Define new local and global securities for U.S. Home New and U.S. Home New Warrants. The global securities must be different since these are distinct securities.
- Use the ***Convert Security*** item on the Local Security Table's ***Securities*** pulldown menu to convert $533.49 of the buy amount of U.S. Home to U.S. Home New. The share conversion ratio is 100-to-7. When done, record a price of $21.857 ($153/7) on 12/31/93 for U.S. Home New.
- Use the ***Convert Security*** item on the Local Security Table's ***Securities*** pulldown menu to convert the remaining $129.01 of the buy amount of U.S. Home to U.S. Home New Warrants. The share conversion ratio is 100-to-4. When done, record a price of $9.25 ($37/4) on 12/31/93 for U.S. Home New Warrants.
- When finished, you have 0 shares of U.S. Home, and:

  7 shares of U.S. Home New for $533.49 with $28.18 commission

  4 shares of U.S. Home New Warrants for $129.01 with $6.82 commission
- The 4/16/87 purchase of U.S. Home was removed when the amount was reduced to 0. The new securities' buy shares records retain the original date of 4/16/87. The commission was divided proportionally.
- The combined unrealized loss and holding period are the same as if there were no conversion and the value of U.S. Home simply dropped to $190. No taxable event has occurred.

Combine Local Security

The ***Combine Security*** item on the ***Securities*** pulldown menu for the Local Security Table brings up the the Combine Local Security Form to combine the highlighted security on the Local Security Table to another local security in the same portfolio. This is used to combine activity records of the same security into a single local security. **This function should not be used for mergers - use Convert Local Security instead.** Combine Security is similar to Transfer Shares, but Transfer Shares transfers only buy shares - not sold shares or distributions.

The fields in this form are:

- (Display) The **From Local Security** shows the highlighted local security to combine from and the name of the associated global security.
- (Required) The **To Local Security**, which is the local security being combined to. **This local security must already be defined, and the From and To local securities must be linked to the same global security.** If you enter an invalid local security symbol, the Local Security Lookup Table pops up.
- (Optional) Whether to **Delete Original When Done**. Since one security is being combined into another security, you will probably want to remove the security being combined from.

Buttons on the form are:

- ***Ok*** - Execute the combine operation.
- ***Cancel*** - Dismiss the form.

Combining securities is a simple, straight-forward process:

- Select the security to be combined from.
- Select the security to be combined to.
- Capital Gainz will add all buy, sell, and distribution activity from the first security to the second security.

To combine local securities across portfolios, first copy the From security to the portfolio that holds the To portfolio. If the local security symbols are the same, specify a different local security symbol to copy to. To combine local securities which have different global securities (if you have multiple global securities for the same actual security), first change the local securities so they are linked to the same global security.

Example: Combine Local Security

Local Security: Combine Example

Portfolio 1, for Broker ABC, contains the following activity for stock XYZ:

Date	Activity	Shares	Price	Amount
1/01/99	Buy	100	100	10000.00
4/01/99	Distr			2.50

Portfolio 2, for Broker DEF, contains the following activity for stock XYZ:

Date	Activity	Shares	Price	Amount
2/01/99	Buy	100	110	11000.00
4/01/99	Distr			2.50
5/01/99	Buy	100	120	12000.00

You moved all of your holdings to Broker DEF, so you want to move all of your activity records from Portfolio 1 to Portfolio 2:

- In Portfolio 1, use Security, Copy Security to copy all local securities from Portfolio 1 to Portfolio 2. If there are any local security name conflicts, specify a different local security as the destination. XYZ exists in both portfolios, so copy XYZ from Portfolio 1 to XYZ1 in Portfolio 2.
- Delete Portfolio 1.
- Open Portfolio 2.
- Highlight XYZ1, and select **Securities, Combine Security**. Specify XYZ as the security to be combined to, and check the option to Delete Original When Done.
- Click on the Ok button. Security XYZ1's activity is added to security XYZ, and then XYZ1 is removed.

Now, in Portfolio 2, stock XYZ shows the following activity:

Date	Activity	Shares	Price	Amount
2/01/99	Buy	100	100	10000.00
2/01/99	Buy	100	110	11000.00
4/01/99	Distr			2.50
4/01/99	Distr			2.50
5/01/99	Buy	100	120	12000.00

Fixup Local Security

The ***Fixup Security*** item on the ***Securities*** pulldown menu for the Local Security Table brings up the the Local Security Fixup Form to modify the internal values for the highlighted local security. If Capital Gainz terminates abnormally while you are adding, changing, or deleting records, the share and amount information stored in the security may become out-of-sync with the actual values in the Buy Shares Table . The Consistency Check feature will find such discrepancies.

If this happens, you can change the information in the security using the Local Security Fixup Form, or let the Consistency Check procedure fix it automatically. If individual activity table records were affected by the termination, they must be fixed manually prior to running fixup on the local security.

The fields in this form are:

- (Display) The **Symbol** of the highlighted local security to fix, and the name of the associated global security.
- (Required) The current total number of **Buy Shares** for this security.
- (Required) The current total **Buy Amount** paid for the buy shares. If you are not using the average selling method, this is the sum of the purchase amounts of outstanding shares. If you are using an average selling method, this value must be calculated using all purchases and sales over the life of the security.
- (Required) The current total **Buy Commission** or load paid for the buy shares.
- (Required) The current total number of outstanding **Short Shares** for this security.
- (Required) The current total **Short Amount** received for the outstanding short shares.
- (Required) The current total **Short Commission** or load paid for the outstanding short shares.

Buttons on the form are:

- ***Ok*** - Save entered fixup data.
- ***Calc Totals*** - Let Capital Gainz calculate the totals by tracing the activity history. **This option should be used in nearly all cases, rather than manually setting the values.**
- ***Cancel*** - Dismiss the form.

Example: Fixup a Local Security

Example: Fixup a Local Security

A power surge rebooted your computer while Capital Gainz was recording a purchase. After the computer is back up, you run the Data Consistency Check procedure, and it indicates:

POR:001:LSC:VISTA:[LSC06]Buy share totals inconsistent.
POR:001:LSC:VISTA:[LSC08]Buy amount totals inconsistent.

Upon further investigation, you see that the buy shares record was written, but it is not reflected in the local security. To fix this:

- Highlight **VISTA** in the Local Security Table.
- Select the ***Fixup Security*** item from the ***Security*** pulldown menu.
- At the Local Security Fixup Form, click on the ***Calc Totals*** button to set the displayed values to match the buy shares table.
- Click on the ***Ok*** button to save the local security changes.

This is a simple example, and power failures or hard disk failures can result in damage that also requires reentry or modification of activity entries.

Set Cash Account

The ***Set Cash Account*** item on the ***Securities*** pulldown menu from the Local Security Table lets you assign the cash account for the open portfolio. This account will automatically be subtracted from on purchases, and added to on sales and distributions. Buttons on the Set Cash Account Form are:

- ***Set -*** Set the cash account for the portfolio to the highlighted security on the Local Security Table.
- ***Clear -*** Clear the cash account setting, so there is no cash account for this portfolio.
- ***Cancel -*** Don't change the current cash account for the portfolio.

The security selected for the cash account must be linked to a global security with a **CASH** asset type.

Clear Cash Account

The ***Clear Cash Account*** item on the ***Securities*** pulldown menu from the Local Security Table lets you clear the cash account for the open portfolio. This means that there will be no cash account set for the portfolio.

Convert Security to Cash Asset

The ***Convert Security to Cash Asset*** selection on the ***Securities*** pulldown menu on the Global or Local Security Table converts the highlighted security from a SECURITY asset type to a CASH asset type. If you have been using a security for a portfolio's Cash Account (prior to the introduction of the CASH asset type), you need to first convert it to a CASH asset type before you can reset the Cash Account to point to it. Also, any money market accounts that currently are SECURITY assets can be converted to CASH asset types.

CASH asset types require a fixed $1 price. The conversion process will:

- Break up any sell shares records into separate buy shares and sell shares records. CASH assets don't include purchase information in their sell shares records.
- Convert the purchase price of any buy shares to $1 and set shares = amount if necessary.This should be true for existing records.
- Convert the sell price of any sell shares records to $1 and set shares = amount if necessary This should be true for existing records.
- Remove any commissions in buy shares and sell shares records This should be true for existing records.
- Combine buy shares records with the same date into a single purchase Thus, buy shares broken up by sales are recombined.
- Combine sell shares records with the same date into a single sale Thus, multiple sell shares created by sales are combined.

This process can not be reversed.

Example: Convert Security to Cash Asset

Example: Convert Security to Cash Asset

You've been using Capital Gainz for several years, and the latest release added the new CASH asset type feature. You definitely want to take advantage of this. In fact, since you use Fidelity Cash Reserves for your portfolio's Cash Account, you need to convert it in order to continue using it for the Cash Account.

Assume the following activity in your Fidelity Cash Reserves account:

1/1/98 Buy 1000 shares at $1
1/31/98 Dividend of $3
1/31/98 Buy $3 at $1 (reinvestment)
2/1/98 Buy 1000 shares at $1
2/28/98 Dividend of $3
2/28/98 Buy $3 at $1 (reinvestment)
3/1/98 Buy 1000 shares at $1
3/31/98 Dividend of $3
3/31/98 Buy $3 at $1 (reinvestment)
4/1/98 Buy 2000 shares at $1
4/15/98 Sell 1500 shares at $1 (to buy a stockl)
4/22/98 Sell 2000 shares at $1 (to buy a stock)

The current Buy Shares records are:

Date	Shares	Price	Amount
4/1/98	1509	1	1509

The current Sell Shares records are:

Date	Shares	Price	Amount	Buy-Date	Buy-Price	Buy-Amt
4/15/98	1000	1	1000	1/1/98	1	1000
4/15/98	3	1	3	1/31/98	1	3
4/15/98	497	1	497	2/1/98	1	497
4/22/98	503	1	503	2/1/98	1	503
4/22/98	3	1	3	2/28/98	1	3
4/22/98	1000	1	1000	3/1/98	1	1000
4/22/98	3	1	3	3/31/98	1	3
4/22/98	491	1	491	4/1/98	1	491

The current Distribution Shares records are:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

You then use the ***Convert to Cash Asset*** function on this security.

The Buy Shares records are now:

Date	Amount
1/1/98	1000
1/31/98	3
2/1/98	1000
2/28/98	3
3/1/98	1000

3/31/98	3
4/1/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. Notice that buy shares records that had been split up by sales have been recombined.

The Sell Shares records are now:

Date	Amount
4/15/98	1000
4/22/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. There is no purchase information stored with sales of CASH assets. Notice that sell shares records that had been split up by sales have been recombined.

The Distribution Shares records are unchanged:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

Set Local Security Table Order

From the ***Set Table Order*** item on the ***Securities*** pulldown menu, you can change the order that fields are displayed on the Local Security Table. Since this table requires horizontal scrolling, this allows you to put those fields you consider most important first. The fields are numbered in the order they will appear in the table:

Field #1, Field #2, Field #3, Field #4, ...

For each field position, you specify which data item will be displayed in that position. You specify the data item by selecting it from the pulldown list associated with each field. Data items are:

- ***Symbol*** - The local security symbol is always displayed in the first position.
- ***Name*** - The global security name.
- ***Shares*** - The current number of open shares.
- ***Value*** - The current value of the open shares.
- ***Gain/Loss*** - The current gain/loss for the open shares.
- ***Cur Price*** - The current price for the security.
- ***Avg Price*** - The average price paid for the open shares.
- ***Yield*** - The current yield.
- ***Amount*** - The amount paid for the open shares.
- ***Comm*** - The commission or load paid for the open shares.

If you leave a field blank, then that field position will not be displayed. The default field mapping is:

Field #1:	Symbol
Field #2:	Name
Field #3:	Shares
Field #4:	Value
Field #5:	Gain/Loss
Field #6:	Cur Price
Field #7:	Avg Price
Field #8:	Yield
Field #9:	Amount
Field #10:	Comm

Once you specify a table order, it remains in effect until you explicitly change it. The following buttons are available from this form:

- ***Ok*** - Save the displayed table order.
- ***Init Def*** - Set the table order to the default format.
- ***Exit*** - Dismiss the form.

Example: Set Local Security Table Order

Example: Set Local Security Table Order

You want to see more numerical data on the Local Security Table, showing the unrealized gain/loss first. Since you know the security from the symbol, the name isn't important so you decide to remove this value from the list.

Select ***Securities,*** then ***Set Table Order***. Set the fields as follows:

- Field #1: SYMBOL
- Field #2: GAIN_LOSS
- Field #3: SHARES
- Field #4: VALUE
- Field #5: CUR_PRICE
- Field #6: AVG_PRICE
- Field #7: YIELD
- Field #8: AMOUNT
- Field #9: COMM
- Field #10: blank

Click on the ***Ok*** button to save this format - it will be remembered for future sessions as well. The Local Security Table will be immediately rebuilt and redisplayed according to the format you specified.

Purchase Shares

Purchases, Sales, and Distributions

Once you've set up your Local Securities, Global Securities, Broker/Investment Companies, and Portfolios, you are ready to start recording activity. **Purchases, sales, and distributions are recorded for a specific portfolio from the Local Security Table**:

- **Purchases** are recorded via the ***Buy Shares*** item on the ***Activity*** pulldown menu, or the ***Buy*** button on the toolbar.
- **Sales** are recorded via the ***Sell Shares*** item on the ***Activity*** pulldown menu, or the ***Sell*** button on the toolbar.
- **Distributions** are recorded via the ***Record Distribution*** item on the ***Activity*** pulldown menu, or the ***Distr*** button on the toolbar.
- **Fees** are recorded via the ***Record Fee*** item on the ***Activity*** pulldown menu, and are essentially the same as distributions.
- **Short sales are recorded** via the ***Sell Shares Short*** item on the ***Activity*** pulldown menu, and are essentially the same as sales.
- **Short sales are covered** via the ***Cover Short Sale*** item on the ***Activity*** pulldown menu, and are essentially the same as purchases.

When you record purchases, buy shares records are added to the Buy Shares Table, and the associated prices are added to the Global Security's Price History. **When you record sales, buy shares records are converted from the Buy Shares Table into sell shares records on the Sell Shares Table**, and the associated prices are added to the Global Security's Price History. When you record distributions, distribution records are added to the Distribution Table, and the per share values are added to the Global Security's Price History. If you used the ***Set Cash Account*** function on the ***Securities*** pulldown menu to assign a cash account for the portfolio, that account is increased on sales and distributions and decreased on purchases.

Related activities are linked at entry time:

- After recording a distribution, you can choose to **reinvest** the amount via a purchase.
- After recording a sale, you can **redistribute** the proceeds via a purchase.
- After recording a fee, you can record a sale to **cover the fee**.

To enhance the accuracy of entered data, you should record activity directly from statements provided by brokers and mutual fund companies. Items that have given users problems include:

- **Distribution Per Share**: Mutual funds distribute a fixed dividend amount per share just like stocks and bonds. Many funds report the per share amount on the statement immediately following the distribution, but a number of mutual fund companies only report the total distribution amount, not the per share amount. Just let Capital Gainz calculate the per share amount in these cases, as it should be very close to the actual per share amount. **Do not use the purchase price of reinvestments as the distribution per share.**
- **Reinvestments**: When a mutual fund reinvests distributions, be sure to record the distribution and subsequent purchase in Capital Gainz.
- **Fees**: Mutual fund companies often charge a small annual maintenance fee for IRA accounts. You can choose to pay this by separate check, or let the company sell enough shares to cover it. If shares are sold, the number sold will be noted on a statement.

Record a FEE of this amount, then record the sale used to cover this amount.

- **Precision:** You can define the precision of values maintained for individual securities, using fields in the Local Security. Check your statements to see how many decimal places are used for your mutual fund or dividend reinvestment plan shares.

If you make a mistake in entering data into Capital Gainz, it is **very easy to change or delete records through the associated tables.** The Buy Shares Table, Sell Shares Table, and Distributions Table are available via items on the Activity pulldown menu. For instance, if you inadvertently entered a purchase twice, use the Buy Shares Table to delete one of the records. **A special feature in Capital Gainz lets you easily reverse sales.** After deleting an entry in the Sell Shares Table, you are asked if you want to unsell the shares. If you answer Yes, the sell shares entry is removed and the original buy shares entry is recreated. If a sale affected several buy shares entries, set the system date range to the date of the sale, bring up the Sell Shares Table, and use the Delete Range function to delete and unsell all the sell shares entries for the sale.

For speed, current outstanding share, amount, and commission totals are maintained within each local security record. These should match the totals displayed in the Sell Shares Table. Computer, disk drive, or program problems can sometimes corrupt data files, causing the totals maintained in the security to become out-of-sync with the totals in the Buy Shares Table. To fix this, use the Fixup function on the Local Security Table, or let the Data Consistency Check automatically resynchronize the values.

To check your entries, you can also generate Activity Detail Reports, listing individual purchases, sales, and distributions. Or, **the Activity History Report lists all purchases, sales, and distributions for each security in chronological order**, for the specified range of dates. A Report Setting will even result in subtotals after every listed transaction.

Record, Change, Delete Purchase

The Buy Shares Form is used to record, change, or delete a purchase. You can bring up this form from:

The ***Buy*** button on the Local Security Table's toolbar.
The ***Buy Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Buy Share Table's toolbar.
The ***Buy*** button on the Sell Shares Form or Record Distribution Form.
The Sell Shares Form, if you redistribute the sale proceeds.
The Record Distribution Form, if you reinvest the distribution.

The fields in this form are:

- (Required) The **Local Symbol** of the security to purchase, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last purchase date are also displayed.
- (Required) The **Date** of the purchase. You can enter a different date over the displayed date.
- (Required/Calculated) The number of **Shares** bought. If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The purchase **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries. If you are tracking a retirement plan, such as a company 401k plan, you may not have prices available. Use the ***Price From Value*** function for these investments.
- (Required/Calculated) The **Amount** of the purchase, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. A negative commission should be recorded for discounts or brokerage commissions absorbed by the investment company, as is the case with some dividend reinvestment plans. You can use the ***Load*** button to bring up a load/commission/discount calculator.
- (Optional) **Notes** about the purchase, so you can enter information such as **DIV REINVEST** or **IRA ROLLOVER**.
- (Required) The **Original Amount** of the purchase, which is the amount of the purchase without any principal adjustments. This field is only valid when changing an open shares record. When recording a purchase, it is always set to the same value as the **Amount**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the purchase.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load, commission, or discount.
- ***Sell*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Distr*** - Go to the Record Distribution Form to record a distribution. This button is only

available when called from the Local Security Table.

- ***Cancel*** - Dismiss the form.

You must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record purchases, the Buy Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple purchases.

For each purchase recorded, a price history entry is added to the Price History Table based on the entered price and date. If you change a buy shares record, the original price history entry is deleted and a new one is added. If you delete a buy shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Example: Buy Shares Using Cost Basis
Example: Buy Shares Using Average Cost
Example: Add a Buy Shares Record
Example: Change a Buy Shares Record
Example: Delete a Buy Shares Record

Example: Buy Shares Using Cost Basis

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

The current date is 1/15/91 and the current price is $5.292 ($5.40 price with 2% load).

If the local security does not use the average selling method, then the three buy shares records have the following current gains:

(buy_shares * current_price) - buy_amount - buy_commission

(10.0000 * 5.292) - 49.00 - 1.00	=	2.92	5.84%
(9.0909 * 5.292) - 49.00 - 1.00	=	-1.89	-3.78%
(10.5263 * 5.292) - 49.00 - 1.00	=	5.71	11.42%
(29.6172 * 5.292) - 147.00 - 3.00	=	6.73	4.49% Total

Example: Buy Shares Using Average Cost

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	5.0000	50.00	0.00
2/01/90	9.0909	5.5000	50.00	0.00
3/01/90	10.5263	4.7550	50.00	0.00

Since you will be using the average cost method, you included the load - $1.00 for each purchase here - as part of the Amount. You could break it out separately, but then it would be applied as is, without averaging it in.

The current date is 1/15/91 and the current price is $5.292 ($5.40 price with 2% load).

With the average selling method (SCAT), the local security contains these values:

Total Buy Shares: 29.6172
Total Buy Amount: 150.00
Total Buy Commission: 0.00

The basis price is:

basis_amount/buy_shares = 150.00/29.6172 = 5.0646

The buy shares records are therefore treated as:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	5.0646	50.65	0.00
2/01/90	9.0909	5.0646	46.04	0.00
3/01/90	10.5263	5.0646	53.31	0.00

As you can see, the purchase amounts still add up to $150.00, but the individual prices and amounts have been changed to reflect the average purchase price.

The three buy shares records have the following current gains:

(buy_shares * current_price) - basis_amount - buy_commission

(10.0000 * 5.292) - 50.65 - 0.00 = 2.27 +4.48%
(9.0909 * 5.292) - 46.04 - 0.00 = 2.07 +4.50%
(10.5263 * 5.292) - 53.31 - 0.00 = 2.40 +4.50%
(29.6172 * 5.292) - 150.00 - 0.00 = 6.73 +4.49% Total

Cover Short Sale

The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu pops up the Buy Shares Form for you to fill in with information to cover any outstanding short sales. You must use the ***Cover Short Sale*** item to cover short sales - if you just record a regular purchase, no short sales will be covered.

When covering a short sale:

- If there are any outstanding short sales for the security, they are covered first-in/first-out. Thus, you can cover part of one short sale, exactly one short sale, or more than one short sale.
- If you specify to buy more shares than are currently short, the excess will be recorded as a regular purchase.

Sell Shares Short
Example: Sell Shares Short

Example: Sell Shares Short

Assume you execute the following short sales:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	100.00	25.00	2500.00	50.00			
2/15/91	200.00	23.00	4600.00	75.00			

On 3/15/91, you have 300 shares sold short. You use the ***Cover Short Sale*** pulldown menu item to record a 200 share purchase:

Date	Shares	Price	Amount	Comm
3/15/91	200.00	21.00	4200.00	75.00

The first 100 share short sale is covered, and half of the 200 share short sale is covered. The sell shares records are:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	100.00	25.00	2500.00	50.00	3/15/91	2100.00	37.50
2/15/91	100.00	23.00	2300.00	37.50	3/15/91	2100.00	37.50
2/15/91	100.00	23.00	2300.00	37.50			

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

gain_loss = 2500.00 - 2100.00 - 50.00 - 37.50 = 312.50 +14.62%
gain_loss = 2300.00 - 2100.00 - 37.50 - 37.50 = 125.00 +5.85%
gain_loss = 2300.00 - 2100.00 - 37.50 - 0.00 = 162.50 +7.74%
gain_loss = 7100.00 - 6300.00 - 125.00 - 75.00 = 600.00 +9.41% Total

The displayed gain for the last record is based on the current price of $21.

Buy Shares Table

The Buy Shares Table, available from the ***Activity*** pulldown menu on the Local Security Table, shows all current buy shares records for the security highlighted on the Local Security Table. You can use the ***Activity Date Range*** pulldown menu item to restrict the date range displayed. The Buy Shares Table shows:

- The **Local Security** symbol and the name in the window caption.
- The **Last Price** recorded for the security at the top of the table.

For each purchase still open, it shows:

- The purchase **Date**.
- The number of **Shares** purchased and still open.
- The **Price**, or basis price, which is the same as the purchase price if the average method is not being used.
- The **Amount**, or basis amount, which is the same as the purchase amount if the average method is not being used.
- The purchase **Commission** or load.
- The current unrealized **Gain/Loss** on the shares.

These values are totaled for the date range at the end of the table. Also, the average purchase price is shown.

Buttons available on the toolbar are:

- ***Add*** - Record a purchase.
- ***Change*** - Change the highlighted record.
- ***Delete*** - Delete the highlighted record.
- ***Delete Range*** - Delete the displayed range of records.
- ***Combine*** - Combines records with the same date and price, for securities that have been fragmented by activity and changes. Given the CASH asset type, this function is not used much.
- ***Print Report*** - Generate the Buy Shares Detail Report for the displayed range of records.
- ***Exit*** - Exit from the table.

Record, Change, Delete Purchase

The Buy Shares Form is used to record, change, or delete a purchase. You can bring up this form from:

The ***Buy*** button on the Local Security Table's toolbar.
The ***Buy Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Buy Share Table's toolbar.
The ***Buy*** button on the Sell Shares Form or Record Distribution Form.
The Sell Shares Form, if you redistribute the sale proceeds.
The Record Distribution Form, if you reinvest the distribution.

The fields in this form are:

- (Required) The **Local Symbol** of the security to purchase, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last purchase date are also displayed.
- (Required) The **Date** of the purchase. You can enter a different date over the displayed date.
- (Required/Calculated) The number of **Shares** bought. If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The purchase **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries. If you are tracking a retirement plan, such as a company 401k plan, you may not have prices available. Use the ***Price From Value*** function for these investments.
- (Required/Calculated) The **Amount** of the purchase, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. A negative commission should be recorded for discounts or brokerage commissions absorbed by the investment company, as is the case with some dividend reinvestment plans. You can use the ***Load*** button to bring up a load/commission/discount calculator.
- (Optional) **Notes** about the purchase, so you can enter information such as **DIV REINVEST** or **IRA ROLLOVER**.
- (Required) The **Original Amount** of the purchase, which is the amount of the purchase without any principal adjustments. This field is only valid when changing an open shares record. When recording a purchase, it is always set to the same value as the **Amount**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the purchase.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load, commission, or discount.
- ***Sell*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Distr*** - Go to the Record Distribution Form to record a distribution. This button is only

available when called from the Local Security Table.

- ***Cancel*** - Dismiss the form.

You must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record purchases, the Buy Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple purchases.

For each purchase recorded, a price history entry is added to the Price History Table based on the entered price and date. If you change a buy shares record, the original price history entry is deleted and a new one is added. If you delete a buy shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Example: Buy Shares Using Cost Basis
Example: Buy Shares Using Average Cost
Example: Add a Buy Shares Record
Example: Change a Buy Shares Record
Example: Delete a Buy Shares Record

Example: Add a Buy Shares Record

From the Local Security Table, highlight the security and select the ***Buy Shares Table*** item on the ***Activity*** pulldown menu. Click on the ***Add*** button on the table's toolbar. Record the following purchases for a local security:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

- Three records are added to the Buy Shares Table.
- Three records are added to the price history.
- The local security has total shares set to 29.6172, total amount set to $147.00, and total commission set to $3.00.

Example: Change a Buy Shares Record

Assume you've recorded the following purchases for a local security:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

From the Local Security Table, highlight the security and select the ***Buy Shares Table*** item on the ***Activity*** pulldown menu. Click on the ***Change*** button with second entry highlighted on the table, and change the date, price, amount, and commission on the Buy Shares Form:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
1/31/90	9.0909	5.5000	50.00	0.00
3/01/90	10.5263	4.6550	49.00	1.00

- The record is changed in the Buy Shares Table.
- The old price history entry is deleted, and a new one is added.
- The local security is changed, with total shares set to 29.6172, total amount set to $148.00, and total commission set to $2.00.

Example: Delete a Buy Shares Record

Assume you've recorded the following purchases for a local security:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

From the Local Security Table, highlight the security and select the ***Buy Shares Table*** item on the ***Activity*** pulldown menu. Click on the ***Delete*** button with the second record highlighted on the table, and confirm the deletion on the Buy Shares Form.

- The record is deleted from the Buy Shares Table.
- The price history entry is deleted.
- The local security is changed, with total shares set to 20.5263, total amount set to $98.00, and total commission set to $2.00.

Sell Shares

Purchases, Sales, and Distributions

Once you've set up your Local Securities, Global Securities, Broker/Investment Companies, and Portfolios, you are ready to start recording activity. **Purchases, sales, and distributions are recorded for a specific portfolio from the Local Security Table**:

- **Purchases** are recorded via the ***Buy Shares*** item on the ***Activity*** pulldown menu, or the ***Buy*** button on the toolbar.
- **Sales** are recorded via the ***Sell Shares*** item on the ***Activity*** pulldown menu, or the ***Sell*** button on the toolbar.
- **Distributions** are recorded via the ***Record Distribution*** item on the ***Activity*** pulldown menu, or the ***Distr*** button on the toolbar.
- **Fees** are recorded via the ***Record Fee*** item on the ***Activity*** pulldown menu, and are essentially the same as distributions.
- **Short sales are recorded** via the ***Sell Shares Short*** item on the ***Activity*** pulldown menu, and are essentially the same as sales.
- **Short sales are covered** via the ***Cover Short Sale*** item on the ***Activity*** pulldown menu, and are essentially the same as purchases.

When you record purchases, buy shares records are added to the Buy Shares Table, and the associated prices are added to the Global Security's Price History. **When you record sales, buy shares records are converted from the Buy Shares Table into sell shares records on the Sell Shares Table**, and the associated prices are added to the Global Security's Price History. When you record distributions, distribution records are added to the Distribution Table, and the per share values are added to the Global Security's Price History. If you used the ***Set Cash Account*** function on the ***Securities*** pulldown menu to assign a cash account for the portfolio, that account is increased on sales and distributions and decreased on purchases.

Related activities are linked at entry time:

- After recording a distribution, you can choose to **reinvest** the amount via a purchase.
- After recording a sale, you can **redistribute** the proceeds via a purchase.
- After recording a fee, you can record a sale to **cover the fee**.

To enhance the accuracy of entered data, you should record activity directly from statements provided by brokers and mutual fund companies. Items that have given users problems include:

- **Distribution Per Share**: Mutual funds distribute a fixed dividend amount per share just like stocks and bonds. Many funds report the per share amount on the statement immediately following the distribution, but a number of mutual fund companies only report the total distribution amount, not the per share amount. Just let Capital Gainz calculate the per share amount in these cases, as it should be very close to the actual per share amount. **Do not use the purchase price of reinvestments as the distribution per share.**
- **Reinvestments**: When a mutual fund reinvests distributions, be sure to record the distribution and subsequent purchase in Capital Gainz.
- **Fees**: Mutual fund companies often charge a small annual maintenance fee for IRA accounts. You can choose to pay this by separate check, or let the company sell enough shares to cover it. If shares are sold, the number sold will be noted on a statement.

Record a FEE of this amount, then record the sale used to cover this amount.

- **Precision:** You can define the precision of values maintained for individual securities, using fields in the Local Security. Check your statements to see how many decimal places are used for your mutual fund or dividend reinvestment plan shares.

If you make a mistake in entering data into Capital Gainz, it is **very easy to change or delete records through the associated tables.** The Buy Shares Table, Sell Shares Table, and Distributions Table are available via items on the Activity pulldown menu. For instance, if you inadvertently entered a purchase twice, use the Buy Shares Table to delete one of the records. **A special feature in Capital Gainz lets you easily reverse sales.** After deleting an entry in the Sell Shares Table, you are asked if you want to unsell the shares. If you answer Yes, the sell shares entry is removed and the original buy shares entry is recreated. If a sale affected several buy shares entries, set the system date range to the date of the sale, bring up the Sell Shares Table, and use the Delete Range function to delete and unsell all the sell shares entries for the sale.

For speed, current outstanding share, amount, and commission totals are maintained within each local security record. These should match the totals displayed in the Sell Shares Table. Computer, disk drive, or program problems can sometimes corrupt data files, causing the totals maintained in the security to become out-of-sync with the totals in the Buy Shares Table. To fix this, use the Fixup function on the Local Security Table, or let the Data Consistency Check automatically resynchronize the values.

To check your entries, you can also generate Activity Detail Reports, listing individual purchases, sales, and distributions. Or, **the Activity History Report lists all purchases, sales, and distributions for each security in chronological order**, for the specified range of dates. A Report Setting will even result in subtotals after every listed transaction.

Record, Change, Delete Sale

The Sell Shares Form is used to record, change, or delete a sale. You can bring up this form from:

The ***Sell*** button on the Local Security Table's toolbar.
The ***Sell Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Sell Shares Short*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Sell Share Table's toolbar.
The ***Sell*** button on the Buy Shares Form or Record Distribution Form.
The Record Distribution Form, if you sell shares to cover a fee.

The fields in this form are:

- (Display) The **Local Symbol** of the security to sell, set to the security highlighted on the Local Security Table.The security's name, number of open shares, and last sell date are also displayed.
- (Required) The **Date** of the sale. You can enter a different date over the displayed date.
- (Required) The **Sell Method** to use. You can pulldown a list of sell methods to choose from The value in the local security is displayed, but can be changed unless an average cost method is being used.
- (Required/Calculated) The number of **Shares** to sell. If you used the Specific Identity method, this figure uses the open shares selected to sell in the Pick Shares to Sell Table . If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The selling **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries
- (Required/Calculated) The **Amount** of the sale, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. You can use the ***Load Calc*** button to bring up a load/commission/discount calculator. This field is only available for SECURITY asset types.
- (Optional) **Notes** about the sale, so you can enter information such as **HOUSE PAYMENT** or **TO PAY TAXES**.
- (Required) The **Status** of the sale: Long Term, Short Term, Short Sale, or Cash Sale. This field is only available when changing sell shares records. Long and Short Term status is based on 365 days, and may not actually correspond to Long and Short Term values shown on the Tax Report.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.
- (Optional) **Not Taxed** determines whether or not the sale is not shown on the Tax Schedule Report. This is useful for securities held outside of a retirement plan that you transfer to a charity - the gain will be included in your portfolio without being taxed.

Buttons on the form are:

- ***Ok*** - Generate a report showing buy shares selected for the sale, and display it for confirmation.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load,

commission, or discount.

- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Record Distr*** - Go to the Record Distribution Form to record a distribution. This button is only available when called from the Local Security Table.
- ***Buy Info*** - Popup a form to change the buy information for the sale. This button is only available when changing sell shares records.
- ***Cancel*** - Dismiss the form.

In the Sell Shares Form, you must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record sales, the Sell Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple sales.

After adding a sale, you are given the option of going to the Buy Shares Form to redistribute the sale proceeds, if the redistribute sale proceeds User Setting is on.

If you need to change sell shares records, unless the changes are minor you're usually better off deleting and unselling the shares, then rerecording the sale. This is especially true if you are using the average cost selling method.

If you delete a sell shares record, you are asked if you want to unsell the shares, effectively reversing the sale.

For each sale, a price history entry is added to the Price History Table based on the entered price and date. If you change a sell shares record, the original price history entry is deleted and a new one is added. If you delete a sell shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Sell Shares Process
Sell Shares from Buy Shares
Sell Shares Using Specific Identity
Sell Shares Short
Example: Sell Shares Using FIFO Method
Example: Sell Shares Using LIFO Method
Example: Sell Shares Using MAX Method
Example: Sell Shares Using MIN Method
Example: Sell Shares Using ID Method

Sell Shares Process

After you complete the Sell Shares Form, Capital Gainz executes the selling process:

- If the date precedes any other purchases or sales, the open shares are calculated as of this date. Also, for the average method, the basis price is recalculated based on the selling date. For the average method, Capital Gainz examines all purchases, and if any have non-zero commissions recorded, you are asked if you want to include the commission in the amount, so it is averaged in.
- Shares are selected for the sale, and the Shares Sold Report is generated. This report shows the following in the header:

  The local security **symbol** and security name.
  The selling **date** and **price**
  The selling **method.**

  For each affected buy shares record, you're shown:

  The purchase **date.**
  The number of **shares** sold from the record.
  The buy **price,** or basis price, which is the same as the purchase price if you didn't use the average selling method.
  The buy **amount,** or basis amount, which is the same as the purchase amount if you didn't use the average selling method.
  The buy **commission** or load.
  The **gain/loss** resulting from selling the shares.

  Totals are calculated and displayed for the sale. Also, added to the end of the report, is the name and address of the broker/investment company, your account number, and a brief message instructing the agent to sell the listed shares.

- After exiting from the Shares Sold Report, you are given the choice of confirming or canceling the sale. If you confirm the sale, affected buys shares records are sold. A single sale creates one or more sell shares records, corresponding to each affected buy shares record. The affected buy shares entries are deleted or modified, depending on whether you sold all or only some of the record's shares.
- If you set the option to redistribute proceeds in the User Settings, you are asked which security you want to redirect the proceeds to, and are taken to the Buy Shares Form to record the redistribution purchase.

For **CASH** asset types:

- Buy shares records are not altered.
- Only a single sell shares record is created for each sale.
- The Shares Sold Report is not generated.

Sell Shares from Buy Shares

When you sell shares, one or more buy shares records are converted into a corresponding number of sell shares records. Each sell shares record contains information on the sale, as well as the corresponding purchase information. This is what allows you to unsell shares.

For instance, if you buy 100 shares on 1/01/94, then sell 100 shares on 1/01/95, the buy shares record would be converted to a sell shares record. The sell shares record would contain the selling amount and commission, as well as the purchase amount and commission.

When only some shares from an buy shares record are sell, the purchase amount is allocated proportionally. So, if 60 shares from a single 100 share purchase for $1000 are sell, the purchase amount allocated to the sell shares record is:

buy amount used = (buy_shares_sold/buy_shares) * buy_amount = (60/100) * $1000 = $600

This is similar to, but more accurate than, multiplying the purchase price by the partial number of shares.

The purchase commission is also applied proportionally. If there was a $35 purchase commission in the above example, the purchase commission moved to the sell shares record is:

buy commission used = (buy_shares_sold/buy_shares) * buy_commission = (60/100) * $35 = $21

The selling amount is applied proportionally if multiple purchases are involved in a sale. So, if separate 40 and 60 share purchases are sold for $1100, the two sell shares records created have selling amounts of:

selling amount used = (buy_shares_sold/shares_sold) * sell_amount

record #1 = (60/100) * $1100 = $660

record #2 = (40/100) * $1100 = $440

This is similar to, but more accurate than, multiplying the sale price by the partial number of shares.

The selling commission is also applied proportionally. So, if there was a $35 selling commission, the two sell shares records created have selling commissions of:

selling commission =(buy_shares_sold/shares_sold) * sell_commission

record #1 = (60/100) * $35 = $21

record #2 = (40/100) * $35 = $14

Selling notes specified are included in all the closed shares records. Purchase notes from the buy shares records are preserved in the sell shares records.

For **CASH** asset types, buy shares records are not altered, and no purchase information is stored in the sell shares records.

Sell Shares Using Specific Identity

The specific identity (**ID**) selling method allows you to select shares to sell from the Pick Shares to Sell Table. For each record in this table, you are shown:

- The currently selected number of shares **To Sell**.
- The purchase **Date**.
- The number of shares **Remaining** after the sale.
- The purchase **Price**.

Selecting an entry in the table brings up the Shares to Sell Form so you can enter the number of shares to sell. The fields in this form are:

- (Display) The number of **Buy Shares**.
- (Optional) The number of **Shares to Sell**.

Click on the ***Done*** button on the Pick Shares to Sell Table when you are done selecting shares to sell. The total number of shares selected will be transferred to the **Shares** field on the Sell Shares Form.

Sell Shares Short

The ***Sell Shares Short*** item on the Local Security Table's ***Activity*** pulldown menu pops up the Sell Shares Form for you to fill in with information to record a short sale. Alternatively, you can use the ***Sell Shares*** item or toolbar button on the Local Security Table's ***Activity*** pulldown menu, and specify the **SHRT** sell method. To cover a short sale, you must use the ***Cover Short Sale*** choice on the Local Security Table's ***Activity*** pulldown menu.

Short sales create sell shares records with no associated buy information. They don't appear on the tax forms until they are covered.

Cover Short Sale
Example: Sell Shares Short

Cover Short Sale

The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu pops up the Buy Shares Form for you to fill in with information to cover any outstanding short sales. You must use the ***Cover Short Sale*** item to cover short sales - if you just record a regular purchase, no short sales will be covered.

When covering a short sale:

- If there are any outstanding short sales for the security, they are covered first-in/first-out. Thus, you can cover part of one short sale, exactly one short sale, or more than one short sale.
- If you specify to buy more shares than are currently short, the excess will be recorded as a regular purchase.

Sell Shares Short
Example: Sell Shares Short

Example: Sell Shares Short

Assume you execute the following short sales:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	100.00	25.00	2500.00	50.00			
2/15/91	200.00	23.00	4600.00	75.00			

On 3/15/91, you have 300 shares sold short. You use the ***Cover Short Sale*** pulldown menu item to record a 200 share purchase:

Date	Shares	Price	Amount	Comm
3/15/91	200.00	21.00	4200.00	75.00

The first 100 share short sale is covered, and half of the 200 share short sale is covered. The sell shares records are:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	100.00	25.00	2500.00	50.00	3/15/91	2100.00	37.50
2/15/91	100.00	23.00	2300.00	37.50	3/15/91	2100.00	37.50
2/15/91	100.00	23.00	2300.00	37.50			

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

gain_loss = 2500.00 - 2100.00 - 50.00 - 37.50 = 312.50 +14.62%
gain_loss = 2300.00 - 2100.00 - 37.50 - 37.50 = 125.00 +5.85%
gain_loss = 2300.00 - 2100.00 - 37.50 - 0.00 = 162.50 +7.74%
gain_loss = 7100.00 - 6300.00 - 125.00 - 75.00 = 600.00 +9.41% Total

The displayed gain for the last record is based on the current price of $21.

Example: Sell Shares Using FIFO Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Selling 15 shares using the First-In/First-Out selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	10.0000	5.2920	52.92	0.00	1/01/90	49.00	1.00
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55

The basis for the first record is simply the amount from the first buy shares record. The basis for the next record is based on the percentage of shares sell from the second buy shares record:

((15.0000 - 10.0000) / 9.0909) *49.00 = 26.95

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

52.92 - 49.00 - 0.00 - 1.00 = 2.92 +5.84%
26.46 - 26.95 - 0.00 - 0.55 = -1.04 -3.78%
79.38 - 75.95 - 0.00 - 1.55 = 1.88 +2.43% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
2/01/90	4.0909	5.3900	22.05	0.45
3/01/90	10.5263	4.6550	49.00	1.00

The first record was removed, since all the shares were sold. The second record was changed to reflect the sale of 5.0000 shares.

Example: Sell Shares Using LIFO Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Selling 15 shares using the Last-In/First-Out selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	10.5263	5.2920	55.71	0.00	3/01/90	49.00	1.00
1/15/91	4.4737	5.2920	23.67	0.00	2/01/90	24.11	0.49

The basis for the first record is simply the amount from the third buy shares record. The basis for the next record is based on the percentage of shares sold from the second buy shares record:

((15.0000 - 10.5263)/9.0909) * 49.00 = 24.11

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

55.71 - 49.00 - 0.00 - 1.00	=	5.71	+11.42%
23.67 - 24.11 - 0.00 - 0.49	=	-0.93	-3.78%
79.38 - 73.11 - 0.00 - 1.49	=	4.78	+6.41% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	4.6172	5.3900	24.89	0.51

The third record was removed, since all the shares were sold. The second record was changed to reflect the sale of 4.4737 shares.

Example: Sell Shares Using MAX Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Selling 15 shares using the Maximum Gain/Minimum Loss selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	10.5263	5.2920	55.71	0.00	3/01/90	49.00	1.00
1/15/91	4.4737	5.2920	23.67	0.00	1/01/90	21.92	0.45

The basis for the first record is simply the amount from the third buy shares record. The basis for the next record is based on the percentage of shares sold from the first buy shares record:

((15.0000 - 10.5263)/10.0000) * 49.00 = 21.92

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

55.71 - 49.00 - 0.00 - 1.00 = 5.71 +11.42%
23.67 - 21.92 - 0.00 - 0.45 = 1.30 +5.81%
79.38 - 70.92 - 0.00 - 1.45 = 7.01 +9.69% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
1/01/90	5.5263	4.900	27.08	0.55
2/01/90	9.0909	5.3900	49.00	1.00

The third record was removed, since all the shares were sold. The first record was changed to reflect the sale of 4.4737 sh

Example: Sell Shares Using MIN Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Selling 15 shares using the Maximum Loss/Minimum Gain selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	9.0909	5.2920	48.11	0.00	2/01/90	49.00	1.00
1/15/91	5.9091	5.2920	31.27	0.00	1/01/90	28.95	0.59

The basis for the first record is simply the amount from the second buy shares record. The basis for the next record is based on the percentage of shares sold from the first buy shares record:

((15.0000 - 9.0909)/10.0000) * 49.00 = 28.95

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

48.11 - 49.00 - 0.00 - 1.00 = -1.89 -3.78%
31.27 - 28.95 - 0.00 - 0.59 = 1.73 +5.86%
79.38 - 77.95 - 0.00 - 1.59 = -0.16 -0.20% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
1/01/90	4.0909	4.9000	20.05	0.41
3/01/90	10.5263	4.6550	49.00	1.00

The second record was removed, since all the shares were sold. The first record was changed to reflect the sale of 5.9091 shares.

Example: Sell Shares Using ID Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Selling 5 shares from each of the three purchases using the Specific Identity selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	5.0000	5.2920	26.46	0.00	1/01/90	24.50	0.50
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55
1/15/91	5.0000	5.2920	26.46	0.00	3/01/90	23.28	0.48

The basis for the each record is based on the percentage of shares sold from each buy shares record:

(5.0000/10.0000) * 49.00 = 24.50
(5.0000/9.0909) * 49.00 = 26.95
(5.0000/10.5263) * 49.00 = 23.28

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

26.46 - 24.50 - 0.00 - 0.50	=	1.46	+5.84%
26.46 - 26.95 - 0.00 - 0.55	=	-1.04	-3.78%
26.46 - 23.28 - 0.00 - 0.48	=	2.70	11.36%
79.38 - 74.73 - 0.00 - 1.53	=	3.12	+4.09% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
1/01/90	5.0000	4.9000	24.50	0.50
2/01/90	4.0909	5.3900	22.05	0.45
3/01/90	5.5263	4.6550	25.72	0.52

Each buy shares record was changed to reflect the sale of 5.0000 shares.

Example: Sell Shares Using SCAT Method

A mutual fund charges a 2% load and you make the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	5.0000	50.00	0.00
2/01/90	9.0909	5.5000	50.00	0.00
3/01/90	10.5263	4.750	50.00	0.00

Since you will be using the average cost method, you included the load - $1.00 for each purchase here - as part of the Amount. You could break it out separately, but then it would be applied as is, without averaging it in.

You sell 15 shares at a price of $5.292 ($5.40 asked price with 2% load, which is a bid price or NAV of $5.292) on 1/15/91. The fund does not charge a back-end, or selling, load.

Values in the local security record are:

Total Buy Shares: 29.6172
Total Buy Amount: 150.00
Total Buy Commission: 0.00

Thus, the basis price for a sale using the average selling method is:

buy_amount / buy_shares = 150.00/29.6172 = 5.0646

The buy shares records are therefore treated as:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	5.0646	50.65	0.00
2/01/90	9.0909	5.0646	46.04	0.00
3/01/90	10.5263	5.0646	53.31	0.00

The purchase amounts still add up to $150.00, but the individual prices and amounts have been changed to reflect the average purchase price.

Selling 15 shares using the Single Category selling method results in the creation of the following sell shares records:

Date	Shares	Price	Amount	Comm	Buy-Date	Basis	Buy-Comm
1/15/91	10.0000	5.2920	52.92	0.00	1/0190	50.65	0.00
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	25.32	0.00

The basis for the first record is simply the amount from the first buy shares record:

10.0000 * 5.0646 = 50.65

The basis for the next record is based on the percentage of shares sold from the second buy shares record:

((15.0000 - 10.0000) / 9.0909) * (9.0909 * 5.0646) = 25.32

The gain or loss from the sale is calculated with:

gain_loss = sell_amount - basis_amount - sell_commission - buy_commission
gain_loss %= (gain_loss * 100) / (basis_amount + buy_commission)

52.92 - 50.65 - 0.00 - 0.00 = 2.27 +4.48%
26.46 - 25.32 - 0.00 - 0.00 = 1.14 +4.50%
79.38 - 75.97 - 0.00 - 0.00 = 3.41 +4.49% Total

The buy shares records remaining after selling the 15 shares are:

Date	Shares	Price	Amount	Comm
2/01/90	4.0909	5.5000	22.50	0.00
3/01/90	10.5263	4.7500	50.00	0.00

The first record was removed, since all the shares were sold. The second record was changed to reflect the sale of 5.0000 shares, preserving the original shares/price relationship.

The local security record for this security now contains these values:

Total Buy Shares: 14.6172
Total Buy Amount: 74.03
Total Buy Commission: 0.00

As you can see, the important values are maintained in the local security record. In essence, the remaining buy shares are treated as:

Date	Shares	Price	Amount	Comm
2/01/90	4.0909	5.0646	20.72	0.00
3/01/90	10.5263	5.0646	53.31	0.00

Example: Sell Cash Asset

Capital Gainz supports two broad asset types: CASH and SECURITY. CASH should be used for money market accounts or similar securities with a fixed, $1 per share price. Everything else should be defined as a SECURITY asset type. The main difference between the two asset types results from the fixed versus varying price difference. A sale of a SECURITY asset requires explicit selection of purchased shares, whereas no such matching is required for a CASH asset, since the price does not change. This makes maintaining CASH assets easier than maintaining SECURITY assets. For instance:

Assume the following purchases of a SECURITY asset:

1/1/98 100 shares at $10
2/1/98 100 shares at $12

If you sold the shares FIFO (first-in/first-out), then the first 100 shares would have been sold for a gain of $300. If, however, you wanted to minimize your capital gains for tax reasons and sold the second 100 shares, you would only have a gain of $100. Somehow, the sale must identify which shares were sold, since a future sale will dispose of the other shares. In Capital Gainz, this is done by converting Buy Shares to Sell Shares:

Buy Shares Records before sale:

Date	Shares	Price	Amount
1/1/98	100	10	1000
2/1/98	100	12	1200

Sell Shares Records before sale:
None

If you sell the first 100 shares at $13 on 3/1/98:

Buy Shares Records after sale:

Date	Shares	Price	Amount
2/1/98	100	12	1200

Sell Shares Records after sale:

Date	Shares	Price	Amount	Buy-Date	Buy-Amt
3/1/98	100	13	1300	1/1/98	1000

Thus, the next sale will affect only the remaining Buy Shares Records. If you made a mistake in a purchase that has since been sold, the Buy Shares Record no longer exists to edit. Instead, you need to reverse the sale, make the change, then reexecute the sale. (Although, you can edit Buy Shares information within a Sell Shares record, it requires great care, and is usually not recommended.) While errors like this may be difficult to find, the Activity History Report will help greatly.

However, for CASH asset types, no such matching is necessary - we know that the purchase price and the sell price is always $1. It doesn't matter which particular shares were sold. For instance, using the above example but assuming a price of $1, it doesn't make a difference whether the first purchase or the second purchase is sold. So, in essence, FIFO is always assumed. Given this, Capital Gainz does not need to convert Buy Shares Records to Sell Shares Records on sales:

Buy Shares Records before sale:

Date	Shares	Price	Amount
1/1/98	100	1	100
2/1/98	100	1	100

Sell Shares Records before sale:
None

If you sell the first 100 shares on 3/1/98:

Buy Shares Records after sale:

Date	Shares	Price	Amount
1/1/98	100	1	100
2/1/98	100	1	100

Sell Shares Records after sale:

Date	Shares	Price	Amount	Buy-Date	Buy-Amt
3/1/98	100	1	100	n/a	n/a

Thus, you can always go back and edit prior purchases easily. This is very welcome if you have a brokerage money market account that has a lot of activity, with money going into, and coming out of, stocks. In fact, you can set a Cash Account for a portfolio so all purchases and sales are automatically accounted for in the cash account. When you buy stock, the amount will automatically be subtracted from the assigned Cash Account. When you sell stock, the amount will automatically be added to the assigned Cash Account:

Sell Shares Table

The Sell Shares Table, available from the ***Activity*** pulldown menu on the Local Security Table, shows all sales recorded for the security highlighted on the Local Security Table. You can use the ***Activity Date Range*** pulldown menu item to restrict the date range displayed. This table shows:

- The **Local Security** symbol and the name of the associated global security in the window caption..
- The **Last Price** recorded for the security at the top of the table.

For each record, it shows:

- The selling **Date**.
- The number of **Shares** sold.
- The selling **Price**.
- The selling **Amount**.
- The selling **Commission** or load.
- The realized **Gain/Loss**. For short sales, the current position is shown.

These values are totaled for the date range at the end of the table. Also, the average selling price is shown.

Buttons available on the toolbar are:

- ***Add*** - Record a sale.
- ***Change*** - Change the highlighted record.
- ***Delete*** - Delete the highlighted record. You are given the option of unselling the sell shares record.
- ***Delete Range*** - Delete the displayed range of records You are given the option of unselling the sell shares records.
- ***Combine*** - Combines records with the same date and price, for securities that have been fragmented by activity and changes. Given the CASH asset type, this function is not used much.
- ***Print Report*** - Generate the Sell Shares Detail Report for the displayed range of records.
- ***Exit*** - Exit from the table.

Record, Change, Delete Sale

The Sell Shares Form is used to record, change, or delete a sale. You can bring up this form from:

The ***Sell*** button on the Local Security Table's toolbar.
The ***Sell Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Sell Shares Short*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Sell Share Table's toolbar.
The ***Sell*** button on the Buy Shares Form or Record Distribution Form.
The Record Distribution Form, if you sell shares to cover a fee.

The fields in this form are:

- (Display) The **Local Symbol** of the security to sell, set to the security highlighted on the Local Security Table.The security's name, number of open shares, and last sell date are also displayed.
- (Required) The **Date** of the sale. You can enter a different date over the displayed date.
- (Required) The **Sell Method** to use. You can pulldown a list of sell methods to choose from The value in the local security is displayed, but can be changed unless an average cost method is being used.
- (Required/Calculated) The number of **Shares** to sell. If you used the Specific Identity method, this figure uses the open shares selected to sell in the Pick Shares to Sell Table . If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The selling **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries
- (Required/Calculated) The **Amount** of the sale, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. You can use the ***Load Calc*** button to bring up a load/commission/discount calculator. This field is only available for SECURITY asset types.
- (Optional) **Notes** about the sale, so you can enter information such as **HOUSE PAYMENT** or **TO PAY TAXES**.
- (Required) The **Status** of the sale: Long Term, Short Term, Short Sale, or Cash Sale. This field is only available when changing sell shares records. Long and Short Term status is based on 365 days, and may not actually correspond to Long and Short Term values shown on the Tax Report.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.
- (Optional) **Not Taxed** determines whether or not the sale is not shown on the Tax Schedule Report. This is useful for securities held outside of a retirement plan that you transfer to a charity - the gain will be included in your portfolio without being taxed.

Buttons on the form are:

- ***Ok*** - Generate a report showing buy shares selected for the sale, and display it for confirmation.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load,

commission, or discount.

- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Record Distr*** - Go to the Record Distribution Form to record a distribution. This button is only available when called from the Local Security Table.
- ***Buy Info*** - Popup a form to change the buy information for the sale. This button is only available when changing sell shares records.
- ***Cancel*** - Dismiss the form.

In the Sell Shares Form, you must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record sales, the Sell Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple sales.

After adding a sale, you are given the option of going to the Buy Shares Form to redistribute the sale proceeds, if the redistribute sale proceeds User Setting is on.

If you need to change sell shares records, unless the changes are minor you're usually better off deleting and unselling the shares, then rerecording the sale. This is especially true if you are using the average cost selling method.

If you delete a sell shares record, you are asked if you want to unsell the shares, effectively reversing the sale.

For each sale, a price history entry is added to the Price History Table based on the entered price and date. If you change a sell shares record, the original price history entry is deleted and a new one is added. If you delete a sell shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Sell Shares Process
Sell Shares from Buy Shares
Sell Shares Using Specific Identity
Sell Shares Short
Example: Sell Shares Using FIFO Method
Example: Sell Shares Using LIFO Method
Example: Sell Shares Using MAX Method
Example: Sell Shares Using MIN Method
Example: Sell Shares Using ID Method

Example: Add a Sell Shares Record

Assume you've recorded the following purchases for a local security:

Date	Shares	Price	Amount	Comm
1/01/90	10.0000	4.9000	49.00	1.00
2/01/90	9.0909	5.3900	49.00	1.00
3/01/90	10.5263	4.6550	49.00	1.00

From the Local Security Table, highlight the security and select the ***Sell Shares Table*** item on the ***Activity*** pulldown menu. Click on the ***Add*** button on the table's toolbar. Record a sale of 15 shares at a price of $5.292, using the FIFO selling method, by completing the Sell Shares Form. The sell shares records created are:

Date	Shares	Price	Amount	Sell-Com	Buy-Date	Basis	Buy-Com
1/15/91	10.0000	5.2920	52.92	0.00	1/01/90	49.00	1.00
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55

The remaining buy shares records are:

Date	Shares	Price	Amount	Comm
2/01/90	4.0909	5.3900	22.05	0.45
3/01/90	10.5263	4.6550	49.00	1.00

- Two records are added to the Sell Shares Table.
- One record is added to the price history.
- One buy shares record is removed, and one is changed.
- The local security record is changed, with total buy shares set to 14.6172, total buy amount set to $71.05, and total buy commission set to $1.45.
- For **CASH** asset types, buy shares records are not altered, and no purchase information is stored in the sell shares records.

Example: Change a Sell Shares Record

Assume you recorded a sale of 15 shares at a price of $5.292, creating the following sell shares records:

Date	Shares	Price	Amount	Sold-Com	Buy-Date	Basis	Buy-Com
1/15/91	10.0000	5.2920	52.92	0.00	1/01/90	49.00	1.00
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55

From the Local Security Table, highlight the security and select the ***Sell Shares Table*** item on the ***Activity*** pulldown menu. To change the date of the sale, highlight each entry in the table, click on the ***Change*** button on the toolbar, and change the date on the Sell Shares Form:

Date	Shares	Price	Amount	Sell-Com	Buy-Date	Basis	Buy-Com
1/31/91	10.0000	5.2920	52.92	0.00	1/01/90	49.00	1.00
1/31/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55

- The records are changed in the Sell Shares Table.
- The old price history entries are deleted, and new ones are added.
- You could have deleted and unsold the records, then rerecorded the sale using the correct date.
- For **CASH** asset types, no purchase information is stored in the sell shares records.

Example: Delete/Unsell Sell Shares

Assume you recorded a sale of 15 shares at a price of $5.292, creating the following sell shares records:

Date	Shares	Price	Amount	Sell-Com	Buy-Date	Basis	Buy-Com
1/15/91	10.0000	5.2920	52.92	0.00	1/01/90	49.00	1.00
1/15/91	5.0000	5.2920	26.46	0.00	2/01/90	26.95	0.55

To change the selling price, you can delete and unsell the sell shares records, then rerecord the sale. In this example, you could easily get the same result by simply changing the two records. But, if this sale affected a large number of purchases, and thus created many records, rerecording the sale is easier.

- Specify an ***Activity Date Range*** of 1/15/91 to 1/15/91 using the ***Activity*** pulldown menu on the Local Security Table.
- From the Local Security Table, highlight the security and select the ***Sell Shares Table*** item on the ***Activity*** pulldown menu. Click on the ***Delete Range*** button on the table's toolbar and answer Yes when asked if you want to unsell the shares.
- The open information from the sell shares records will be combined with the remaining buy shares records. The net result is that the sell shares records are deleted, and the three buy shares records that you had before the sale are restored.
- The price history entry for the selling date is deleted.
- The local security record is changed back to its presale values, with total buy shares set to 29.6172, total buy amount set to $147.00, and total buy commission set to $3.00.
- You can now reexecute the sale at the correct price. The rerecorded sale will add a price history entry for the selling date.
- For **CASH** asset types, no purchase information is stored in the sell shares records, so sales can not be unsold.

Distributions

Purchases, Sales, and Distributions

Once you've set up your Local Securities, Global Securities, Broker/Investment Companies, and Portfolios, you are ready to start recording activity. **Purchases, sales, and distributions are recorded for a specific portfolio from the Local Security Table**:

- **Purchases** are recorded via the ***Buy Shares*** item on the ***Activity*** pulldown menu, or the ***Buy*** button on the toolbar.
- **Sales** are recorded via the ***Sell Shares*** item on the ***Activity*** pulldown menu, or the ***Sell*** button on the toolbar.
- **Distributions** are recorded via the ***Record Distribution*** item on the ***Activity*** pulldown menu, or the ***Distr*** button on the toolbar.
- **Fees** are recorded via the ***Record Fee*** item on the ***Activity*** pulldown menu, and are essentially the same as distributions.
- **Short sales are recorded** via the ***Sell Shares Short*** item on the ***Activity*** pulldown menu, and are essentially the same as sales.
- **Short sales are covered** via the ***Cover Short Sale*** item on the ***Activity*** pulldown menu, and are essentially the same as purchases.

When you record purchases, buy shares records are added to the Buy Shares Table, and the associated prices are added to the Global Security's Price History. **When you record sales, buy shares records are converted from the Buy Shares Table into sell shares records on the Sell Shares Table**, and the associated prices are added to the Global Security's Price History. When you record distributions, distribution records are added to the Distribution Table, and the per share values are added to the Global Security's Price History. If you used the ***Set Cash Account*** function on the ***Securities*** pulldown menu to assign a cash account for the portfolio, that account is increased on sales and distributions and decreased on purchases.

Related activities are linked at entry time:

- After recording a distribution, you can choose to **reinvest** the amount via a purchase.
- After recording a sale, you can **redistribute** the proceeds via a purchase.
- After recording a fee, you can record a sale to **cover the fee**.

To enhance the accuracy of entered data, you should record activity directly from statements provided by brokers and mutual fund companies. Items that have given users problems include:

- **Distribution Per Share**: Mutual funds distribute a fixed dividend amount per share just like stocks and bonds. Many funds report the per share amount on the statement immediately following the distribution, but a number of mutual fund companies only report the total distribution amount, not the per share amount. Just let Capital Gainz calculate the per share amount in these cases, as it should be very close to the actual per share amount. **Do not use the purchase price of reinvestments as the distribution per share.**
- **Reinvestments**: When a mutual fund reinvests distributions, be sure to record the distribution and subsequent purchase in Capital Gainz.
- **Fees**: Mutual fund companies often charge a small annual maintenance fee for IRA accounts. You can choose to pay this by separate check, or let the company sell enough shares to cover it. If shares are sold, the number sold will be noted on a statement.

Record a FEE of this amount, then record the sale used to cover this amount.

- **Precision:** You can define the precision of values maintained for individual securities, using fields in the Local Security. Check your statements to see how many decimal places are used for your mutual fund or dividend reinvestment plan shares.

If you make a mistake in entering data into Capital Gainz, it is **very easy to change or delete records through the associated tables.** The Buy Shares Table, Sell Shares Table, and Distributions Table are available via items on the Activity pulldown menu. For instance, if you inadvertently entered a purchase twice, use the Buy Shares Table to delete one of the records. **A special feature in Capital Gainz lets you easily reverse sales.** After deleting an entry in the Sell Shares Table, you are asked if you want to unsell the shares. If you answer Yes, the sell shares entry is removed and the original buy shares entry is recreated. If a sale affected several buy shares entries, set the system date range to the date of the sale, bring up the Sell Shares Table, and use the Delete Range function to delete and unsell all the sell shares entries for the sale.

For speed, current outstanding share, amount, and commission totals are maintained within each local security record. These should match the totals displayed in the Sell Shares Table. Computer, disk drive, or program problems can sometimes corrupt data files, causing the totals maintained in the security to become out-of-sync with the totals in the Buy Shares Table. To fix this, use the Fixup function on the Local Security Table, or let the Data Consistency Check automatically resynchronize the values.

To check your entries, you can also generate Activity Detail Reports, listing individual purchases, sales, and distributions. Or, **the Activity History Report lists all purchases, sales, and distributions for each security in chronological order**, for the specified range of dates. A Report Setting will even result in subtotals after every listed transaction.

Record, Change, Delete Distribution

The Record Distribution Form is used to record, change, or delete a distribution. You can bring up this form from:

The ***Distr*** button on the Local Security Table's toolbar.
The ***Record Distribution*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Record Fee*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Distribution Table's toolbar.
The ***Distr*** button on the Buy Shares Form or Sell Shares Form.

The fields in this form are:

- (Display) The **Local Symbol** of the security for the distribution, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last distribution date are also displayed.
- (Required) The **Date** of the distribution. You can enter a different date over the displayed date.
- (Required) The **Type** of the distribution. You can pull down a list of distribution types to choose from.
- (Required/Calculated) The total **Amount** of the distribution. After entry, the **Per Share** figure is calculated. If you set this entry to 0, it's calculated using the **Per Share** value.
- (Required/Calculated) The distribution **Per Share** (not the price). This figure directly affects the yield. You can use the calculated value or enter a different per share value. You should verify the per share amount against your security's distribution notice, if it provides this information. The ***Prev*** button will insert the previous per share value for the specified distribution **Type**.
- (Optional) **Notes** about the sale, so you can enter information such as **QUARTERLY DIVIDEND**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Amount** or **Per Share**, if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the distribution.
- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Sell Shares*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Cancel*** - Dismiss the form.

In the Record Distribution Form, you must enter at least one of: **Amount** and **Per Share**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: open_shares * per_share = amount. The per share value is calculated based on the shares held at the **beginning** of the specified date, so that multiple distributions on one date will have accurate per share values calculated. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. If automatic calculations are disabled, you can set one or more of the fields to 0.

When called from the Local Security Table to record distributions, the Record Distribution Form is

repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple distributions.

After recording a distribution, you are given the option of going to the Buy Shares Form to reinvest the distribution, if the reinvest distributions User Setting is on. If you record a fee, you are given the option of going to the Sell Shares Form to record a sale to cover the fee.

For Dividend, Interest, and Short/Long term Capital Gains distributions, a price history entry is added to the Price History Table based on the entered per share value. If you change a distribution record, the original price history entry is deleted and a new one is added. If you delete a distribution record, the price history entry is deleted.

Distribution Process
Record Fee
Example: Dividend and Capital Gains Distributions
Example: Return of Principal
Example: Bond Discount, Zero-Coupon Bond
Example: Bond Discount
Example: Bond Amortization
Example: U.S. Savings Bonds
Example: Accrued Interest
Example: Fee
Example: Add a Distribution Record
Example: Change a Distribution Record
Example: Delete a Distribution Record

Distribution Process

After you complete the Record Distribution Form, Capital Gainz executes the distribution process.

For Dividend, Interest, and Short/Long Term Capital Gains distributions:

- The distribution record is added to the Distribution Table.
- If the option to reinvest distributions is set in the User Settings, you are asked which security to reinvest in,and are taken to the Buy Shares Form to record the reinvestment.
- A corresponding record is added to the price history, containing the type and distribution per share..

For Fee distributions:

- The distribution record is added to the Distribution Table.
- If you just recorded a Fee, you are asked which security to sell shares in to cover the fee, and are taken to the Sell Shares Form to record the sale.

For Accrued Interest and Margin Interest distributions:

- The distribution record is added to the Distribution Table.

For Return of Principal, Bond Discount, and Bond Amortization distributions:

- You are asked if you want to automatically adjust the basis of affected shares. If you answer Yes, the Buy Adjustments Report, showing which shares would be affected, is generated and displayed. Confirm the action to adjust the basis of the affected shares. The **Original Amount** field in the buy shares records preserves the original purchase amounts.
- If you just recorded a Return of Principal distributions, adjusted the basis, and the amount exceeded the remaining basis, then short/long term capital gains distributions are recorded for the excess.
- If you change or delete a return of principal, bond discount, or bond amortization record, the related buy share amounts are not adjusted. To change return of principal and bond discount or amortization adjustments, you can manually change the buy shares records, since the original purchase amount is maintained in the **Original Amount** field.

Record Fee

A fee is a special type of distribution used to record miscellaneous fees, such as an IRA maintenance fee, which can't be associated with a specific share purchase or sale. You can record a fee by selecting the FEE distribution type using the normal method of recording a distribution, or you can pick the ***Record Fee*** choice on the ***Activity*** pulldown menu from the Local Security Table.

The Record Distribution Form is used to record a fee:

- You enter a positive number for the fee **Amount**, as Capital Gainz knows to subtract it from the totals.
- You don't enter a per share amount for a fee.

After recording a fee, you are asked if you want to sell shares to cover the fee. This is normally what a mutual fund company will do when an IRA fee is due and you do not send in a separate payment. If you answer Yes, you are taken to the Sell Shares Form to sell shares.

Fees appear on a separate Fee Report after Schedule B of the tax report, and may be tax deductible.

Example: Fee

You receive a statement for the mutual fund **FPINC**, held in an IRA, that indicates the following:

Date		Shares	Price	Amount
12/28/90	FEE			10.00
12/28/90	SELL	1.14	8.7567	10.00

The mutual fund company charged you a $10.00 IRA maintenance fee, and, since you didn't submit a separate check, they sold enough shares to cover the amount due.

In Capital Gainz, use the ***Record Fee*** choice on the ***Activity*** pulldown menu from the Local Security Table to record the fee:

Local Symbol:	FPINC
Date:	12/28/90
Type:	FEE
Amount:	10.00

After recording the fee, you choose to sell shares to cover the fee, since that's what happened. You are taken to the Sell Shares Form, where you record the sale:

Local Symbol:	FPINC
Date:	12/28/90
Sell Method:	FIFO
Shares:	1.14
Price:	8.7567
Amount:	10.00
Commission:	0.00
Notes:	IRA MAINTENANCE FEE

Example: Dividend and Capital Gains Distributions

Assume you have the following purchases and distributions:

Date		Shares	Price	Per Share	Amount
1/01/90	BUY	10.0000	4.9000		49.00
2/01/90	DIV			0.24	2.40
2/01/90	BUY	0.4453	5.3900		2.40
2/01/90	BUY	9.0909	5.3900		49.00
3/01/90	LTCG			0.03	0.59
3/01/90	BUY	0.1267	4.6550		0.59
3/01/90	BUY	10.5263	4.6550		49.00

The current date is 1/15/91, and the fund's current price is $5.292. Dividends are paid semi-annually, so the current yield is:

((dividend_per_share * dividends_per_year) / price) * 100 = ((0.24 * 2) / 5.292) * 100 = 9.07%

From this example, you can see the importance of the dividends per year figure associated with a security through the Global Security Form.

The total return for the mutual fund over the period is:

Reinvest (1 * 0.24) / share on 2/01/90 at 5.3900 = .0445 shares
Reinvest (1.0445 * 0.03) / share on 3/01/90 at 4.6550 = .0067 shares
Total reinvestment shares = .0445 + .0067 = .0512
Amount at start = 1 share at 4.9000 = 4.9000
Amount at end = (1 + .0512) shares at 5.292 = 5.5630
Total Return% = ((5.5630 - 4.9000) / 4.9000) * 100 = 13.53%

Example: Return of Principal

Assume you made the following purchases in a limited partnership:

Date	Shares	Price	Amount	Orig Amt
1/01/90	2.0000	5000.00	10000.00	10000.00
6/01/90	1.0000	5000.00	5000.00	5000.00

If you receive a $750 return of principal on 12/31/90, you would record it in the Distribution Form. The following record would be added:

Date		Per Share	Amount
12/31/90	PRIN	250.00	750.00

The open shares would be adjusted proportionally:

Date	Shares	Price	Amount	Orig Amt
1/01/90	2.0000	5000.00	9500.00	10000.00
6/01/90	1.0000	5000.00	4750.00	5000.00

Example: Bond Discount, Zero-Coupon Bond

Assume you made the following purchase of newly issued bonds:

Date	Shares	Price	Amount	Orig Amt
1/02/93	2.0000	800.00	1600.00	1600.00

The global security bond values show the following:

Issue Date:	1/02/92	Maturity Date:	12/31/01
Issue Price:	$500.00	Maturity Price:	$1000.00

These are zero coupon bonds, purchased at a deep discount to maturity price and paying no interest. The implied interest must be recorded annually, and is treated as interest income. The implied interest increases the basis of the bond, so the discount is not taxed again at redemption. In the case of bonds purchased at original issue, the implied interest is usually referred to as Original Issue Discount (OID). Capital Gainz does not distinguish OID from regular bond discount. Yearly OID should be reported to you by your broker or purchase agent.

For these bonds, the following table shows the annual distributions recorded and the adjustments to the open shares records:

Date	Type	Amount	Per Share	Adj Amt	Adj Price
12/31/92	DISC	71.80	35.90	1071.80	535.90
12/31/93	DISC	76.96	38.48	1148.76	574.38
12/31/94	DISC	82.48	21.10	1723.52	861.76
12/31/95	DISC	88.40	44.20	1319.64	659.82
12/31/96	DISC	94.76	47.38	1414.40	707.20
12/31/97	DISC	101.56	50.78	1515.96	757.98
12/31/98	DISC	108.84	54.42	1624.80	812.40
12/31/99	DISC	116.66	58.33	1741.46	870.73
12/31/00	DISC	125.04	62.52	1866.50	933.25
12/31/01	DISC	133.50	66.75	2000.00	1000.00

The annual bond discount amounts would be reported as interest income on Schedule B. Thus, the interest income for 1992 is 71.80. The amount in the buy shares record is adjusted with each discount as shown. At redemption, there is no gain to report since the discount was recorded annually.

Example: Bond Discount

Assume you made the following purchase of bonds on the open market:

Date	Shares	Price	Amount	Orig Amt
1/02/93	2.0000	800.00	1600.00	1600.00

The global security bond values show the following:

Issue Date:	1/02/92	Maturity Date:	12/31/01
Issue Price:	$1000.00	Maturity Price:	$1000.00
Coupon Rate:	5.00%		

These bonds were issued at $1000.00 each, but an inflation bout made interest rates jump, forcing the price of the bond down so the actual yield was competitive. You purchased two of these bonds at $800 each. Thus, while the coupon rate is 5%, the actual yield is:

50/800 = 6.25%

These bonds will have two distribution components: actual interest paid and implied interest for the discount.

For these bonds, the following table shows the annual distributions recorded and the adjustments to the open shares records:

Date	Type	Amount	Per Share	Adj Amt	Adj Price
12/31/93	INT	100.00	50.00		
12/31/93	DISC	40.16	20.08	1640.16	820.08
12/31/94	INT	100.00	50.00		
12/31/94	DISC	41.16	20.58	1681.32	840.66
12/31/95	INT	100.00	50.00		
12/31/95	DISC	42.20	21.10	1723.52	861.76
12/31/96	INT	100.00	50.00		
12/31/96	DISC	43.26	21.63	1766.78	883.39
12/31/97	INT	100.00	50.00		
12/31/97	DISC	44.34	22.17	1811.12	905.56
12/31/98	INT	100.00	50.00		
12/31/98	DISC	45.46	22.73	1856.58	928.29
12/31/99	INT	100.00	50.00		
12/31/99	DISC	46.60	23.30	1903.18	951.59
12/31/00	INT	100.00	50.00		
12/31/00	DISC	47.78	23.89	1950.96	975.48
12/31/01	INT	100.00	50.00		
12/31/01	DISC	49.04	24.52	2000.00	1000.00

The annual bond discount amounts would be reported as interest income on Schedule B. Thus, the interest income for 1993 is:

100.00 + 40.16 = 140.16

The amount in the buy shares record is adjusted with each discount as shown. At redemption, there is no gain to report since the discount was recorded annually.

Bond discount reporting is required unless the bonds are free of all taxes. It would be much easier if you were allowed to simply report the discount as a gain when the bonds are redeemed.

Example: Bond Amortization

Assume you made the following purchase of bonds on the open market:

Date	Shares	Price	Amount	Orig Amt
1/02/93	2.0000	1200.00	2400.00	2400.00

The global security bond values show the following:

Issue Date: 1/02/92 Maturity Date: 12/31/01
Issue Price: $1000.00 Maturity Price: $1000.00
Coupon Rate: 5.00%

These bonds were issued at $1000.00 each, but interest rates took a dive, forcing the price of the bonds up. You purchased two of these bonds at $1200 each. Thus, while the coupon rate is 5%, the actual yield is:

50/1200 = 4.17%

You choose to amortize the premium, so these bonds will have two distribution components: actual interest paid and amortization for the premium.

For these bonds, the following table shows the annual distributions recorded and the adjustments to the open shares records:

Date	Type	Amount	Per Share	Adj Amt	Adj Price
12/31/93	INT	100.00	50.00		
12/31/93	AMRT	-49.04	-24.52	2350.96	1175.48
12/31/94	INT	100.00	50.00		
12/31/94	AMRT	-47.78	-23.89	2303.18	1151.59
12/31/95	INT	100.00	50.00		
12/31/95	AMRT	-46.60	-23.30	2256.58	1128.29
12/31/96	INT	100.00	50.00		
12/31/96	AMRT	-45.46	-22.73	2211.12	1105.56
12/31/97	INT	100.00	50.00		
12/31/97	AMRT	-44.34	-22.17	2166.78	1083.39
12/31/98	INT	100.00	50.00		
12/31/98	AMRT	-43.26	-21.63	2123.52	1061.76
12/31/99	INT	100.00	50.00		
12/31/99	AMRT	-42.20	-21.10	2081.32	1040.66
12/31/00	INT	100.00	50.00		
12/31/00	AMRT	-41.16	-20.58	2040.16	1020.08
12/31/01	INT	100.00	50.00		
12/31/01	AMRT	-40.16	-20.08	2000.00	1000.00

The annual bond amortization amounts would be reported as an offset to interest income on Schedule B. Thus, interest income for 1993 is:

100.00 - 49.04 = 50.96

The amount in the buy shares record is adjusted with each amortization as shown. At redemption, there is no loss to report since the premium was recorded annually.

Bond premium amortization is voluntary. Because of the bookkeeping involved, many bond purchasers elect to report the premium as a loss when the bond is redeemed.

Example: U.S. Savings Bonds

While you can record each individual savings bond, the small values of these securities makes this cumbersome. I suggest the following:

- Lump all savings bonds of the same series into a single security, or into multiple securities with different denominations.
- Make sure the savings bond security type is set to report sales on Schedule B, so the gain is treated as interest.
- To record a purchase using the single security approach, use a cost of $1 per share. Thus, a $50 bond purchased for $25 would be recorded as a purchase of 25 shares at $1 each. Or, to record a purchase using a security for each denomination, record a purchase of 1 share at $25. You can put the redemption price in the notes field for the purchase, along with the bond's serial number.
- When you redeem savings bonds, use the Specific Identity Method so you can sell individual bonds. Selling a $50 bond purchased at $25 would require a sale of 25 shares at $2 each, if you are using the single security approach. With the multiple security approach, record a sale of 1 share at $50.

Assume you purchased one Series EE $50 U.S. Savings Bond for $25 each month for three months. We'll show both the single and multiple security approaches here. First, you'd create a global security:

Multiple Security		Single Security	
Symbol:	SB05	Symbol:	SB
Name:	Savings Bond $50	Name:	Savings Bond
Broker/Inv Co:	1st National	Broker/Inv Co:	1st National
Acct Number:		Acct Number:	
Type:	SB05	Type:	SB
Int/Year:	0	Int/Year:	0

The security type is defined as (note the Schedule D Sales):

Multiple Security		Single Security	
Type Code:	SB05	Type Code:	SB
Description:	Savings Bond	Description:	Savings Bond
Class:	BOND	Class:	BOND
Distributions:	INT	Distributions:	INT
Sched B Int:	TAX	Sched B Int:	TAX
Short Term CG:	B SCH	Short Term CG:	B SCH
Long Term CG :	D<-B	Long Term CG :	D<-B
Sched D Sales:	B SCH	Sched D Sales:	B SCH
Ret of Prin:	B SCH	Ret of Prin:	B SCH

The local security would look like this:

Multiple Security		Single Security	
Local Symbol:	SB05	Local Symbol:	SB
Linked to:	SB05	Linked to:	SB
Broker/Inv Co:	1st National	Broker/Inv Co:	1st National
Acct Number:		Acct Number:	

Sell Method:	ID	Sell Method:	ID
Tax Exempt:	Off	Tax Exempt:	Off

The three purchases would be entered like this:

	Multiple Security		Single Security			
Date	Shares	Price	Shares	Price	Amount	Notes
1/01/93	1.00	25.00	25.00	1.00	25.00	$50 C20000001EE
2/01/93	1.00	25.00	25.00	1.00	25.00	$50 C20000002EE
3/01/93	1.00	25.00	25.00	1.00	25.00	$50 C20000003EE

Enter the sale of the bond purchased on 1/01/93 like this:

	Multiple Security		Single Security				
Date	Shares	Price	Shares	Price	Amount	Opn-Date	Basis
1/01/03	1.00	50.00	25.00	2.00	50.00	1/01/93	25.00

The sale results in a gain of $25, reported on Schedule B as a result of the security type definition.

This method won't show accurate performance for the bonds until they're redeemed, but it significantly reduces bookkeeping chores for these small investments. To get truly accurate performance, you would have to track each bond separately, and record annual bond discount.

Example: Accrued Interest

You purchase shares of a unit investment trust:

Date	Shares	Price	Amount	Comm
2/01/91	49.00	103.45	5069.50	0.00

However, you paid an additional $34.30, to cover accrued interest owed to the previous owner:

5069.05 + 34.30 = $5103.35

Record the accrued interest 'distribution'. If you receive two interest checks during the rest of the year:

Date	Type	Amount	Per Share
2/01/91	ACCR	34.30	0.70
5/31/91	INT	98.49	2.01
11/30/91	INT	106.19	2.17

On your Schedule B for the year, you will show total interest for this security of:

98.49 + 106.19 - 34.30 = $170.38

Distribution Table

The Distribution Table, available from the ***Activity*** pulldown menu on the Local Security Table, shows all distributions recorded for the security highlighted on the Local Security Table. You can use the ***Activity Date Range*** pulldown menu item to restrict the date range displayed. The Distribution Table shows:

- The **Local Security** symbol and the name of the associated global security in the window caption.
- The **Last Price** recorded for the security.

For each distribution record, it shows:

- The distribution **Date**.
- The **Type** of distribution.
- The **Amount** of the distribution.
- The **Per Share** amount of the distribution.

These values are totaled for the date range at the end of the table.

Buttons available on the table's toolbar are:

- ***Add*** - Record a distribution.
- ***Change*** - Change the highlighted record.
- ***Delete*** - Delete the highlighted record.
- ***Delete Range*** - Delete the displayed range of records.
- ***Print Report*** - Generate the Distribution Detail Report for the displayed range of records.
- ***Recalculate Per Share*** - Recalculate the per share values for the displayed records.
- ***Exit*** - Exit from the table.

Record, Change, Delete Distribution

The Record Distribution Form is used to record, change, or delete a distribution. You can bring up this form from:

The ***Distr*** button on the Local Security Table's toolbar.
The ***Record Distribution*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Record Fee*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Distribution Table's toolbar.
The ***Distr*** button on the Buy Shares Form or Sell Shares Form.

The fields in this form are:

- (Display) The **Local Symbol** of the security for the distribution, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last distribution date are also displayed.
- (Required) The **Date** of the distribution. You can enter a different date over the displayed date.
- (Required) The **Type** of the distribution. You can pull down a list of distribution types to choose from.
- (Required/Calculated) The total **Amount** of the distribution. After entry, the **Per Share** figure is calculated. If you set this entry to 0, it's calculated using the **Per Share** value.
- (Required/Calculated) The distribution **Per Share** (not the price). This figure directly affects the yield. You can use the calculated value or enter a different per share value. You should verify the per share amount against your security's distribution notice, if it provides this information. The ***Prev*** button will insert the previous per share value for the specified distribution **Type**.
- (Optional) **Notes** about the sale, so you can enter information such as **QUARTERLY DIVIDEND**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Amount** or **Per Share**, if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the distribution.
- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Sell Shares*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Cancel*** - Dismiss the form.

In the Record Distribution Form, you must enter at least one of: **Amount** and **Per Share**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: open_shares * per_share = amount. The per share value is calculated based on the shares held at the **beginning** of the specified date, so that multiple distributions on one date will have accurate per share values calculated. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. If automatic calculations are disabled, you can set one or more of the fields to 0.

When called from the Local Security Table to record distributions, the Record Distribution Form is

repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple distributions.

After recording a distribution, you are given the option of going to the Buy Shares Form to reinvest the distribution, if the reinvest distributions User Setting is on. If you record a fee, you are given the option of going to the Sell Shares Form to record a sale to cover the fee.

For Dividend, Interest, and Short/Long term Capital Gains distributions, a price history entry is added to the Price History Table based on the entered per share value. If you change a distribution record, the original price history entry is deleted and a new one is added. If you delete a distribution record, the price history entry is deleted.

Distribution Process
Record Fee
Example: Dividend and Capital Gains Distributions
Example: Return of Principal
Example: Bond Discount, Zero-Coupon Bond
Example: Bond Discount
Example: Bond Amortization
Example: U.S. Savings Bonds
Example: Accrued Interest
Example: Fee
Example: Add a Distribution Record
Example: Change a Distribution Record
Example: Delete a Distribution Record

Example: Add a Distribution Record

From the Local Security Table, highlight the security and select the ***Distribution Table*** item on the ***Activity*** pulldown menu. Click on the ***Add*** button on the Distribution Table's toolbar and record the following distributions by completing the Record Distribution Form:

Date	Type	Amount	Per Share
1/01/90	DIV	2.40	0.24
7/01/90	LTCG	0.59	0.03

- Two records with distribution information are added to the Distribution Table. If these distributions were reinvested, two records would also be added to the Buy Shares Table.
- Two records containing per share information for the distributions are added to the price history.

Example: Change a Distribution Record

Assume you have the following distributions recorded for a local security:

Date	Type	Amount	Per Share
1/01/90	DIV	2.40	0.24
7/01/90	LTCG	0.59	0.03

From the Local Security Table, highlight the security and select the ***Distribution Table*** item on the ***Activity*** pulldown menu. Click on the ***Change*** button with the second entry highlighted on the Distribution Table, and change the amount and per share on the Record Distribution Form:

Date	Type	Amount	Per Share
1/01/90	DIV	2.40	0.24
7/01/90	LTCG	5.73	0.30

- The record is changed in the Distribution Table.
- The old price history entry is deleted, and a new one is added for this per share value.
- If you reinvested this distribution, you'll also need to adjust the buy shares record that was created since the amount changed.

Example: Delete a Distribution Record

Assume you have the following distributions recorded for a local security:

Date	Type	Amount	Per Share
1/01/90	DIV	2.40	0.24
7/01/90	LTCG	0.59	0.03

From the Local Security Table, highlight the security and select the ***Distribution Table*** item on the ***Activity*** pulldown menu. Click on the ***Delete*** button with the second entry highlighted on the Distribution Table, and confirm the deletion on the Record Distribution Form.

- The record is deleted from the Distribution Table.
- The price history entry is deleted.
- If you reinvested this distribution, you'll need to bring up the Buy Shares Table to delete the buy shares record created.

Cash

Cash Assets and Cash Accounts

Capital Gainz supports two broad asset types: Cash and Securities. Cash should be used for money market accounts or similar securities with a fixed, $1 per share price. Everything else should be defined as a Security asset type. The main difference between the two asset types results from the fixed versus varying price difference. A sale of a Security asset requires explicit selection of purchased shares, whereas no such matching is required for a Cash asset, since the price does not change. In Capital Gainz, this means that, for Security assets, a sale 'converts' one or more buy shares records to sell shares records in order to match buy/sell amounts. For Cash assets, though, no such conversion is needed since the price is constant and first-in/first-out sales are assumed. Thus, maintaining Cash assets is easier than maintaining Security assets. This is very welcome if you have a brokerage money market account that has a lot of activity, with money going into, and coming out of, stocks.

In fact, you can set a Cash Account for a portfolio so all purchases and sales are automatically accounted for in the cash account. This option is available in the Local Security Table's ***Security*** menu. With a cash account specified:

- **Whenever you buy shares of a security, the amount of the purchase (plus commission) is automatically subtracted from the portfolio's cash account.** If the cash account does not have sufficient holdings, then the balance will be negative.
- **Whenever you sell shares of a security, the amount of the sale (less commission) is automatically added to the portfolio's cash account.** If the account has a negative balance, thenit will be lessened or eliminated by the additional cash.
- **Whenever you record a distribution for a security, the amount of the distribution is automatically added to the portfolio's cash account.** If the account has a negative balance, then it will be lessened or eliminated by the additional cash.
- **Whenever you record a fee for another security, the amount of the fee is automatically subtracted from the portfolio's cash account.** If the cash account does not have sufficient holdings, then the balance will be negative.
- **Whenever you record a distribution for the cash account security, the amount is automatically added to the cash account.** Basically, the amount is automatically reinvested. If the account has a negative balance, then it will be lessened or eliminated by the additional cash.
- **Whenever you record a fee or margin interest for the cash account security, the amount is automatically subtracted from the cash account.** Basically, shares are automatically sold to cover the fee. If the cash account does not have sufficient holdings, then the balance will be negative.

Negative cash accounts are known as margined accounts. You are borrowing money from the broker to buy securities, leveraging your purchasing power. This means you will be making periodic interest payements - margin interest - on the amount loaned.

The only restriction on a Cash Account for a portfolio is that it must be a Cash asset type.

Record, Change, Delete Purchase

The Buy Shares Form is used to record, change, or delete a purchase. You can bring up this form from:

The ***Buy*** button on the Local Security Table's toolbar.
The ***Buy Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Buy Share Table's toolbar.
The ***Buy*** button on the Sell Shares Form or Record Distribution Form.
The Sell Shares Form, if you redistribute the sale proceeds.
The Record Distribution Form, if you reinvest the distribution.

The fields in this form are:

- (Required) The **Local Symbol** of the security to purchase, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last purchase date are also displayed.
- (Required) The **Date** of the purchase. You can enter a different date over the displayed date.
- (Required/Calculated) The number of **Shares** bought. If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The purchase **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries. If you are tracking a retirement plan, such as a company 401k plan, you may not have prices available. Use the ***Price From Value*** function for these investments.
- (Required/Calculated) The **Amount** of the purchase, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. A negative commission should be recorded for discounts or brokerage commissions absorbed by the investment company, as is the case with some dividend reinvestment plans. You can use the ***Load*** button to bring up a load/commission/discount calculator.
- (Optional) **Notes** about the purchase, so you can enter information such as **DIV REINVEST** or **IRA ROLLOVER**.
- (Required) The **Original Amount** of the purchase, which is the amount of the purchase without any principal adjustments. This field is only valid when changing an open shares record. When recording a purchase, it is always set to the same value as the **Amount**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the purchase.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load, commission, or discount.
- ***Sell*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Distr*** - Go to the Record Distribution Form to record a distribution. This button is only

available when called from the Local Security Table.

- ***Cancel*** - Dismiss the form.

You must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record purchases, the Buy Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple purchases.

For each purchase recorded, a price history entry is added to the Price History Table based on the entered price and date. If you change a buy shares record, the original price history entry is deleted and a new one is added. If you delete a buy shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Example: Buy Shares Using Cost Basis
Example: Buy Shares Using Average Cost
Example: Add a Buy Shares Record
Example: Change a Buy Shares Record
Example: Delete a Buy Shares Record

Record, Change, Delete Sale

The Sell Shares Form is used to record, change, or delete a sale. You can bring up this form from:

The ***Sell*** button on the Local Security Table's toolbar.
The ***Sell Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Sell Shares Short*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Sell Share Table's toolbar.
The ***Sell*** button on the Buy Shares Form or Record Distribution Form.
The Record Distribution Form, if you sell shares to cover a fee.

The fields in this form are:

- (Display) The **Local Symbol** of the security to sell, set to the security highlighted on the Local Security Table.The security's name, number of open shares, and last sell date are also displayed.
- (Required) The **Date** of the sale. You can enter a different date over the displayed date.
- (Required) The **Sell Method** to use. You can pulldown a list of sell methods to choose from The value in the local security is displayed, but can be changed unless an average cost method is being used.
- (Required/Calculated) The number of **Shares** to sell. If you used the Specific Identity method, this figure uses the open shares selected to sell in the Pick Shares to Sell Table . If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The selling **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries
- (Required/Calculated) The **Amount** of the sale, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. You can use the ***Load Calc*** button to bring up a load/commission/discount calculator. This field is only available for SECURITY asset types.
- (Optional) **Notes** about the sale, so you can enter information such as **HOUSE PAYMENT** or **TO PAY TAXES**.
- (Required) The **Status** of the sale: Long Term, Short Term, Short Sale, or Cash Sale. This field is only available when changing sell shares records. Long and Short Term status is based on 365 days, and may not actually correspond to Long and Short Term values shown on the Tax Report.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.
- (Optional) **Not Taxed** determines whether or not the sale is not shown on the Tax Schedule Report. This is useful for securities held outside of a retirement plan that you transfer to a charity - the gain will be included in your portfolio without being taxed.

Buttons on the form are:

- ***Ok*** - Generate a report showing buy shares selected for the sale, and display it for confirmation.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load,

commission, or discount.

- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Record Distr*** - Go to the Record Distribution Form to record a distribution. This button is only available when called from the Local Security Table.
- ***Buy Info*** - Popup a form to change the buy information for the sale. This button is only available when changing sell shares records.
- ***Cancel*** - Dismiss the form.

In the Sell Shares Form, you must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record sales, the Sell Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple sales.

After adding a sale, you are given the option of going to the Buy Shares Form to redistribute the sale proceeds, if the redistribute sale proceeds User Setting is on.

If you need to change sell shares records, unless the changes are minor you're usually better off deleting and unselling the shares, then rerecording the sale. This is especially true if you are using the average cost selling method.

If you delete a sell shares record, you are asked if you want to unsell the shares, effectively reversing the sale.

For each sale, a price history entry is added to the Price History Table based on the entered price and date. If you change a sell shares record, the original price history entry is deleted and a new one is added. If you delete a sell shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Sell Shares Process
Sell Shares from Buy Shares
Sell Shares Using Specific Identity
Sell Shares Short
Example: Sell Shares Using FIFO Method
Example: Sell Shares Using LIFO Method
Example: Sell Shares Using MAX Method
Example: Sell Shares Using MIN Method
Example: Sell Shares Using ID Method

Record, Change, Delete Distribution

The Record Distribution Form is used to record, change, or delete a distribution. You can bring up this form from:

The ***Distr*** button on the Local Security Table's toolbar.
The ***Record Distribution*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Record Fee*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Distribution Table's toolbar.
The ***Distr*** button on the Buy Shares Form or Sell Shares Form.

The fields in this form are:

- (Display) The **Local Symbol** of the security for the distribution, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last distribution date are also displayed.
- (Required) The **Date** of the distribution. You can enter a different date over the displayed date.
- (Required) The **Type** of the distribution. You can pull down a list of distribution types to choose from.
- (Required/Calculated) The total **Amount** of the distribution. After entry, the **Per Share** figure is calculated. If you set this entry to 0, it's calculated using the **Per Share** value.
- (Required/Calculated) The distribution **Per Share** (not the price). This figure directly affects the yield. You can use the calculated value or enter a different per share value. You should verify the per share amount against your security's distribution notice, if it provides this information. The ***Prev*** button will insert the previous per share value for the specified distribution **Type**.
- (Optional) **Notes** about the sale, so you can enter information such as **QUARTERLY DIVIDEND**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Amount** or **Per Share**, if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the distribution.
- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Sell Shares*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Cancel*** - Dismiss the form.

In the Record Distribution Form, you must enter at least one of: **Amount** and **Per Share**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: open_shares * per_share = amount. The per share value is calculated based on the shares held at the **beginning** of the specified date, so that multiple distributions on one date will have accurate per share values calculated. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. If automatic calculations are disabled, you can set one or more of the fields to 0.

When called from the Local Security Table to record distributions, the Record Distribution Form is

repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple distributions.

After recording a distribution, you are given the option of going to the Buy Shares Form to reinvest the distribution, if the reinvest distributions User Setting is on. If you record a fee, you are given the option of going to the Sell Shares Form to record a sale to cover the fee.

For Dividend, Interest, and Short/Long term Capital Gains distributions, a price history entry is added to the Price History Table based on the entered per share value. If you change a distribution record, the original price history entry is deleted and a new one is added. If you delete a distribution record, the price history entry is deleted.

Distribution Process
Record Fee
Example: Dividend and Capital Gains Distributions
Example: Return of Principal
Example: Bond Discount, Zero-Coupon Bond
Example: Bond Discount
Example: Bond Amortization
Example: U.S. Savings Bonds
Example: Accrued Interest
Example: Fee
Example: Add a Distribution Record
Example: Change a Distribution Record
Example: Delete a Distribution Record

Cash Table

The Cash Table is displayed if you select ***Buy Shares Table, Sell Shares Table,*** or ***Distribution Table*** from the ***Activity*** pulldown menu while a CASH asset is highlighted on the Local Security Table. Unlike SECURITY assets, this table shows all buy, sell, and distribution activity. You can use the ***Activity Date Range*** pulldown menu item to restrict the date range displayed. The Cash Table shows:

- The **Local Security** symbol and the name in the window caption.

For each purchase it shows:

- The purchase **Date**.
- The purchase **Amount**, color-coded green.

For each sale it shows:

- The selling **Date**.
- The selling **Amount**, color-coded red.

For each distribution it shows:

- The distribution **Type**.
- The distribution **Amount**, with positive amounts color-coded green and negative amounts color-coded red.

These values are totaled for the date range at the end of the table.

Buttons available on the toolbar are:

- ***Buy*** - Record a purchase.
- ***Sell*** - Record a sale.
- ***Distribution*** - Record a distribution.
- **Change** -Change the highlighted purchase, sale, or distribution.
- **Delete** -Delete the highlighted purchase, sale, or distribution.
- ***Delete Range*** - Delete the displayed range of records.
- ***Combine*** - Combines records with the same date and price, for securities that have been fragmented by activity and changes. Given the CASH asset type, this function is not used much.
- ***Print Report*** - Generate the Activity History Report for the displayed range of records.
- ***Exit*** - Exit from the table.

Record, Change, Delete Purchase

The Buy Shares Form is used to record, change, or delete a purchase. You can bring up this form from:

The ***Buy*** button on the Local Security Table's toolbar.
The ***Buy Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Cover Short Sale*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Buy Share Table's toolbar.
The ***Buy*** button on the Sell Shares Form or Record Distribution Form.
The Sell Shares Form, if you redistribute the sale proceeds.
The Record Distribution Form, if you reinvest the distribution.

The fields in this form are:

- (Required) The **Local Symbol** of the security to purchase, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last purchase date are also displayed.
- (Required) The **Date** of the purchase. You can enter a different date over the displayed date.
- (Required/Calculated) The number of **Shares** bought. If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The purchase **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries. If you are tracking a retirement plan, such as a company 401k plan, you may not have prices available. Use the ***Price From Value*** function for these investments.
- (Required/Calculated) The **Amount** of the purchase, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. A negative commission should be recorded for discounts or brokerage commissions absorbed by the investment company, as is the case with some dividend reinvestment plans. You can use the ***Load*** button to bring up a load/commission/discount calculator.
- (Optional) **Notes** about the purchase, so you can enter information such as **DIV REINVEST** or **IRA ROLLOVER**.
- (Required) The **Original Amount** of the purchase, which is the amount of the purchase without any principal adjustments. This field is only valid when changing an open shares record. When recording a purchase, it is always set to the same value as the **Amount**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the purchase.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load, commission, or discount.
- ***Sell*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Distr*** - Go to the Record Distribution Form to record a distribution. This button is only

available when called from the Local Security Table.

- ***Cancel*** - Dismiss the form.

You must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record purchases, the Buy Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple purchases.

For each purchase recorded, a price history entry is added to the Price History Table based on the entered price and date. If you change a buy shares record, the original price history entry is deleted and a new one is added. If you delete a buy shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Example: Buy Shares Using Cost Basis
Example: Buy Shares Using Average Cost
Example: Add a Buy Shares Record
Example: Change a Buy Shares Record
Example: Delete a Buy Shares Record

Record, Change, Delete Sale

The Sell Shares Form is used to record, change, or delete a sale. You can bring up this form from:

The ***Sell*** button on the Local Security Table's toolbar.
The ***Sell Shares*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Sell Shares Short*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Sell Share Table's toolbar.
The ***Sell*** button on the Buy Shares Form or Record Distribution Form.
The Record Distribution Form, if you sell shares to cover a fee.

The fields in this form are:

- (Display) The **Local Symbol** of the security to sell, set to the security highlighted on the Local Security Table.The security's name, number of open shares, and last sell date are also displayed.
- (Required) The **Date** of the sale. You can enter a different date over the displayed date.
- (Required) The **Sell Method** to use. You can pulldown a list of sell methods to choose from The value in the local security is displayed, but can be changed unless an average cost method is being used.
- (Required/Calculated) The number of **Shares** to sell. If you used the Specific Identity method, this figure uses the open shares selected to sell in the Pick Shares to Sell Table . If you set this entry to 0, it's calculated using the **Price** and **Amount**.
- (Required/Calculated) The selling **Price** of the shares. This is the actual price, not including any commission or load. When you complete this field, the **Amount** field is calculated. If you set this entry to 0, it's calculated using the **Shares** and **Amount** entries
- (Required/Calculated) The **Amount** of the sale, not including any commission or load. If you entered **Shares** and **Price**, the calculated and displayed value is usually correct. However, you may need to adjust it due to rounding.
- (Optional) The **Commission**, load, or discount on the purchase. You can use the ***Load Calc*** button to bring up a load/commission/discount calculator. This field is only available for SECURITY asset types.
- (Optional) **Notes** about the sale, so you can enter information such as **HOUSE PAYMENT** or **TO PAY TAXES**.
- (Required) The **Status** of the sale: Long Term, Short Term, Short Sale, or Cash Sale. This field is only available when changing sell shares records. Long and Short Term status is based on 365 days, and may not actually correspond to Long and Short Term values shown on the Tax Report.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Shares**, **Price**, or **Amount** if one is left blank.
- (Optional) **Not Taxed** determines whether or not the sale is not shown on the Tax Schedule Report. This is useful for securities held outside of a retirement plan that you transfer to a charity - the gain will be included in your portfolio without being taxed.

Buttons on the form are:

- ***Ok*** - Generate a report showing buy shares selected for the sale, and display it for confirmation.
- ***Load*** - Use the Calculate Load/Commission/Discount Form to determine the load,

commission, or discount.

- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Record Distr*** - Go to the Record Distribution Form to record a distribution. This button is only available when called from the Local Security Table.
- ***Buy Info*** - Popup a form to change the buy information for the sale. This button is only available when changing sell shares records.
- ***Cancel*** - Dismiss the form.

In the Sell Shares Form, you must enter at least two of: **Shares**, **Price**, and **Amount**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: shares * price = amount. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. **If automatic calculations are disabled, you can set one or more of the fields to 0.**

When called from the Local Security Table to record sales, the Sell Shares Form is repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple sales.

After adding a sale, you are given the option of going to the Buy Shares Form to redistribute the sale proceeds, if the redistribute sale proceeds User Setting is on.

If you need to change sell shares records, unless the changes are minor you're usually better off deleting and unselling the shares, then rerecording the sale. This is especially true if you are using the average cost selling method.

If you delete a sell shares record, you are asked if you want to unsell the shares, effectively reversing the sale.

For each sale, a price history entry is added to the Price History Table based on the entered price and date. If you change a sell shares record, the original price history entry is deleted and a new one is added. If you delete a sell shares record, the price history entry is deleted.

Note that for securities defined with the **CASH** asset type :

- Only the ***Date***, ***Amount***, and ***Notes*** fields are accepted.
- ***Price*** is always $1.00.
- ***Shares*** is always the same as ***Amount.***
- ***Commission*** is always $0.00.

Sell Shares Process
Sell Shares from Buy Shares
Sell Shares Using Specific Identity
Sell Shares Short
Example: Sell Shares Using FIFO Method
Example: Sell Shares Using LIFO Method
Example: Sell Shares Using MAX Method
Example: Sell Shares Using MIN Method
Example: Sell Shares Using ID Method

Record, Change, Delete Distribution

The Record Distribution Form is used to record, change, or delete a distribution. You can bring up this form from:

The ***Distr*** button on the Local Security Table's toolbar.
The ***Record Distribution*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Record Fee*** item on the Local Security Table's ***Activity*** pulldown menu.
The ***Add***, ***Change***, or ***Delete*** buttons on the Distribution Table's toolbar.
The ***Distr*** button on the Buy Shares Form or Sell Shares Form.

The fields in this form are:

- (Display) The **Local Symbol** of the security for the distribution, set to the security highlighted on the Local Security Table. The security's name, number of open shares, and last distribution date are also displayed.
- (Required) The **Date** of the distribution. You can enter a different date over the displayed date.
- (Required) The **Type** of the distribution. You can pull down a list of distribution types to choose from.
- (Required/Calculated) The total **Amount** of the distribution. After entry, the **Per Share** figure is calculated. If you set this entry to 0, it's calculated using the **Per Share** value.
- (Required/Calculated) The distribution **Per Share** (not the price). This figure directly affects the yield. You can use the calculated value or enter a different per share value. You should verify the per share amount against your security's distribution notice, if it provides this information. The ***Prev*** button will insert the previous per share value for the specified distribution **Type**.
- (Optional) **Notes** about the sale, so you can enter information such as **QUARTERLY DIVIDEND**.
- (Optional) **Auto Calc** determines whether or not Capital Gainz will automatically calculate **Amount** or **Per Share**, if one is left blank.

Buttons on the form are:

- ***Ok*** - Record the distribution.
- ***Buy Shares*** - Go to the Buy Shares Form to record a purchase. This button is only available when called from the Local Security Table.
- ***Sell Shares*** - Go to the Sell Shares Form to record a sale. This button is only available when called from the Local Security Table.
- ***Cancel*** - Dismiss the form.

In the Record Distribution Form, you must enter at least one of: **Amount** and **Per Share**. If you leave one of these fields set to 0, Capital Gainz will automatically calculate it: open_shares * per_share = amount. The per share value is calculated based on the shares held at the **beginning** of the specified date, so that multiple distributions on one date will have accurate per share values calculated. However, you can disable automatic calculations using the ***Auto Calc*** check box or from the User Settings. If automatic calculations are disabled, you can set one or more of the fields to 0.

When called from the Local Security Table to record distributions, the Record Distribution Form is

repeatedly accepted until you explicitly exit from it, allowing you to quickly and easily record multiple distributions.

After recording a distribution, you are given the option of going to the Buy Shares Form to reinvest the distribution, if the reinvest distributions User Setting is on. If you record a fee, you are given the option of going to the Sell Shares Form to record a sale to cover the fee.

For Dividend, Interest, and Short/Long term Capital Gains distributions, a price history entry is added to the Price History Table based on the entered per share value. If you change a distribution record, the original price history entry is deleted and a new one is added. If you delete a distribution record, the price history entry is deleted.

Distribution Process
Record Fee
Example: Dividend and Capital Gains Distributions
Example: Return of Principal
Example: Bond Discount, Zero-Coupon Bond
Example: Bond Discount
Example: Bond Amortization
Example: U.S. Savings Bonds
Example: Accrued Interest
Example: Fee
Example: Add a Distribution Record
Example: Change a Distribution Record
Example: Delete a Distribution Record

Set Cash Account

The ***Set Cash Account*** item on the ***Securities*** pulldown menu from the Local Security Table lets you assign the cash account for the open portfolio. This account will automatically be subtracted from on purchases, and added to on sales and distributions. Buttons on the Set Cash Account Form are:

- ***Set -*** Set the cash account for the portfolio to the highlighted security on the Local Security Table.
- ***Clear -*** Clear the cash account setting, so there is no cash account for this portfolio.
- ***Cancel -*** Don't change the current cash account for the portfolio.

The security selected for the cash account must be linked to a global security with a **CASH** asset type.

Clear Cash Account

The ***Clear Cash Account*** item on the ***Securities*** pulldown menu from the Local Security Table lets you clear the cash account for the open portfolio. This means that there will be no cash account set for the portfolio.

Convert Security to Cash Asset

The ***Convert Security to Cash Asset*** selection on the ***Securities*** pulldown menu on the Global or Local Security Table converts the highlighted security from a SECURITY asset type to a CASH asset type. If you have been using a security for a portfolio's Cash Account (prior to the introduction of the CASH asset type), you need to first convert it to a CASH asset type before you can reset the Cash Account to point to it. Also, any money market accounts that currently are SECURITY assets can be converted to CASH asset types.

CASH asset types require a fixed $1 price. The conversion process will:

- Break up any sell shares records into separate buy shares and sell shares records. CASH assets don't include purchase information in their sell shares records.
- Convert the purchase price of any buy shares to $1 and set shares = amount if necessary.This should be true for existing records.
- Convert the sell price of any sell shares records to $1 and set shares = amount if necessary This should be true for existing records.
- Remove any commissions in buy shares and sell shares records This should be true for existing records.
- Combine buy shares records with the same date into a single purchase Thus, buy shares broken up by sales are recombined.
- Combine sell shares records with the same date into a single sale Thus, multiple sell shares created by sales are combined.

This process can not be reversed.

Example: Convert Security to Cash Asset

Example: Convert Security to Cash Asset

You've been using Capital Gainz for several years, and the latest release added the new CASH asset type feature. You definitely want to take advantage of this. In fact, since you use Fidelity Cash Reserves for your portfolio's Cash Account, you need to convert it in order to continue using it for the Cash Account.

Assume the following activity in your Fidelity Cash Reserves account:

1/1/98 Buy 1000 shares at $1
1/31/98 Dividend of $3
1/31/98 Buy $3 at $1 (reinvestment)
2/1/98 Buy 1000 shares at $1
2/28/98 Dividend of $3
2/28/98 Buy $3 at $1 (reinvestment)
3/1/98 Buy 1000 shares at $1
3/31/98 Dividend of $3
3/31/98 Buy $3 at $1 (reinvestment)
4/1/98 Buy 2000 shares at $1
4/15/98 Sell 1500 shares at $1 (to buy a stockl)
4/22/98 Sell 2000 shares at $1 (to buy a stock)

The current Buy Shares records are:

Date	Shares	Price	Amount
4/1/98	1509	1	1509

The current Sell Shares records are:

Date	Shares	Price	Amount	Buy-Date	Buy-Price	Buy-Amt
4/15/98	1000	1	1000	1/1/98	1	1000
4/15/98	3	1	3	1/31/98	1	3
4/15/98	497	1	497	2/1/98	1	497
4/22/98	503	1	503	2/1/98	1	503
4/22/98	3	1	3	2/28/98	1	3
4/22/98	1000	1	1000	3/1/98	1	1000
4/22/98	3	1	3	3/31/98	1	3
4/22/98	491	1	491	4/1/98	1	491

The current Distribution Shares records are:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

You then use the ***Convert to Cash Asset*** function on this security.

The Buy Shares records are now:

Date	Amount
1/1/98	1000
1/31/98	3
2/1/98	1000
2/28/98	3
3/1/98	1000

3/31/98	3
4/1/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. Notice that buy shares records that had been split up by sales have been recombined.

The Sell Shares records are now:

Date	Amount
4/15/98	1000
4/22/98	2000

Price is always assumed to be $1, and Shares is always assumed to be equal to Amount. There is no purchase information stored with sales of CASH assets. Notice that sell shares records that had been split up by sales have been recombined.

The Distribution Shares records are unchanged:

Date	Type	Amount
1/31/98	DIV	3
2/28/98	DIV	3
3/31/98	DIV	3

Transfer Shares

Transfer Shares From/To

The ***Transfer Shares*** item on the ***Activity*** pulldown menu from the Local Security Table brings up the the Transfer Shares From/To Form to move selected buy shares (not sell shares or distributions) from the highlighted security on the Local Security Table to another local security.The destination local security can be in the same or a different portfolio. The fields in this form are:

- (Display) The **From Portfolio** shows the portfolio containing the highlighted local security from which buy shares will be transferred..
- (Display) The **From Local Security** shows the highlighted local security from which buy shares will be transferred and the name of the associated global security.
- (Required) Enter the portfolio containing the local security to transfer buy shares to for the **To Portfolio**. This can be the same as the **From Portfolio**. Click on the ***List*** button to popup a list of portfolios to choose from
- (Required) Enter the local security symbol for the **To Local Security**, where buy shares will be transferred to. This new local security should be linked to the same global security, or at least an equivalent duplicate, to the one used by the **From Local Security**. It does not make much sense to transfer shares buy from, say, IBM to AT&T.

Buttons available on the form are:

- ***Ok*** - Proceed to the Transfer Shares Form to specify the number of shares to transfer.
- ***Cancel*** - Dismiss the form.

Important Notes:

- **The transfer shares option only transfers buy shares, not sell shares or distributions.** If you want to move a security and all of its data, use the ***Copy Security*** function to copy the security and data, then use the ***Delete Security*** function to remove the original security.
- **The transfer shares operation should only be used for non-taxable transfers**, or possibly as a maintenance aid for moving purchases around. If a transfer is taxable, you need to execute a sale, then a purchase.

Transfer Shares Form
Example: Transfer Shares

Transfer Shares

After completing the Transfer Shares From/To Form to specify the source and destination local securities for the transfer, theTransfer Form is used to specify how many shares to transfer. The fields in this form are:

- (Required) The **Date** of the transfer. You can enter a different date over the displayed date.
- (Required) The **Sell Method** to use. You can pulldown a list of sell methods to choose from The value in the local security is displayed, but can be changed. The average cost and short sale selling methods are not permitted here.
- (Required/Calculated) The number of **Shares** to sell. If you used the Specific Identity method, this figure uses the buy shares selected to sell in the Pick Shares to Sell Table.

Buttons on the form are:

- ***Ok*** - Generate a report showing sell shares selected for the transfer, and display it for confirmation.
- ***Cancel*** - Dismiss the form.

Transferring shares is very similar to selling shares. You specify a date, selling method, and number of shares and the selected shares are removed from the security's holdings. However, unlike selling shares, where the selected buy shares records are converted to sell shares records, the buy shares records are removed from the original security's buy shares records and added to the destination security's buy shares records.

Transfer Shares From/To
Example: Transfer Shares

Example: Transfer Shares

You have the following purchases for AT&T in Portfolio 001:

Date	Shares	Price	Amount
1/01/80	200.00	25.00	5000.00
1/01/81	200.00	30.00	6000.00
1/01/82	200.00	35.00	7000.00

You split the holdings among your two sons, in a tax-free transfer on 1/01/96. Son #1's holdings are in Portfolio 002, and he does not have any AT&T stock.Son #2's holdings are in Portfolio 003, and he does have AT&T stock:

Date	Shares	Price	Amount
1/01/95	100.00	50.00	5000.00

First, you need to define the AT&T local security for son #1's portfolio. Link it to the AT&T global security that your AT&T local security, and son #2's AT&T local security, are linked to.

Next, highlight AT&T in Portfolio 001, and select the Transfer Shares function from the Activity Menu. Specify that the shares will be transferred to Portfolio 002, local security AT&T. After clicking on the ***Ok*** button, you'll be asked to specify the Date, Selling Method, and number of Shares to transfer:

Date:	1/01/96
Selling Method:	FIFO
Shares:	300.00

After clicking on the ***Ok*** button, the result of the transfer is displayed and you are next asked to confirm the operation. After confirming the transfer, you now have the following purchases for AT&T in Portfolio 001:

Date	Shares	Price	Amount
1/01/81	100.00	30.00	3000.00
1/01/82	200.00	35.00	7000.00

And, in Portfolio 002, the following purchases for AT&T were added:

Date	Shares	Price	Amount
1/01/80	200.00	25.00	5000.00
1/01/81	100.00	30.00	3000.00

Next, you follow the same set of actions to transfer the remaining shares, but this time to local security AT&T in Portfolio 003. After confirming the operation, you now have no purchases for AT&T in Portfolio 003. In Portfolio 003, you have the following purchases:

Date	Shares	Price	Amount
1/01/81	100.00	30.00	3000.00
1/01/82	200.00	35.00	7000.00
1/01/95	100.00	50.00	5000.00

You can delete the AT&T local security in Portfolio 001 if you wish, since it now has no holdings.

Notice that the non-taxable transfers retained the original purchase dates and amounts. Also, since shares were transferred FIFO, and shares were transferred to son #1 first, and AT&T's price had increased over time, son #1 is burdened with a larger capital gain obligation at this point, even though both sons received equivalent values. If the price of AT&T stock were $60.00 now, son #1 received

capital gain obligations of:

($60.00 * 300) - $5000.00 - $3000.00 = $10,000.00

Son #2 received capital gain obligations of:

($60.00 * 300) - $3000.00 - $7000.00 = $8000.00

There were no sell shares or distributions in your AT&T holding in this example, but they would not be affected.

Reports

Reports and Graphs

Capital Gainz displays a considerable amount of information in tables, and this information may be formatted into reports for output to the printer. Many reports contain data that is omitted from screens due to space and program performance considerations.

Some of the most useful reports are:

- **Portfolio Detail Report**: This report is similar to the Local Security Table, and shows current holdings and unrealized gains and losses in a portfolio.
- **Activity History Report**: This report shows a chronological list of purchases, sales, and distributions. The format makes it easy to check your entries against mutual fund and broker statements.
- **Total Return Report**: This report looks at the price history of a security, and calculates the total return based on prices and distributions. The total return calculation is the same as that used by mutual fund companies.
- **Performance Report**: This report calculates your performance based on recorded purchases, sales, and distributions.
- **Tax Schedule Report**: Information for Schedules B and D of the tax forms is generated based on your recorded distributions and sales. Data can be transferred to your paper or electronic tax forms.
- **Activity Detail Reports**: These reports show detailed information on recorded purchases, sales, and distributions.

Reports are generated in one of two ways:

- **From Tables**: Many tables allow you to quickly generate one or more related reports for the current portfolio or security.
- **From the Report Menu**: The Report Menu lets you choose from all available reports. You can print reports for selected portfolios or securities.

You can change the behavior or format of many reports by changing the Report Settings:

- You can generate reports that **Use Brief Formats**, omitting non-essential data. For instance, using this option with the Performance Report results in only the bottom-line figures being printed, omitting the components used in the calculations.
- You can **Show Subtotals**. For instance, using this option with the Activity History Report results in a running total and value of holdings after each purchase, sale, or distribution.
- You can **Combine Portfolios** selected for a report into a single virtual portfolio. For instance, you can treat several portfolios as a whole in order to generate a single combined Schedule B and Schedule D.
- You can **Use Internal Rate of Return** to include IRR calculations on the Performance Report. The internal rate of return factors time into the cash flows to arrive at a rate, while the standard calculation does not factor in time.
- You can specify a ***Date Range*** to restrict the data printed.
- You can send reports to plain ASCII text files with **ASCII File Output**, for storing on disk for future reference or just to increase printing speed.

When you request a report, the report is generated and displayed on the screen. From there, you can send it to your printer.

Some reports can be generated in HTML format for posting to the Web. HTML format reports are only available from the Report Menu, via a checkbox next to the report name. The HTML generated is displayed in the ASCII text file viewer, and from there can be sent to your Web browser for display. Many aspects of the HTML format can be configured by editing the styles files, CGSTYLES.CSS.

Graphs are similar to reports, but display data in a visual format that is easier to comprehend. Capital Gainz offers the following types of graphs:

- **Price-Based Graphs**: You can view line charts of prices or moving averages for securities. Two securities can be graphed at the same time to examine relative price movement. Total return area graphs illustrate price and distribution components of total return.
- **Allocation Graph**: This graph breaks down your current holdings in a portfolio by security class, such as Stock Mutual Fund; security type, such as Small Company Fund; and security.
- **Cost/Value Graph**: This graph compares cost and current market value for securities in a portfolio. The difference between the two bars is unrealized gain or loss, the same value shown on the Portfolio Detail Report.
- **Performance Graph**: This graph illustrates the performance numbers using two equivalent pie charts to analyze gain or loss.
- **Portfolio History Graph**: This graph shows your saved portfolio history over time.

Unlike special graphing programs or spreadsheets, there's no need for you to determine ranges or scaling. Based on the data being graphed, optimal ranges are automatically selected and the data is scaled accordingly. For instance, if a security's price ranges from $10 to $20 between the specified dates, then the price axis of the graph will only go from $10 to $20. Similarly, the width of bars in bar charts will be small enough to include as many as possible on one screen

Like reports, you have a number of optional settings available for graphs. For instance, you can omit statistical lines on the price graph or omit the grid lines. When you request a graph, the graph is generated and displayed on the screen. From there, you can send it to your printer or export it as a Windows BMP file. A button on all graphs lets you view the underlying data used.

Using the Viewer Settings, you can configure Capital Gainz so that multiple reports and graphs can be displayed at one time, while you continue to work in the program. You can even select an alternative program to view reports and graphs with.

Report Menu

The Report Menu is available from the ***Reports*** button on the toolbar or via the ***Report Menu*** item on the ***Reports*** pulldown menu. All reports are available from the Report Menu, but many are also available directly from the ***Reports*** pulldown menu on related tables. For instance, the Portfolio Detail Report is available from the Local Security Table. The Report Menu is divided into three sections:

Activity Reports

- **Portfolio Summary** - Shows current value and unrealized gain/loss for portfolios.
- **Portfolio Detail** - Shows current value and unrealized gain/loss for securities. This report can also be generated in HTML format for the Web, by checking the indicated box.
- **Activity History** - Shows all activity for securities in chronological order.
- **Activity Summary** - Shows security summary information for buy shares, sell shares, and distributions.
- **Performance** - Shows security performance values based on purchases, sales, and distributions. This report can also be generated in HTML format for the Web, by checking the indicated box.
- **Activity Detail** - Show individual buy shares records, sell shares records, and distribution records for securities.
- **Portfolio Allocation** - Shows current security values broken down by class, type, and security.
- **Tax Schedules** - Shows information for Schedule B and D of the tax forms, based on recorded distributions and sales.
- **Income** - Shows actual and expected income over the requested period.
- **Portfolio History** - Shows the historical values for portfolios.
- **Short Position** - Shows current short positions for securities.

Buttons available for this section are:

- ***Portfolios*** - Select portfolios for the report from the Portfolio Tag Table.
- ***Local Sec*** - Select securities for the report from the Local Security Tag Table. You can choose specific securities only if the current portfolio is the only one selected.
- ***Types*** - Select only those securities of specific security types from the Security Tag Table .
- ***Brokers*** - Select only those securities of specific broker/investment companies from the Broker/Inv Co Tag Table.

Local Sec, ***Types,*** or ***Brokers*** restrictions **are exclusive of each other**. For instance, if you tag specific security types then try to tag specific securities, the tagged security types are lost.

Security and Price Reports

- **Global Security** - Shows current security prices and yields.
- **Total Return** - Shows total return for securities, based on price history entries.
- **Price History** - Shows security price history.

Buttons available for this section are:

- ***Global Sec*** - Select securities for the report from the Global Security Tag Table.

Other Reports

- **Broker/Investment Company Report** - Shows broker/investment company information.
- **Security Type Report** - Shows security type information.

Buttons available from the Report Menu are:

- ***Ok*** - Generate the selected report, using the currently set report options.
- ***Report Set*** - Bring up the Report Settings Form to alter report settings.
- ***Print Setup*** - Select printer and printer options.
- ***User Set*** - Bring up the User Settings Form to alter user settings.
- ***Dates*** - Specify a date range to restrict reports to.
- ***Exit*** - Exit from the Report Menu.

Viewing a Report

The selected report is generated and displayed in a scrollable window on the screen. Buttons on the toolbar let you:

- ***Go To First Page*** - Scroll to the first page of the report.
- ***Go to Last Page*** - Scroll to the last page of the report.
- ***Go To Previous Page*** - Scroll up one page.
- ***Go To Next Page*** - Scroll down one page.
- ***Print to File*** - Sends the displayed report page to a WMF file.
- ***Print Report*** - Print the displayed report.
- ***Exit*** - Exit the report viewer.

The displayed report is a series of Windows metafiles (WMF), one per page.

Multiple reports can be displayed at one time by configuring the Viewer Settings.

Readability

The rendering of reports is as close as possible to what will be printed, but the lower resolution of monitors may cause some characters to appear chopped off. In some isolated cases, such as with the Generic Text Only Windows printer, the displayed output may actually be unreadable. The printed output of the report, however, should be perfect.

Text File Viewer

The Text File Viewer is used to show:

- Reports when the ASCII File Output option is selected in Report Settings.
- Reports when the HTML format option is chosen from the Report Menu.
- Text files selected from the Pick File to View function.

If the Text File Viewer is not set in the Viewer Settings, then the internal text viewer is used to display the file. If the Text File Viewer is set, then the specified viewer is used to display the file. The included Capital Gainz Viewer program has the following toolbar buttons:

- ***Go to Top*** - Scroll to the beginning of the file.
- ***Go to Bottom*** - Scroll to the end of the file.
- ***Copy to File*** - Copy the viewed file to another file.
- ***Print File*** - Send the entire file to the printer.
- ***Copy to Clipboard*** - Copy the file to the Windows Clipboard.
- ***View in Web Browser*** - Send the file to your Web browser. This is only useful for HTML format files, and uses the current Windows file association for .HTML files to determine the browser program.
- ***Select File*** - Select another file to view.
- ***Exit*** - Leave the Text File Viewer.

Printing a Report

Printing to the Printer

When you choose the ***Print Report*** button while viewing a report, the report is sent to the default Windows printer. While Capital Gainz uses a minimal number of fonts and sizes in reports, the capabilities of dot matrix printers varies and so the actual output may be unpredictable. Further, dot matrix printer output may bypass any draft mode setting to render fonts, and thus the output may be slower than expected. For these reasons, **we strongly suggest that you have a laser or inkjet printer for optimal results**. If you must use a dot matrix printer, consider printing to a text file, as described below.

After choosing to print a report to the printer, you can specify to print either all pages or a specific range of pages.

Printing to a WMF File

While viewing a report, you can use the ***Print to File*** button to send the displayed page to a WMF (Windows Metafile Format) file on your disk. This common graphics format can be read by most Windows word processors.

Printing to a Text File

To output a report to an **ASCII text file** on your disk, set the ASCII file output option in the Report Settings before report generation. With this option selected, report output is restricted to the ASCII character set, with a maximum of 80 characters per line. After you elect to generate a report you will be asked for the name of the file to print to. The report output will be sent to this file, and the file will then be displayed in the file viewer. There are some valuable uses for outputting reports to ASCII files:

- You can save paper by storing data on disk for later review. For instance, you may want to save monthly Portfolio Detail reports, using a naming format such as PORDET.myy, where 'm' is the month (1=January, 2= February, ... A = October, B = November, C = December) and 'yy' is the year.
- You can search the disk files using common text filter tools.
- You can output to old printers that have problems with proportional fonts or special effects used in standard report formats.

Portfolio Summary Report

The Portfolio Summary Report lists portfolios in numeric order by portfolio id, and shows:

- The portfolio **id** and **name.**
- The current **value** of all holdings in the portfolio.
- The current unrealized gain/loss of all holdings in the portfolio.
- The portfolio description.

At the end of the report, totals for the value and gain/loss of all portfolios are shown.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, then the portfolio description is not printed.
- **Subtract Reinvested Distributions From Cost**: If this User Setting is on, then reinvested distributions are subtracted from the cost in determining unrealized gain/loss.

Portfolio Detail Report

The Portfolio Detail Report is similar to the Local Securities Table. For each portfolio **id**, local securities are listed in alphabetical order by symbol and include:

- The local security **symbol** and global security name.
- The last **price** and date.
- The **average price** paid for shares owned.
- The current number of **shares** owned.
- The current **yield.**
- The **commission** or load paid for the shares.
- The **value** of the current shares, based on the last price.
- The **unrealized gain or loss** on the current shares.
- The broker/investment company and account number for this local security.
- Any comments specified for this security.

At the end of each portfolio, security totals are shown for yield, commission, value, commission, and gain/loss. If multiple portfolios were selected, then grand totals are shown at the end of the report.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, then only a single line is printed for each security, with the broker/investment company and comments omitted.
- **Use Wide Formats When Available**: If this Report Setting is on, then the report is printed in landscape mode, and the security name and cost are included.
- **Show Subtotals When Applicable**: If this Report Setting is on, the report is subtotaled by broker/investment company.
- **Subtract Reinvested Distributions From Cost**: If this User Setting is on, reinvested distributions are subtracted from the cost in determining unrealized gain/loss.
- **HTML** format: If the HTML checkbox is selected on the Report Menu, the report is generated in HTML format for viewing in a Web browser. To alter the look of the HTML, edit the CGSTYLES.CSS file, which defines styles for the data.

Activity History Report

The Activity History Report resembles statements you receive from mutual fund companies. It shows all buy, sell, and distribution activity over the period, in chronological order. For each security you are shown:

- The portfolio **id** and name.
- The local security **symbol** and global security name.
- The local security's **account number**.
- Today's date or the selected range.
- The **last price** and date for the security.

All purchases during the period, even if you sold the shares later, show:

- The purchase **date**.
- The number of **shares** bought.
- The actual purchase **price**, even for the averaging method.
- The actual purchase **amount**, even for the averaging method.
- The purchase commission or load.
- Any comments recorded with the purchase.
- If sold during the period, a line below the purchase information shows the date you sold it.

All sales during the period show:

- The selling **date.**
- The number of **shares** sold.
- The selling **price.**
- The selling **amount.**
- The selling commission or load.
- Any comments recorded with the sale.

For each distribution, you are shown:

- The **date** of the distribution.
- The type of the distribution.
- The **amount** of the distribution.
- The distribution per share.
- Any comments recorded with the distribution.

At the end of each security, totals are shown for purchases, sales, and distributions over the period. Also, your current open position for the security is shown based on the last recorded price.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, then comments are omitted.
- **Show Subtotals When Applicable**: If this Report Setting is on, then a running total of shares is shown after each purchase and sale.

Activity Summary Report

The Activity Summary Report shows summary purchase, sale, and distribution information. For each local security, you are shown:

- The portfolio **id** and name.
- The local security **symbol** and global security name.
- Today's date or the selected range.
- The **last price** and date for the security.
- The **security type**.
- The security's **yield.**
- The local security's **account number**.
- **Buy Activity Summary** - Totals are shown for shares purchased during the specified period, and not sold as of the current date. This mirrors the totals at the end of the Buy Shares Detail Report.
- **Sell Activity Summary** - Totals are shown for shares sold during the specified period. This mirrors the totals at the end of the Sell Shares Detail Report.
- **Distribution Activity Summary** - Totals are shown for distributions during the specified period. This mirrors the totals at the end of the Distribution Detail Report.

Performance Report

The Performance Report provides a comprehensive analysis of a security's performance. If you requested all dates, the first date is determined from the activity entries and the last date is determined from recorded prices for active securities or the last activity date for inactive securities. Thus, the performance of active securities is bracketed by the first activity date and the last price date, and the performance of closed out securities is bracketed by the first and last activity dates.

For each security, you are shown:

- The portfolio **id** and name.
- The local security **symbol** and global security name.
- The local security's **account number**.
- Today's date or the selected range.
- The date and value of the first and last prices for the security.
- **Begin** - Beginning shares and value.
- **Buy** - Shares and amount purchased over the period.
- **Distributions** - Distributions and fees over the period.
- **Sell** - Shares and amounts sold over the period.
- **End** - Ending shares and
- **Unrealized Gain/Loss** - Unrealized gain or loss as of the end date.
- **Net Buy** - Net buy amount, which is how much fresh cash was added. Net Buy plus Return equals total increase in portfolio value.
- **Return**: Total ending value plus sale proceeds plus distributions received less purchases less reinvested distributions less initial value.
- **Standard Rate and Percentage -** The unweighted annual rate and total percentage.
- **IRR and IRR Rate**: The weighted rate and total percentage (only included if **Use Internal Rate of Return** User Setting is on).

If you specified more than one local security, the Performance Report also generates grand totals.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, then only the final performance figures are shown for each security.
- **Show Subtotals When Applicable**: If this Report Setting is on, then performance figures are shown for each portfolio.
- **HTML** format: If the HTML checkbox is selected on the Report Menu, the report is generated in HTML format for viewing in a Web browser. To alter the look of the HTML, edit the CGSTYLES.CSS file, which defines styles for the data.

Activity Detail Report

For the Activity Detail Report, you can print:

- **All Activity Detail** - Print Buy Shares, Sell Shares, and Distribution Detail Reports. You can group these reports by **Activity Type** (Buy, Sell, Distribution) or by **Security**.
- **Buy Shares Detail** - Print just the Buy Shares Detail Report.
- **Sell Shares Detail** - Print just the Sell Shares Detail Report.
- **Distribution Detail** - Print just the Distribution Detail Report.

For each security and activity type you are shown:

- The portfolio **id** and name.
- The local security **symbol** and global security name.
- The local security's **account number**.
- Today's date or the selected range.
- The **last price** and date for the security.

Buy Shares Detail

The Buy Shares Detail Report is similar to the Buy Shares Table. The records of shares bought over the period and still held as of the current date are sorted in ascending order by date. For each buy shares record, you are shown:

- The purchase **date.**
- The number of **shares** purchased.
- The open **price** (basis price), which is the same as the purchase price if the average method is not being used.
- The open **amount** (basis amount), which is the same as the purchase amount if the average method is not being used.
- The open **commission** or load. A negative commission signifies a purchase discount.
- The current **value,** based on the last price.
- The current unrealized **gain/loss**.
- Any notes recorded for the purchase.

Totals are shown at the end of the report.

Sell Shares Detail

The Sell Shares Detail Report is similar to the Sell Shares Table. The records of shares sold over the period are sorted in ascending order by date. For each sell shares record, you are shown:

- The sale and purchase **dates**.
- The number of **shares** sold.

- The sale and purchase **price** (basis price).
- The sale and purchase **amount** (basis amount).
- The sale and purchase **commission** or load.
- The realized **gain/loss** amount and percentage for the sale. For short sales, this is the current position.
- Any sale and purchase notes specified.

If a sale resulted in the creation of multiple sell shares records, a subtotal is given for the date of the sale. Totals are shown at the end of the report.

Distribution Detail

The Distribution Detail Report is similar to the Distribution Table. The records of distributions and fees over the period are sorted in ascending order by date. For each distribution record, you are shown:

- The **date** of the distribution.
- The **type** of the distribution.
- The distribution **per share**.
- The **amount** of the distribution.
- Any notes specified for the distribution.

Totals are shown for each distribution type at the end of the report.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, then only a single line per activity record is printed. Notes are omitted, and for sell shares records the buy information is omitted.

Portfolio Allocation Report

The Portfolio Allocation Report gives you a percentage breakdown by security, security type, and security class for each portfolio **id**:

For each security you are shown:

- The local security **symbol** and global security name.
- The current value of the security.
- The **percentage** of the holdings in this security based on the total value of the portfolio.

For each security type you are shown:

- The **security type**.
- The current value of local securities of this type.
- The **percentage** of the holdings in this security type based on the total value of the portfolio.

For each security class you are shown:

- The **security class**.
- The current value of local securities of this class.
- The **percentage** of the holdings in this security class based on the total value of the portfolio.

The total value of the portfolio's holdings is also shown. Note that allocations are based on the Global Security's assigned security type, or the breakdown on the Global Security Type Percentage Table.

Tax Schedule Report

The Tax Schedules Report prints information for Schedules B and D of the federal tax forms. The values can be easily transferred to your tax forms, but the printed report is not a legal substitute and can't be used as is. Alternatively, you can generate an import file for many tax preparation programs. The default treatment of individual securities can be altered by modifying the security's type. Additional reports are added to the end of the Schedule B report, listing any fees paid for the year, and to the Schedule D report, listing potential wash sales.

Any local securities defined as tax exempt are skipped completely, so only use this designation for securities held in retirement plans, like IRAs.

Before printing the tax schedule, you first specify:

- The **Year** for the tax report.
- The beginning and ending date. This will normally be 1/01/Year to 12/31/Year, but may be changed if you need to print taxes for a different fiscal calendar year.
- Whether to **Round** values to the nearest dollar.
- Whether to **Group Sales** on Schedule D, so each sale groups affected purchases into a single short term and a single long term entry.
- Whether to **Check for Wash Sales** on Schedule D. If selected, and any wash sales are found, you can automatically adjust for them.
- Whether to **Export to Tax Exchange Format** (TXF). This output format can be imported into many popular tax preparation programs.
- Whether **Export Sales Only**. When exporting to TXF files, this lets you skip the Schedule B interest/dividend data, which you may prefer to enter using 1099 forms provided by mutual fund companies and brokers, and only generate data for sales. Also, tax software support for Schedule B data has been erratic.

Schedule B Report

The Schedule B Report lists distributions for securities over the requested year. You can control the treatment of various securities, such as whether they are taxable or tax-free, using the security type. For each portfolio, you're shown:

- **Interest Income** - Interest recorded for local securities, broken down by type: taxable, tax exempt, non-taxable, etc.
- **Dividend Income** - Dividends and capital gains distributions for local securities, broken down by type: taxable, tax exempt, non-taxable, capital gains, etc.

Fee Report

The Fee Report is not a tax form, but reports fees that may be tax-deductible elsewhere on the tax forms. For each fee in the specified year, you're shown:

- The local security **symbol** and security name.
- The **type.**

- The **date** the fee was paid.
- The **amount** of the fee.
- Any **notes** recorded with the fee.

Schedule D Report

The Schedule D report lists sales information for the year. You can control the treatment of various securities, such as whether the purchase commission is added to the cost or subtracted from the proceeds, using the security type. For each portfolio, you're shown:

- **Short-term Capital Gains and Losses -**Gains/losses from short term sales.
- **Long-term Capital Gains and Losses -** Gains/losses from long term sales.

Each sale shows the local security symbol and the number of shares involved. If you grouped sales, Schedule D uses **VARIOUS** as the purchase date for sales that closed multiple purchases.

If **the Show Subtotals When Applicable** Report Setting is on, the sales are subtotaled by security.

Wash Sale Report

The Wash Sale Report is not a tax form, but reports potential wash sales. Capital Gainz can automatically adjust for wash sales, but certain restrictions apply. For each possible wash sale, you're shown:

- The local security **symbol** and security name.
- The selling **date** and number of **shares** sold.
- The **date** and number of **shares** for purchases of the same security within 30 days of the sale. The purchases displayed are limited by the number of shares involved in the sale.

If any potential wash sales are printed, Capital Gainz asks if you want to automatically adjust for them. If fewer shares are purchased than were involved in a wash sale, then the entire loss is not adjusted.

TXF Export File

If you choose the **Export to Tax Exchange Format** option, then instead of Schedule B and D reports, your data is structured in tax exchange format (TXF) so it can be read into tax preparation programs. If you have sales that closed many purchases, it's a good idea to use the **Group Sales** option.

You can only generate a TXF file for a single portfolio, unless you set the Report Setting to combine portfolios.

Interacting with Tax Software

Income Report

The Income Report lists the actual and expected income from securities. You can choose from predefined periods such as this month, next quarter, or this year. Or, you can specify a range of months. For the selected period up to the current date, actual income is shown. Beyond the current date, expected income is shown based on current holdings, yield, dividends per year, and prior income history. The Income Report lists the individual income amounts in increasing date order. For each one:

- The actual or expected **date** of the income.
- **EST**, if the income is estimated.
- The local security **symbol** and global security name.
- The **type** of income, such as DIV.
- The amount of income **per share**.
- The **amount** of income.

Variations

- **Show Subtotals When Applicable**: If this Report Setting is on, then income is subtotaled by month.

Portfolio History Report

The Portfolio History Report lists portfolio cost/value history by date, showing:

- The portfolio **id** and **name.**
- The **date** for the portfolio history.
- The **value** of the portfolio on the date.
- The **return** and **return percentage** of the portfolio on the date.

Variations

- **Show Subtotals When Applicable**: If this Report Setting is on, the report is subtotaled by date.

Short Position Report

The Short Position Report shows the current position of any outstanding short sales for the portfolio **id.**
For each short sale, you are shown:

- The **date** of the short sale.
- The number of **shares** sold short.
- The local security **symbol** and security name.
- The **price** the security was sold short for.
- The **amount** the security was sold short for.
- The **commission** charged on the short sale.
- The **current price**.
- The **unrealized gain/loss** from the short sale.

The short amount and gain/loss are totaled for all short sales in the portfolio.

Global Security Report

The Global Security Report lists securities in alphabetical order by symbol, showing:

- The global security **symbol** and name.
- The security **type.** If the security has been broken down into multiple types with the Global Security Type Percentage Table, then a '+' is added to the type code.
- The last recorded **price.**
- The current **yield.**
- The exchange and exchange symbol.
- The issue date and price, maturity date and price, call date and price, and coupon rate if the security is a bond.
- Any comments entered for the security.

If a system date range is in effect, the price and yield on the last date in the range are shown. So, if you want to see prices on 12/31/92, you can set the date range to 12/31/92 to 12/31/92.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, only a single line per security is printed, with exchange information, bond information, and comments omitted.
- **Show Subtotals When Applicable**: If this Report Setting is on, local securities linked to each global security are shown.

Total Return Report

The Total Return Report shows the total return of each global security for the specified period, using the prices recorded. If you requested all dates, the first and last dates found in the price history are used as the date range. Included are:

- The global security **symbol** and name.
- The **begin date**, the date of the first price history entry found within the specified period.
- The **end date**, the date of the last price history entry found within the specified period.
- The **begin price**, the first price history entry found within the specified period.
- The **end price**, the last price history entry found within the specified period.
- The total **return** of a single share, if held from the beginning to the ending date and assuming reinvested distributions.
- The simple yearly compounded **rate** of return for the security, based on the dates shown.
- The **distributions per share** summed over the specified period.
- The **reinvestment shares** value is the sum of each distribution per share divided by the next share price found.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, only a single line per security is printed, with distributions per share and reinvestment shares omitted.

Price History Report

The Price History Report shows the price history for a global security. For each security, you are shown:

- The global security **symbol** and name.
- Today's date if no date range was chosen, otherwise the entered date range.
- The exchange and exchange symbol.

Price history records are interleaved with distributions and splits, sorted in descending date order. For prices, the report shows:

- The **date** of the price.
- The **price.**
- The trading volume (in hundreds), if recorded with the price.

For distributions, the report shows:

- The **date** of the distribution.
- The type of the distribution.
- The distribution amount per share.

For stock splits, the report shows:

- The **date** of the split.
- The split ratio.

At the end of each security, the high and low prices and dates found within the date range, the monthly average price, and the total distributions per share are shown.

Broker/Investment Company Report

The Broker/Investment Company Report lists broker/investment companies in alphabetical order by name, showing:

- The **name** of the broker/investment company.
- The **phone** number of the broker/investment company.
- The **address, city, state,** and **zip** code of the broker/investment company.
- Any comments entered for the broker/investment company.
- Local security **symbols,** security names, and **account numbers** associated with the broker/investment company.

Variations

- **Use Brief Formats When Available**: If this Report Setting is on, local securities and comments are omitted.
- **Show Subtotals When Applicable**: If this Report Setting is on, commissions and fees paid for securities over the period are subtotaled by the broker/investment company.

Security Type Report

The Security Type Report shows security types, divided into sections by class. Shown for each security type are:

- The security **type** code.
- The security type **description.**
- Whether a global security with this type distributes **dividends** **or** **interest**, and if it is taxable.

  OMIT - Distributions are omitted from the tax forms. This is not the same as being non-taxable.
  TAX - Distributions are taxable, and added in with other dividends and interest on Schedule B.
  NOTAX - Distributions are tax exempt, and added in with other dividends and interest on Schedule B before being subtracted back out as non-taxable.

- Where **short term capital gains** by a security of this type are reported on the tax forms.

  OMIT - Distributions are omitted from the tax forms.
  B SCH - Distributions are added to the dividends on Schedule B. This is the normal tax treatment.
  D<-B - Distributions are added to the dividends on Schedule B, but then subtracted back out for inclusion on Schedule D.

- Where **long term capital gains** by a security of this type are reported on the tax forms.

  OMIT - Don't include sales on Schedule D. This is the default for security types of class CASH.
  EACH - Each purchase sold during the year is shown on Schedule D. This is the normal tax treatment.
  GROUP - All purchases for a sale are lumped into short and long term groups, so only one or two entries are on Schedule D for each sale.
  B SCH - Report sales on Schedule B. This is useful for U.S. Savings Bonds, which allow you to defer taxes on implied interest until they are redeemed.

- How to handle **sales** of a security of this type on Schedule D.

  OMIT - Don't include sales on Schedule D. This is the default for security types of class CASH.
  EACH - Each purchase sold during the year is shown on Schedule D. This is the normal tax treatment.
  GROUP - All purchases for a sale are lumped into short and long term groups, so only one or two entries are on Schedule D for each sale.
  B SCH - Report sales on Schedule B. This is useful for U.S. Savings Bonds, which allow you to defer taxes on implied interest until they are redeemed.

- Where **return of principal** by a security of this type is reported on the tax forms.

  OMIT - Distributions are omitted from the tax forms.
  B SCH - Distributions are added to the dividends on Schedule B, but then subtracted back out. This is the normal tax treatment.

- How **sales commissions** are treated on Schedule D.

  OMIT - Sales commissions are not included in the sales price or basis on Schedule D.
  COST - Sales commissions are added to the open basis on Schedule D.
  SALE - Sales commissions are subtracted from the sales price on Schedule D. This is the default value.

Configuration

Configuration and Customization

Initial configuration of Capital Gainz is accomplished via installation, as file locations are set up and default program behavior is assigned. However, you can easily change a number of program settings via the ***Config*** pulldown menu:

- ***Date Range*** lets you specify a system-wide date range used to restrict the data shown on tables and reports.
- ***User Settings*** let you alter general program behavior. For instance:

  The **Hide Inactive Securities** setting causes securities with no active shares to omitted from the Local Security Table.
  The **Reinvest Distributions** setting causes the program to ask if you want to reinvest the amount after recording a distribution.
  The **Subtract Reinvested Distr** from Cost setting subtracts reinvested distributions from the basis in calculating gain/loss on the Local Security Table.
  The **Use Volume on Price Update** setting lets you include or exclude the volume when recording prices.

- ***Report Settings*** let you customize the available reports. For instance:

  The **Use Brief Formats** setting causes reports to be as brief as possible, omitting non-essential data.
  The **Show Subtotals** setting causes several reports to include subtotals based on break criteria.
  The **Use Internal Rate of Return** setting causes the Performance Report to include a time-weighted performance return calculation.

- ***Price File Settings*** let you configure the system for reading in prices from an onlien source. For instance:

  The **Initialize Format to** setting lets you select from a number of predefined formats.
  The **Start at Token** and **Stop at Token** settings let you tweak file processing to begin and end at specific words.
  The ***Format*** button lets you specify the exact order of data items in the file.

- ***Graphics Settings*** change the look of generated graphs. For instance:

  The **Show Date/Price Grids** setting lets you include or exclude the horizontal and vertical grid on price graphs.
  The **Show Statistical Lines** setting lets to include or exclude the statistical lines on price graphs.
  The **Pie Graph Shape** and **Bar Graph Shape** settings let you determine the shape and perspective of pie and bar graphs.
  The ***Colors*** and ***Fonts*** buttons let you specify colors and fonts for graphs.

- ***Set Password*** lets you assign a password to prevent unauthorized access of your data. If you forget your password, you must reinstall Capital Gainz to get a blank password.
- ***System Configuration*** specifies important program information and file locations. For instance:

  The current version of Capital Gainz is displayed, along with contact information.
  Your **User Name** and **Registration Number** can be viewed or changed.
  The **Data Directory**, where program data files are located, can be changed. This is only recommended for advanced users.

The various settings and configuration information are stored in the **CG.INI** file, in the Capital Gainz program directory.

And, of course, you can use Windows Control Panel to change colors, printers, mouse behavior, and sound.

Date Range

All of the menu items and buttons that refer to a date range let you specify the system-wide date range to restrict displayed and printed information. These date range settings include:

- ***Date Range*** on the ***Config*** pulldown menu.
- ***Report Date Range*** on the ***Reports*** pulldown menu.
- ***Activity Date Range*** on the ***Activity*** pulldown menu.
- ***Dates*** button on the various settings forms.

In the Get Date Range Form, you can select:

- **All Dates**: Data for all dates is used.
- **This Year**: Only data for the current year is used.
- **Last Year**: Only data for last year is used.
- **This Month**: Only data for the current month is used.
- **Last Quarter**: Only data for last quarter is used.
- **This Quarter**: Only data for the current quarter is used.
- **Last Month**: Only data for last month is used.
- **Specify Range**: You enter the **Begin Date** and **End Date** for data to be used.

Buttons on the form are:

- ***Ok*** - Use the displayed date range.
- ***Cancel*** - Dismiss the form.

System Date

The ***System Date*** item on the ***Config*** pulldown menu tells Capital Gainz to use a date other than your computer's current date for today. This is only needed in extreme circumstances, as your computer's date should be set correctly. In any case, changing the Capital Gainz system date does not affect your computer's date or any other applications. The Set System Date Form accepts:

- The **System Date** to use.

Buttons on the form are:

- ***Ok*** - Use the entered date as the system date.
- ***Clear*** - Clear the system date and use the computer's current date.
- ***Cancel*** - Cancel the set system date operation.

User Settings

The User Settings Form, available via the ***User Settings*** item on the ***Config*** pulldown menu, lets you set certain program preferences:

- **Confirm Deletes** - Turn single record delete confirmation on or off, determining if the associated form is displayed when deleting a record from a table.
- **Show Fraction Table** - Whether or not the fraction-to-decimal table is displayed when recording activity.
- **Hide Inactive Local Securities** - Whether or not to omit securities with no open shares from tables and reports. This option can also be set at the top of the Local Security Table.
- **Automatic Calculate on Activity** - Whether or not the relationships between number of shares, price, and amount on the Buy Shares, Sell Shares, and Record Distribution Forms are automatically calculated. By turning this off, you can set numeric values in these forms to 0. You can also turn this setting on and off on the Buy Shares, Sell Shares, and Record Distribution Forms.
- **Reinvest Distributions** - Whether or not you're asked if you want to reinvest the amount after recording a distribution. Most mutual fund investors have distributions reinvested.
- **Redistribute Sale Proceeds** - Whether or not you're asked if you want to redistribute the amount after recording a sale. This lets you move amounts to and from money market funds.
- **Flag Records with Comment** - Whether or not to flag records that have non-blank comments with an ***** in the Local Security, Global Security, and Broker/Investment Company Tables.
- **Use Internal Rate of Return** - Determines whether or not the Performance Report includes the internal rate of return along with the standard return.
- **Dividends Use Partial Periods** - Determines if partial periods are factored in when calculating per share values on the Record Distribution Form for securities that pay monthly dividends or interest. These types of securities usually do account for partial months in their calculations. Setting this option will slightly affect performance when recording distributions.
- **Use Sound** - Determines whether or not the Windows System Default sound is used to alert you to certain conditions and errors.
- **Subtract Reinvested Distr** - Specifies whether or not reinvested distribution amounts are subtracted from cost in determining the unrealized gain/loss on the Local Security Table and Portfolio Detail Report.
- **Sort Portfolios By Name** - Whether to sort portfolios in tables and reports by name. If not, they are sorted by number.
- **Confirm on Exit** - Determines whether or not you are asked for confirmation on exit from Capital Gainz.
- **Sort Securities By Name** - Whether to sort local and global securities in tables and reports by name. If not, they are sorted by symbol.
- **Overwrite Prices With Activity** - Determines if the price history is updated when recording a buy, sell, or distribution and a price history entry already exists for that date.
- **Use Volume on Price Update** - Whether or not the volume field is skipped when updating prices.
- **Check Price Alerts at Startup** - Whether or not to automatically process defined price alerts at program start up.

- **Yield on Average Cost** - Calculate the yield based on the average cost. If this is not set, yield is based on the last price.
- **Hide Inactive Global Securities** - Whether or not to omit securities with no recent prices (**Inactive Global Security Days**) from the Global Security Table. This option can also be set at the top of the Global Security Table.
- **Repeat Activity Forms** - Whether or not to repeat buy/sell/distributions forms, or just pop them up once per request.
- **Quit on Shutdown** - Whether or not to end the program automatically on Windows shutdown.
- **Inactive Global Security Days** - If **Hide Inactive Global Securities** is set, this is the number of days to use when checking for recent price updates In other words, if no prices have been recorded for the specified number of days, then the security is not shown in the table.
- **Show Gain/Loss in Color** - Gains and losses can be color coded on the Local Security Table and Open/Closed Shares Tables. You can choose to use **No** color coding, **Green**/**Red** color coding, or **Blue**/**Red** color coding.

Buttons at the bottom of the form are:

- ***Ok*** - Save the displayed settings.
- ***Dates*** - Set the date range for tables and reports.
- ***Date Format*** - Bring up the Date Format Form to specify entry/display format for dates.
- ***Windows*** - Bring up the Windows Settings Form to specify window related settings, such as window size.
- ***Cancel*** - Dismiss the form.

Date Format

The Date Format button on the User Settings Form, via the ***User Settings*** item on the ***Config*** pulldown menu, lets you specify the format for date entry/display:

- **Date Entry/Display Format** - The format for the entry and display of dates in forms, tables, and report.
- **Date Price File Format** - The format for dates in price update files. This may differ from the **Date Entry/Display Format**, as price files downloaded from online sources may only support a single date format that differs from the preferred format. Also, note that dates in any imported price file can be of the format YYMMDD or YYYYMMDD, regardless of this setting.

This feature is mainly for non-U.S. users of Capital Gainz, who are often accustomed to entering dates as YY/MM/DD.

Regardless of these settings, all dates in the Tax Reports use the MM/DD/YY format, as that is what the IRS expects. Finally, the Download/Import feature always assumes prices in MM/DD/YY format in files from America OnLine, CompuServe, etc.

Buttons at the bottom of the form are:

- ***Ok*** - Save the displayed settings.
- ***Cancel*** - Dismiss the form.

Window Settings

The Window Settings Form, available from the User Settings Form, lets you set Capital Gainz window related settings:

- The **Save Window Size Settings on Exit** tells Capital Gainz whether or not to save the size of windows on exit, and use those sizes the next time it starts up. Some video cards may cause conflicts where windows 'shrink' or 'grow' each time you run Capital Gainz. If that happens, turn this option off.

Buttons on the form are:

- ***Ok*** - Save the window settings.
- ***Cancel*** - Dismiss the form.

Report Settings

The Report Settings Form, available via the ***Report Settings*** item on the ***Config*** pulldown menu, lets you set report-related preferences:

- **Use Brief Formats When Available** - Determines whether or not reports limit the amount of information shown, omitting non-essential data.
- **Use Wide Formats When Available** - Determines whether or not the Portfolio Detail Report is printed in wide format, trigger your printer to output the report in landscape mode.
- **Show Subtotals When Applicable** - Determines whether or not reports include subtotals for the information shown.
- **Combine Portfolios** - When multiple portfolios are selected for an activity report, this option combines all selected portfolios into one large virtual portfolio for the report.
- **Hide Account Numbers** - Determines whether or not account numbers are shown on reports.
- **Hide IRR Total** - Determines whether or not the total IRR, which is a derived figure, is shown on reports. The IRR Rate will still be shown.
- **Show Short/Margin on Allocation** - Determines whether or not to show margin/short values on allocation report/graph.
- **Top Page Margin in 1/1000 Inches** - Adjusts the report output to start printing the specified number of 1/1000 inches from the top of the printer page.
- **Left Page Margin in 1/1000 Inches** - Adjusts the report output to start printing the specified number of 1/1000 inches from the left of the printer page.
- **Paper Size** Specifies paper size for printer.
- **ASCII File Output** - When this option is selected, report are automatically sent to a user-specified file, with information restricted to the regular ASCII character set, 80 characters per line. You are prompted for the output file name after selecting the report, and the resulting file is displayed in the file viewer.
- **Append File** - If the **ASCII File Output** option is set, then this option specifies whether or not report output overwrites or appends to existing files.
- **Report File** - If the **ASCII File Output** option is set, then this option specifies the default name of the file to output to.

Buttons at the bottom of this form are:

- ***Ok*** - Save the displayed report settings.
- ***Print Setup*** - Select printer and printer options.
- ***Dates*** - Specify a date range to restrict reports to.
- ***Cancel*** - Dismiss the form.

You can further alter your printer's behavior from the Windows Control Panel.

Price File Settings

The Price File Settings Form, available via the ***Price File Settings*** item on the ***Config*** pulldown menu or from the Update Prices From File Form, lets you set price file related values:

- **Price Update File** - The default name of the file read to read in when updating prices from a file. This value is updated each time you update prices from a file. If the same file is read in twice, existing entries are overwritten.
- **Quiet Update** - When updating prices from a file, don't display results for confirmation.
- **Delete Price File When Done** - After a price file is successfully read in, either at program startup or from the Global or Local Security Table, you can have it removed The price update file is not removed if any errors are found.
- **Process Price File at Startup** - Whether or not to automatically process the price update file at program start up.
- **Initialize Format To** - Initialize the price file format to one of the defined price source formats. Specific settings can be changed later. Even if a price source is not listed here, it's very likely that you will be able to configure Capital Gainz to read in prices retrieved from it.
- **Start At Token** - When updating prices from a file, don't start processing input until the specified text string appears as the first word in a line. Matching is not case-sensitive. This lets you skip over header information without generating errors. See the Quote.com example for details on using this.
- **Stop At Token** - When updating prices from a file, stop processing input when the specified text string appears as the first word in a line. Matching is not case-sensitive. This lets you skip over footer information without generating errors. See the Quote.com example for details on using this.
- **Convert Multiple Blanks to Commas** - Some price sources separate items in the price update file with blanks or tabs, while Capital Gainz requires commas as delimiters. This option will convert the blanks to commas before processing the file.

Buttons at the bottom of the form are:

- ***Ok*** - Save the displayed settings.
- ***Format***- Set the specific order of items in the price update file.
- ***Cancel*** - Dismiss the form.

Graphics Settings

The Graphics Settings Form, available via the ***User Settings*** item on the ***Config*** pulldown menu, lets you adjust a number of settings for graphs:

- (Price Graphs) **Moving Average Type** - Select the type of moving average calculation for the Moving Average Graph:

  SIMPLE - All prices in the period are given equal weighting. This is the fasted to generate.
  WEIGHT - Prices later in the period are weighted heavier. This is the slowest to generate.
  L-WEIGHT - The last price in the period is weighted double. This is fast to generate.
  EXPONENT - Prices are weighted using an exponential factor. This is slow to generate.

- (Price Graphs) **Show Date/Price Grids** - Whether or not to display the date/price axes.
- (Price Graphs) **Show Statistical Lines** - Whether or not to display statistics lines: average, standard deviation, regression.
- (Price Graphs) **Use Icons at Price Points** - Whether or not to use an icon to flag specific price points.
- (Price Graphs) **Show Volume on Price Graphs** - Whether or not to include the volume.
- (Price Graphs) **Use Logarithmic Scale** - Whether or not to use a logarithmic scale for the price axis, which better indicates relative price movements (i.e., from a price move from $99 to $100 is the same as a move from $10 to $11 with a normal price axis, but is much smaller with a logarithmic axis since it is 1% versus 10%). This only applies to single security price graph.
- **Fill Type** - The type of fill to use for pie slices, bars, and areas:

  COLOR - Solid color fill.
  PATTERN - Pattern only fill.
  BOTH - Color and pattern fill.
  NONE - No fill.

- (Pie Graphs) **Max Slices** - The maximum number of pie slices for the Allocation Graph. Excess slices are combined into the last slice, labeled 'other'.
- (Pie Graphs) **Shape** - The type of pie used in pie graphs:

  PIE - round 2-dimensional pie,
  PIE-3D - round, 3-dimensional pie.
  DOUGHNUT-3D - round, 3 dimensional doughnut.

- (Pie Graphs) **Label Slices** - Whether or not to label the individual pie slices. Usually, the values for slices are shown in a legend.
- (Pie Graphs **Show Legend** - Whether or not to show the legend listing values for pie slices.
- (Bar Graphs) **Max Bars** - the maximum number of bars shown on one screen. If there are more bars to show, you can scroll horizontally.
- (Bar Graphs) **Shape** - The type of bar used in bar graphs:

  RECTANGLE - 2-dimensional rectangular bars.
  RECTANGLE-3D - 3-dimensional rectangular bars.
  CYCLINDER-3D - 3-dimensional cylindrical bars.

- **Include Cash Security Types** - Whether or not to include cash security types, such as

money market funds, in the Security Cost/Value Graph.

- **Combine Portfolios** - When multiple portfolios are selected for an activity graph, this option combines all selected portfolios into one large virtual portfolio for the graph.

Buttons available on this form are:

- ***Colors*** - Set colors for various graph items.
- ***Fonts*** - Set fonts for various graph items.
- ***Ok*** - Save the displayed values.
- ***Dates*** - Set the date range for tables and reports.
- ***Cancel*** - Dismiss the form.

Graphs also use these settings:

- **Use Internal Rate of Return** setting from User Settings.
- **Subtract Reinvested Distr** setting from User Settings.

Finally, you can alter most of the items in a graph using the ***Format*** button on the toolbar when viewing a graph.

Set Password

Capital Gainz implements a system password to secure your data. A password of all spaces, the initial value after installation, is the same as having no password. Any other setting causes the Capital Gainz programs to prompt the user for the password on startup. The Password Form, available via the ***Set Password*** item on the ***Config*** pulldown menu, accepts

- **Password** - A password can be 1-8 characters long, is not case-sensitive, and trailing spaces are ignored. To prevent someone from seeing your password, it is not displayed when you type it in. Select a password you will remember, but is not easily guessed. A good way to avoid easily guessed passwords is to include at least one non-alphabetic character, such as **!** or a number.

Buttons on the form are:

- ***Ok*** - Set the system password to the entered value.
- ***Cancel*** - Cancel the set password operation.

To change the password, use the ***Set Password*** choice on the ***Config*** pulldown menu. Before changing it, you must correctly enter the current password.

If you forget your password, the only way to regain access to Capital Gainz is to reinstall it.

System Configuration

The System Configuration Form, available via the ***System Configuration*** item on the ***Config*** pulldown menu, displays and accepts system level information. The version of Capital Gainz that you are running is displayed at the top. Entry fields, which are initialized at program installation, are:

- **User Name** - Your name.
- **Reg Num** - Your registration number.
- **Usercode** - Your usercode, needed for installation. This value changes based on the **User Name** and program version number.
- **Company** - Your company.
- **Program Directory** - Directory on your hard disk where Capital Gainz is installed. This is usually \CAPGNZ. A ***List*** button lets you browse the available directories.
- **Document Directory** - Directory on your hard disk where Capital Gainz documentation and Help files are installed. This is usually \CAPGNZ\DOC. A ***List*** button lets you browse the available directories.
- **Temporary Directory** - Directory on your hard drive where temporary files are created. This is usually either the same as the Program Directory or the same as your Windows temporary directory. A ***List*** button lets you browse the available directories.
- **Data Directory** - Directory on your hard disk where Capital Gainz data files reside. Except for more advanced users, this should be the same as the Program Directory. A ***List*** button lets you browse the available directories.
- **Download Directory** - Directory on your hard disk where Capital Gainz download files reside. This is usually \CAPGNZ\DNLD. A ***List*** button lets you browse the available directories.

Buttons at the bottom of the form are:

- ***Ok*** - Save the displayed settings.
- ***Cancel*** - Dismiss the form.

Changing the directory settings will not cause any files to be physically moved. To do this, you must manually move the files, using Windows Explorer, or reinstall Capital Gainz.

Assign Macros

The ***Assign Macro*** function on the ***Config*** pulldown lets you assign keystroke sequences to any of the first 6 toolbar buttons. When you click on the button, the keystrokes are executed as if you entered them manually. By default, these buttons do the following:

- **Reports -** Triggers ***Reports*** pulldown menu, then ***Report Menu*** item.
- **Graphics -** Triggers ***Other*** pulldown menu, then ***Graphics*** item.
- **Update Prices from File -** Triggers ***Price*** pulldown menu, then ***Update Prices from File*** item.
- **Launch Calculator -** Triggers ***Other*** pulldown menu, then ***Launch Calculator*** item.
- **Launch Calendar -** Triggers ***Other*** pulldown menu, then ***Launch Calendar*** item.
- **Exit -** Triggers ***File*** pulldown menu, then ***Exit*** item.

The Assign Macro Form presents you with the following fields:

- Select which of the first 6 **Toolbar Buttons** you want to define a macro for. After selecting one, that button's assigned keystrokes are displayed.
- The button **Label** that is displayed when you leave the cursor on the icon.
- The **Icon File** containing the bitmap to show on the button. You can select from a directory of files by using the ***List*** button. The selected icon file's bitmap is displayed.
- You can assign up to 10 keystrokes, **Key 1 through Key 10**, to the button. Each key field is a list box that you can use to select from a list of supported keys. It is always better to use position independent keys rather than moving up or down, such as specifying KeyG for ***Graphics*** on the ***Other*** pulldown menu instead of three ***DownKey*** entries. To erase a key in a field, select the blank entry.

Buttons on the form are:

- ***Ok*** - Assign the label, icon file, and keystrokes to the button.
- ***Default*** - Reset to use the default macro for this button.
- ***Cancel*** - Dismiss the form.

Notice that you can not completely automate procedures that include processes that display a *Cancel* button, such as generating reports, or that include calling separate programs, such as updating prices. For instance:

- You can build a macro that simply generates the Portfolio Detail Report and leaves you at the report viewer. However, you can't automate generating the Portfolio Detail Report AND sending it to the printer, since the last step, outputting to the printer, is preceded by a progress screen with a ***Cancel*** button that will get triggered on any keystroke.
- You can automate importing prices up through the point where the macro triggers the ***Ok*** button on the Download/Import Form, leaving you at the screen where you choose ***Ok, View,*** or ***Cancel.*** However, you can not automate updating prices AND choose the ***Ok*** button to add them to the price file, because the last step, adding them to the price file, precedes calling the Conversion Filter, a separate program. You can get the equivalent

functionality, however, by setting the macro to process up through the *Ok* button on the Download/Import Form, and set the Quiet Price Update option in the User Settings.

Also, you can not cross program boundaries with a macro. For instance, if you run the Backup Program from Capital Gainz ***Maint/Backup***, you can bring up the Backup Program, but not trigger the ***Ok*** function. If you want to do this, incidentally, use ***Maint/Backup Auto***.

Example: Assign Macros

Example: Assign Macros

You don't use the Calendar function in Capital Gainz very often, and would rather have a one click button for total return. To create the button, first go through the operation manually, noting all the keystrokes used:

- Bring up ***Reports*** pulldown menu (Key=***Alt-R***)***.***
- Generate the Total Return Report (Key=***T***).

Now that you know the sequence to use, and have set up the defaults, you can define the macro for the Capital Gainz toolbar:

- From ***Config*** menu, choose ***Assign Macros***.
- Choose macro **#5,** which was **Launch Calendar.**
- Set **Label** to Total Return.
- Set **Icon File** to an icon file that you want to use, such as **MYICON.ICO**.
- Set **Key 1** to ***Alt-R***
- Set **Key 2** to ***T.***
- Be sure remaining **Key** fields are blank.
- Click on ***Ok*** button to save macro.

The new icon should now appear on the Capital Gainz toolbar. Clicking on that button will generate the Total Return Report for the highlighted security.

Screen Colors

The ***Screen Colors*** item on the ***Config*** pulldown menu executes the Color application from the Windows Control Panel. From there you can select different color schemes, or alter existing color schemes.

Other Operations

Launch Calculator
Launch Calendar
Pick File to View
    Text File Viewer
    Graphics File Viewer
Graphics
Download

Capital Gainz Calculator

The Capital Gainz Calculator program uses standard infix notation, and features 7 functions, optional hexadecimal mode, and a single memory. You can click on the buttons with the mouse, or type in the numbers and operations from your keyboard. The buttons on the calculator are:

- ***Clr*** : Clear the current value.
- ***Clr Ent*** : Clear the last entry only, maintaining current value.
- ***Copy*** : Copy the current value to the Windows clipboard.
- ***Paste*** : Set the current value to the contents of the Windows clipboard.
- ***Pow*** : Raise the current value to an exponential power.
- ***Sqrt*** : Derive the square root of the current value.
- ***+,-,*,/*** : Add, subtract, multiply, or divide with the current value.
- ***Neg*** : Negate the current value.
- ***Mem Add*** : Add the current value to memory.
- ***Mem Sub*** : Subtract the current value from memory.
- ***Mem Flsh*** : Flush the contents of memory.
- ***Mem Rcll*** : Recall the contents of memory to the current value.
- ***Hex*** : Turn hexadecimal mode on or off. This allows you to use the numbers A,B,C,D,E, and F.
- ***.*** : Insert a decimal point in the current value. Not valid in hexadecimal mode.
- ***=*** : Perform any pending operation. You can also use the space bar.
- ***0,1,2,3,4,5,6,7,8,9,A,B,C,D,E,F*** : Insert the number into the current value.
- ***Exit*** : Terminate the calculator.

Capital Gainz
Contact Information

Capital Gainz Calendar

The Capital Gainz Calendar program displays a monthly, scrollable calendar, along with the current date and time.Buttons on the calendar are:

- ***Today*** - Display the current month first.
- ***- Mo*** - Scroll back 1 month. You can also use the ***PgUp*** key.
- ***+ Mo*** - Scroll forward 1 month. You can also use the ***PgDn*** key.
- ***- Yr*** - Scroll back 1 year. You can also use the ***Ctrl-PgUp*** key.
- ***+ Yr*** - Scroll forward 1 year. You can also use the ***Ctrl-PgDn*** key.
- ***Exit*** - Terminate the calendar.

The display can be toggled to show either 2 or 4 months using the ***2 Mnth*** and ***4 Mnth*** checkboxes. By default, 4 months are shown.

Capital Gainz
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Pick File to View

The ***Pick File to View*** item on the ***Other*** pulldown menu lets you select a file to view using the standard Windows File Dialog. If the selected file has an extension of PCX, WMF, BMP, ICO, JPG, or GIF, then it is viewed as the corresponding graphics file type in the Graphics File Viewer. Otherwise, the selected file is assumed to be a plain ASCII text file, and is displayed in the Text File Viewer.

Text File Viewer
Graphics File Viewer

Text File Viewer

The Text File Viewer is used to show:

- Reports when the ASCII File Output option is selected in Report Settings.
- Reports when the HTML format option is chosen from the Report Menu.
- Text files selected from the Pick File to View function.

If the Text File Viewer is not set in the Viewer Settings, then the internal text viewer is used to display the file. If the Text File Viewer is set, then the specified viewer is used to display the file. The included Capital Gainz Viewer program has the following toolbar buttons:

- ***Go to Top*** - Scroll to the beginning of the file.
- ***Go to Bottom*** - Scroll to the end of the file.
- ***Copy to File*** - Copy the viewed file to another file.
- ***Print File*** - Send the entire file to the printer.
- ***Copy to Clipboard*** - Copy the file to the Windows Clipboard.
- ***View in Web Browser*** - Send the file to your Web browser. This is only useful for HTML format files, and uses the current Windows file association for .HTML files to determine the browser program.
- ***Select File*** - Select another file to view.
- ***Exit*** - Leave the Text File Viewer.

Graphics File Viewer

The Graphics File Viewer is used to show:

- Graphics generated in Capital Gainz, when the Capture Image function is used. This function first sends the graph to a bitmap file.
- Graphics files selected from the Pick File to View function.

If the Graphics File Viewer is not set in the Viewer Settings, then the internal graphics viewer is used to display the file. If the Graphics File Viewer is set, then the specified viewer is used to display the image. The included Capital Gainz Viewer program has the following toolbar buttons:

- ***Print File*** - Send the entire file to the printer.
- ***Select File*** - Select another file to view.
- ***Exit*** - Leave the Graphics File Viewer.

Graphics Menu

The Graphics Menu, available from the ***Graph*** button on the toolbar or via the ***Graphics*** item on the ***Other*** pulldown menu, lets you generate graphs from your recorded Capital Gainz data. The Graphics Menu is divided into two sections:

Price Graphs

- **Prices for 1 Security** - A line chart showing a security's prices and volume.
- **Prices for 2 Securities** - A line chart comparing the normalized prices of two securities.
- **Moving Averages for 1 Security** - A line chart showing one or two different moving averages based on a security's prices.
- **Moving Averages for 2 Securities** - A line chart comparing the moving averages based on the prices of two securities.
- **Prices with Activity** - A line chart showing a security's prices, with buy, sell, and distribution activity flagged.
- **Total Return** - An area graph showing the price and distribution components of a security's total return.

Buttons available for this section are:

- ***Global Sec*** - Select global securities for the graph from the Global Security Tag Table.
- ***Save*** - Save the selected global securities on the Global Security Tag Table, for recall in future sessions.
- ***Recall*** - Recall the last global securities saved with the ***Save*** button.

Activity Graphs

- **Portfolio Allocation** - Pie charts breaking down portfolio holdings by class, type, and security.
- **Cost/Value** - Bar chart showing cost, value, and unrealized gain/loss for holdings.
- **Performance** - Pie charts breaking down components contributing to performance return.
- **Portfolio History** - Line chart showing portfolio value over time.

Buttons available for this section are:

- ***Portfolios*** - Select portfolios for the graph from the Portfolio Tag Table.

Buttons available from the Graphics Menu are:

- ***Ok*** - Generate the selected graph, using the currently set graph options.
- ***User Set*** - Bring up the User Settings Form to alter user settings.
- ***Graph Set*** - Bring up the Graphics Settings Form to alter graph settings.

- ***Report Set*** - Bring up the Report Settings Form to alter report settings.
- ***Dates*** - Specify a date range to restrict graph to.
- ***Exit*** - Exit from the Graphics Menu.

Download/Import Prices Form

The Download/Import Prices Form, available from the ***Download/Import*** button on the toolbar or via the ***Download/Import*** item on the ***Other*** pulldown menu, lets you import prices downloaded from an online service. For most services, Capital Gainz' ***Update Prices from File*** function is recommended instead. However, you must use ***Download/Import*** for **Telechart 2000** and **MetaStock** imports.

On the form, you first specify the download/import parameters in the following fields:

- The **Service** to use. You can pulldown a list of valid services:
  - **Telechart 2000**: Import prices from Telechart 2000 data files.
  - **MetaStock**: Import prices from MetaStock data files.
  - **CompuServe**: Import prices retrieved from CompuServe. Several formats are supported for historical reasons. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from CompuServe.
  - **Prodigy**: Import prices retrieved from Prodigy's Current or Closing Prices formats. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from Prodigy.
  - **America Online**: Import prices retrieved from America Online's StockLink Service. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from America Online.
  - **Delphi**: Import prices retrieved from Delphi. This is supported for historical reasons, and is not guaranteed to work.
  - **GEnie**: Import prices retrieved from GEnie. This is supported for historical reasons, and is not guaranteed to work.

- Whether to download/import **Current** or **Historical** prices.
- The **Price Dates** to download/import prices for. For **Current** prices, you only enter the beginning date, and for **Historical** prices you enter both the beginning and ending date.
- For **Historical** price data, select the **Frequency**: **Daily**, **Weekly,** or **Monthly**.

Buttons available on the form are:

- ***Global Sec*** - Select global securities for the download/import from the Global Security Tag Table. When the download process completes, you will be asked if you want to process the retrieved data.
- ***Save*** - Save the selected global securities on the Global Security Tag Table, for recall in future sessions.
- ***Recall*** - Recall the last global securities saved with the ***Save*** button.
- ***Import*** - Specify a file containing prices that you've download previously from the service and now wish to read into Capital Gainz.
- ***Exit*** - Exit from the Download/Import Prices Form.

Download/Import Process
Download/Import Files

Maintenance

Capital Gainz Backup Program

The Capital Gainz Backup program can be run from an icon in the Capital Gainz Program Group, or from Capital Gainz itself, via the ***Maint*** pulldown menu. From the Capital Gainz Backup program you can backup data files to a diskette or to another directory on the hard disk.

The fields in the Backup Data Files Form are:

- (Display) The date of the **Last Backup**.
- (Required) How often to **Remind** you to backup on exit from Capital Gainz: Daily, Weekly, Monthly, or None (no reminder).
- (Required) The **Drive and Directory** to Backup data files **From**. This is usually C:\CAPGNZ. A ***List*** button lets you browse the available directories.
- (Required) The **Drive and Directory** to Backup data files **To**. This is usually A:\. A ***List*** button lets you browse the available directories.
- (Optional) Whether or not to **Erase Diskette Before Backup**, removing files from the backup disk before creating backup archive on it.
- (Optional) Whether or not to **Use Zip Compression**, which will compress all the data files into a single archive file. If this option is set on Backup, be sure to also set it on Restore so data files are extarcted from the archive.
- (Optional) The **Zip File Name,** if you chose to **Use Zip Compression**. On Restore, be sure to specify the same file name as you used during the Backup operation.

Buttons at the bottom of the form are:

- ***Ok*** - Execute the backup operation.
- ***Cancel*** - Cancel the backup operation.

If ***Backup Auto*** is chosen from Capital Gainz ***Maint*** menu, then the Backup Data Files Form is filled in with the default values, and the ***Ok*** button is triggered. Essentially, the result is that the backup process is automatically started using values from the last backup session.

On backup, the Capital Gainz Backup program copies **the data files, *.DAT and *.K01**, from the origin to the destination drive and directory if compression is not used. If compression was selected, the *.DAT and *.K01 files fron the origin drive and directory are compressed into the specified ZIP file archive on the destination drive and directory.

There's nothing magic about the backup and restore, and you can accomplish the same thing yourself using:

- Windows Explorer to copy *.DAT and *.K01 files
- Any Windows compression utility, such as PKZIP for Windows or WinZip, to archive *.DAT and *.K01 files
- A tape backup

Without compression, it would take a large amount of data to exceed the capacity of a 1.44 MB high-density diskette. However, with compression turned on, it's very unlikely that you'll exceed a single

diskette's capacity.

Capital Gainz Restore Program

The Capital Gainz Restore program can be run from an icon in the Capital Gainz Program Group, or from Capital Gainz itself, via the ***Maint*** pulldown menu. From the Capital Gainz Restore program you can restore data files from a diskette or from another directory on the hard disk.

The fields in the Restore Data Files Form are:

- (Display) The date of the **Last Backup**.
- (Required) How often to **Remind** you to backup on exit from Capital Gainz: Daily, Weekly, Monthly, or None (no reminder).
- (Required) The **Drive and Directory** to Restore data files **From**. This is usually A:\. A ***List*** button lets you browse the available directories.
- (Required) The **Drive and Directory** to Restoe data files **To**. This is usually C:\CAPGNZ. A ***List*** button lets you browse the available directories.
- (Optional) Whether or not to **Use Zip Compression**, which will compress all the data files into a single archive file. If this option is set on Backup, be sure to also set it on Restore so data files are extarcted from the archive.
- (Optional) The **Zip File Name,** if you chose to **Use Zip Compression**. On Restore, be sure to specify the same file name as you used during the Backup operation.

Buttons at the bottom of the form are:

- ***Ok*** - Execute the restore operation.
- ***Cancel*** - Cancel the restore operation.

On restore, the Capital Gainz Backup program copies **the data files, *.DAT and *.K01,**.from the origin to the destination destination drive and directory if compression is not used. If compression was selected, the *.DAT and *.K01 files are decompressed from the specified ZIP file archive on the origin drive and directory to the destination drive and directory.

There's nothing magic about the backup and restore, and you can accomplish the same thing yourself using:

- Windows Explorer to copy *.DAT and *.K01 files
- Any Windows compression utility, such as PKZIP for Windows or WinZip, to archive *.DAT and *.K01 files
- A tape backup

Consistency Check

The Consistency Check item on the Maintenance pulldown menu will run Capital Gainz' Consistency Check process, which scans your recorded data for potential problems and errors. You can adjust the settings with the Consistency Check Form:

- **Check for Serious Errors Only** - Automatically adjust the tolerance levels so that only serious errors are reported rather than all potential errors.
- **Check for Unreferenced Keys** - Check for data items not referenced by other data. If you have a portfolio with no global securities, or a global security with no local securities, then a message is triggered. This is not the same as having an orphan record, such as a buyn shares record with no local security. Unreferenced keys are perfectly valid.
- **Check for Too Many Dividends/Fees** - Check if more dividend or interest payments are recorded in a year than specified in the global security. If you specified quarterly dividend payments for a fund, but receive monthly dividends, then your yield will be about 1/3 of what it should be. Too many dividend, interest, or fee payments is nearly always an error.
- **Check for Duplicate Records** - Check for exact duplicate records. This is frequently an error, as you normally don't buy the same number of shares for the same amount on a given day.
- **Check for Activity/Price Difference** - Check if prices in buy shares records, sell shares records, and distribution records match price history entries. This may or may not be an error, since you could update a price at the end of the day, overwriting a price entry created by recording a purchase on the same day.
- **Max Days Between Prices** - The maximum number of days between consecutive price history entries. This setting is used to catch price entry errors with incorrect years, since stray dates like this will significantly lower total return calculations. You usually won't have consecutive prices recorded more than a year apart.
- **Max Security Yield** - The maximum yield of a global security. Dividend yields should rarely exceed 20% or so.
- **Max Comm Pct of Amount** - The maximum percentage of purchase/sale commission relative to purchase/sale amount. This might occur because of an incorrect entry of a commission or load. Even with full service brokers, commissions shouldn't exceed 10% or so, unless the security is a penny stock.
- **Max Open/Close Gain/Loss Pct** - The maximum gain/loss percentage for one, or all, of a security's buy/sell records. If you enter a purchase of 100 shares at a price of $1 for $100, instead of at a price of $10 for $1000, and correctly enter a subsequent purchase at $11, then the $1 purchase should trigger a message since the current price, $11, represents a 1000% gain. But, if a speculative, low-priced stock takes off, or you hold shares for several decades, then the gain can get fairly high.
- **Max Calculated Amount Diff** - The maximum difference between the purchase/sale amount and the amount calculated by multiplying shares by the buy/sell price. If you enter a 100 share purchase at a price of $10 for $100, then something is incorrect. Some variance should be allowed for rounding.
- **Max Adjacent Price Diff** - The maximum percentage difference between consecutive price history entries. If you executed a price update from a file, but entered 4 instead of 40 for one of the prices, then there's a significant discrepancy in prices for this security. If you own a security that gets bought out, goes bankrupt, or just fluctuates in price a lot, then this message does not signify a problem.

The following are normally errors, so they are always checked for:

- **Negative or Zero Amounts** - The number of shares or amounts in data records should be greater than 0. Negative values may be caused by corrupted data files or internal program bugs.
- **Invalid Dates** - The date fields in a record may be set to 0 due to data corruption or internal program bugs.
- **Suspicious User Settings** - Strange User Settings may be caused by data corruption.
- **Orphans** - Data that references non-existent records, such as a local security with an undefined global security link, or activity records for non-existent local securities. Orphans are usually errors, caused by data corruption, internal program bugs, or abnormal termination.
- **Local Security/Activity Synchronization** - Buy share totals are calculated and compared to the totals stored in the local security record. Mismatches are always errors, and may be caused by data corruption, internal program bugs, or abnormal termination.

Finally, you can tell Capital Gainz to fix certain problems:

- **Remove Blank/Orphan Records** - Orphan records contain data that refers to non-existent records. For instance, you may have aborted the program while deleting a local security, and the security was deleted but the buy, sell, and distribution records were not. If you set this option, Capital Gainz automatically removes orphans.
- **Resync Local Security and Activity** - The local security record maintains totals for current buy shares, and this record is updated whenever buy shares records are affected, such as during purchases and sales. If you abnormally terminate the program during an operation that manipulates activity records, the local security's values may become out-of-sync with the actual activity table totals. This can be fixed manually by using the ***Fixup Security*** option from the Local Security Table's ***Securities*** pulldown menu. Or, you can set this option in the Consistency Check to have it fixed automatically.
- **Remove Price with Bad Data/Types** - Price history entries with invalid types, dates, or values are removed.

Buttons on this form are:

- ***Ok*** - Begin the Consistency Check process.
- ***Portfolios*** - Select which portfolios to check from the Portfolio Tag Table.
- ***Local Securities*** - Select which local securities to check from the Local Security Tag Table. You can choose specific securities only if the current portfolio is the only one selected.
- ***Cancel*** - Dismiss the form.

After clicking on the ***Ok*** button, the Consistency Check procedure is executed. All data records for selected portfolios and securities are checked. This process may take awhile, depending on how much data you've entered. Upon completion, a log of all suspicious records found is displayed. This Consistency Check Log can be sent sent to the printer.

Cleaning Up Problem Data
Consistency Check Log

Example: Consistency Check

Cleaning Up Problem Data

There are fields on the Consistency Check Form that tell Capital Gainz to automatically correct some of the most clear-cut problems reported by the Consistency Check procedure. However, the majority of messages may or may not indicate actual problems, and it's not clear which records should be changed to fix the problems. So, most of the burden is left up to you. Here's a suggested series of activities you can employ to straighten out problem data:

1) **If a hard disk scanning utility reports errors such as cross-linked files, fix them immediately**. Norton Utilities and similar packages offer excellent disk fixup software.

2) **Run the Consistency Check procedure on all portfolios, turning off options that change/fixup data.** It's a good idea to run it this way first, then use the change/fixup options the next time.

3) **Review the Consistency Check Log**. Mark the messages that look like problems, ignoring insignificant ones. If you notice one or more specific securities that have many associated messages, then it's possible that abnormal program terminations occurred while recording their activity. Or, a disk failure may have corrupted their activity records.

4) **Are there any Consistency Check messages indicating that security totals are not equal to activity table totals, or that blank/orphan records exist?** If so, rerun the Consistency Check procedure, setting **Resync Local Security and Activity** and **Remove Blank/Orphan Records** options. You can limit this run to just the securities in question.

5) **Are there any Consistency Check messages indicating that yields or per share values of distributions are too high?** If so, you may have been entering the prices instead of the distribution per share in the Distribution Form. To fix this, use the ***Recalc Per Share*** button on the Distribution Table.

6) **Compare totals in the Local Security Table, or Portfolio Detail Report, to your broker and mutual fund statements.** Do they match? If not, print out the Activity History Report for each security in question, and check it against your statements for erroneous entries. Fix entries in the Buy Shares, Sell Shares, and Distribution Tables as necessary.

7) **Did any Consistency Check messages indicate problems in the price history?** For instance, messages may say that activity records don't match the price history, or that adjacent prices differ a lot. Use the ***Rebuild Price History*** choice on the ***Prices*** pulldown menu on the Global or Local Security Table, choosing **Add Prices From Activity** if you want to reset price data from activity. You may also want to choose the weekly or monthly rebuild option to trim the number of price history entries.

8) **If you made changes, rerun the Consistency Check procedure to verify them.** If you're still not happy with any messages, carefully read the associated expanded explanations at the end of the log. These explanations suggest a course of action to rectify the problem. Keep cycling through this step until you're happy.

9) **Backup your Capital Gainz data, and label the disk with the date.** You now have pristine data for the current date. If you experience more problems, at least you have good data as of this date.

10) **Implement a consistent backup strategy.**

11) **Avoid using the Reset button, the On/Off switch, and Ctrl-Alt-Del while in Capital Gainz.** Terminating the program during file updates can corrupt file interrelationships.

12) **Be sure that any disk cache in use has flushed its contents to disk before shutting down your PC.**

Consistency Check Log

When the Consistency Check process is run, each suspicious record is identified in the Consistency Check Log, numbered, and associated with a short message. The short message, in turn, includes a reference number that points to a longer message. The longer messages for all errors found are displayed in order at the end of the log, and include suggestions for correcting the problem. Capital Gainz can fix many, but not all, problems, since it's not always clear if there really is a problem, or which records should be changed.

In the log output, tables and records are identified using a logical hierarchy. The format is:

Data Table:Record Id:...:[Index]Message

where:
Data Table identifies the Capital Gainz data table
Record Id identifies a record, such as a date or symbol
Index points to a longer message
Message is a brief message

The formats for specific Capital Gainz data tables are:

User/Report/Graphics Settings:
SET::[SETnn]msg

Portfolio Table:
POR:portfolio id:[PORnn]msg

Broker/Investment Company Table:
BRK:broker/inv co name:[BRKnn]msg

Global Security Table:
GSC:global symbol:[GSCnn]msg

Price History Table:
GSC:global symbol:PRC:date:[PRCnn]msg

Local Security Table:
POR:portfolio id:LSC:local symbol:[LSCnn]msg

Buy Shares Table:
POR:portfolio id:LSC:local symbol:OPN:buy date:[OPNnn]msg

Sell Shares Table:
POR:portfolio id:LSC:local symbol:CLS:sell date:buy date:[CLSnn]msg

Distributions Table:
POR:portfolio id:LSC:local symbol:DIS:distribution date:[DISnn]msg

For instance:

GSC:CPL:PRC: 2/02/87:[PRC02]Adjacent dates differ a lot.

refers to the Price History (PRC) entry on 2/02/87, for the global security (GSC) symbol CPL. PRC02 is the index into the expanded messages. Similarly:

POR:001:LSC:CPL:OPN:10/01/91:[OPN11]Duplicate purchase.

refers to the buy shares (OPN) record dated 10/01/91, for the local security (LSC) symbol CPL, in portfolio (POR) number 001. OPN11 is the index into the expanded messages.

Example: Consistency Check

Here's an example of the consistency check output.

```
 4/26/94    Consistency Check for One Portfolio, All Securities            1
==================================== Messages ==================================
1)GSC:FPDLI:PRC: 7/30/93:[PRC04]Adjacent dividends differ a lot.
2)POR:001:LSC:CPL:OPN:12/01/92:[OPN10]Duplicate purchase.
3)POR:001:LSC:CPL:OPN: 1/05/94:[OPN10]Duplicate purchase.
4)POR:001:LSC:CPL:[LSC06]Buy share totals inconsistent.
5)POR:001:LSC:CPL:[LSC08]Buy amount totals inconsistent.
6)POR:001:LSC:GLV1:OPN: 9/30/90:[OPN06]Buy price not = price history.
7)POR:001:LSC:GLV1:OPN:12/31/90:[OPN06]Buy price not = price history.
8)POR:001:LSC:GLV1:OPN:12/31/90:[OPN06]Buy price not = price history.
9)POR:001:LSC:GRACE:OPN: 8/12/91:[OPN10]Duplicate purchase.

============================== Expanded Messages ==============================
[PRC04]Adjacent dividends differ a lot.
     Price History dividend differs from previous dividend by threshold.
     Check the Price History Table.
[LSC06]Buy share totals inconsistent.
     Buy shares do not match Buy Shares Table totals. You can run Fixup/Tot
     or use the Consistency Check's modification settings.
[LSC08]Buy amount totals inconsistent.
     Buy amount does not match Buy Shares Table totals. You can run
     Fixup/Totals, or use the Consistency Check's modification settings.
[OPN06]Buy price not = price history.
     Buy price differs from Price History for this date. Check this in the
     Buy Shares Table, Price History Table.
[OPN10]Duplicate purchase.
     Duplicate purchase record. Check it from the Buy Shares Table.
```

Let's look at each of the messages:

1) I sold a lot of shares from the FPDLI money market fund near the end of 7/93. The distribution per share for 7/30/93 was calculated too high, based on too few shares owned at the time of the distribution. This is not a big problem, and I can adjust the distribution if I want.

2) I sent in a check for the CPL dividend reinvestment plan in 11/92, and a checking account draft took effect at the same time. The two amounts happened to be the same, so there are two identical purchases on 12/01/92. I can ignore this, or even combine the two purchases in the Buy Shares Table to get rid of this message.

3) The duplicate purchase on 1/05/94 for CPL is wrong. A power outage rebooted the computer after I recorded the 1/05/94 purchase, but before the local security was updated. I mistakenly recorded the 1/05/94 purchase again since it wasn't reflected in the totals. For this error, I feed to delete one of the duplicate records from the Buy Shares Table. The following two messages identify another problem that resulted from this abnormal program termination.

4-5) Buy share and amount totals for CPL are wrong. This is a serious error, and can be fixed manually by using the ***Fixup Security*** option from the Local Security Table's ***Securities*** pulldown menu. Or, you can rerun the Consistency Check, setting the **Resync Local Security and Activity** option to have it fixed automatically.

6-8) GLV1 is a 401K plan that uses the ***Price From Value*** function. I recorded purchases on the last day of the quarter, and updated the price on the same day. Thus, the purchase price and price in the price history don't match. This is fine, and these messages can be ignored.

9) I have a duplicate purchase recorded for GRACE on 8/12/91. This is a dividend reinvestment plan, and I inadvertently sent in two $50 checks that were both used to buy shares on the designated purchase date. This message can be ignored.

As you can see:

- Messages don't always point out errors. In this example, fewer than half of the messages need to be addressed.
- Some errors may trigger multiple messages.
- A given message can be ignored in some situations, but the same message may have to be addressed in other situations. The duplicate purchases illustrate this.
- The number of messages generated will vary depending on your data and settings.

There's no point in trying to eliminate all of the messages if some aren't really problems. If you frequently get a large number of messages that aren't errors, you may want to adjust the execution parameters. For example, if you have a lot of instances where prices in purchases don't match values in the price history, and don't want to see the messages generated, you can turn off **Check for Activity/Price Difference**.

It's a good idea to periodically run the Consistency Check in order to catch potential problems as early as possible.

Capital Gainz Rebuild Program

The Capital Gainz Rebuild program can be run from an icon in the Capital Gainz Program Group, or from Capital Gainz itself, via the ***Maint*** pulldown menu. From the Capital Gainz Rebuild program you can:

- Rebuild data file indexes that may have been damaged or corrupted. If you experience strange problems, such as incorrect prices showing for securities, this operation will rebuild the file indexes, clearing up the problems.
- Reclaim disk space from deleted data. In Capital Gainz, disk space is not automatically released when records are deleted. Instead, the deleted record area is reused when you add new records. Thus, if you delete many records, the disk space used by the file will not change. However, as you add new records, the disk space used will not increase until the number of new records exceeds the number of records deleted.

The fields in the Rebuild/Pack Files Form are:

- (Display) The date of the **Last Rebuild**.
- (Required) How often to automatically **Rebuild at Program Startup** from Capital Gainz: Daily, Weekly, Monthly, or None.
- (Required) The **Drive and Directory** to containing the data files to be rebuilt. This is usually C:\CAPGNZ. A ***List*** button lets you browse the available directories.

From the form you can:

- ***Ok*** - Execute the rebuild/pack operation.
- ***Cancel*** - Dismiss the form.

If you have frequent problems with corrupted indexes, you can set the **Rebuild at Program Startup** option to automatically rebuild indexes at program startup, at a specified frequency.

Export/Import File

The ***Export File*** and ***Import File*** items on the ***Maintenance*** pulldown menu let you export or import comma-delimited ASCII files. To export or import a file, complete the Export/Import Capital Gainz File form:

- (Required) Select the **Data File** to export/import from the pulldown list. For activity data files, only data for the currently opened portfolio is used.
- Enter the name of the comma-delimited ASCII **File** to export to or import from. On export, if this file exists it is appended to, otherwise it is created. On import, this file must exist. A ***List*** button pops up the standard Windows File Dialog to choose a file.

The export and import functions are useful for:

- Exporting data to verify the raw file contents.
- Exporting data for use in a spreadsheet or other program.
- Importing data from another program.
- Exporting data from damaged files, to salvage any non-corrupt data.

Because Capital Gainz consists of many related files, importing data from other programs, or exporting data to other programs, is not a simple task. Be sure you thoroughly understand the relationships between Capital Gainz files before trying.

Exported files include a header describing the data in the file.

Transferring Data Between Programs
Example: Export File

Transferring Data Between Programs

While Capital Gainz can export data from and import data to its files, transferring data between financial software is rarely easy. In fact, often the best use for such features is to export data to comma-delimited files for import into a spreadsheet program. The reason transferring data is difficult is because different programs store different types of data, and each program maintains its own complex file relationships. For instance, Capital Gainz stores enough data in a sell shares record to allow you to reverse sales. Very few programs maintain this amount of information; indeed, many investment programs don't track any security information once that security has been sold.

For instance, if you want to import data into the Capital Gainz Buy Shares Table, you must first:

- Import the referenced local securities into the Local Securities Table, or manually define them. The security data must have correct buy share totals, or else you must resynchronize the security with the Open Shares Table when you're done importing.
- Import the referenced global securities into the Global Securities Table, or manually define them.
- Import the referenced broker/investment companies into the Broker/Investment Company Table, or manually define them.
- Import the price histories into the Price History Table, or rebuild the price history from activity when done importing.
- Import the referenced security types into the Security Type Table, if they don't already exist.

As you can probably guess, it's easy to end up with data that can't actually be accessed from within Capital Gainz.

In reality, transferring data between programs requires some sort of filter utility or program:

Program A --> comma-delimited format --> filter --> comma-delimited format --> Program B

This filter program can be fairly complex, depending on the source and destination programs. The author of such a program must be very familiar with the software on both ends of the transfer

Example: Export File

You can export data to another program, such as a spreadsheet, for further analysis. For instance, to export your Capital Gainz price history data to a spreadsheet:

- Select the ***Export File*** item on the ***Maintenance*** pulldown menu.
- Choose the Price History data file and specify to output the data to the PRC.EXP file in the Export Capital Gainz File Form.
- Start up a text editor and open the PRC.EXP file.
- Edit the PRC.EXP file, remove all lines except a single symbol's price records. For instance, get rid of all lines except those where the symbol is CPL and the type is PRC.
- Start up the spreadsheet.
- From the spreadsheet menu, choose ***File***, ***Import***, ***Values***, and specify PRC.EXP as the file name. This fills in columns A, B, C, D, and E with the symbol, date, type, price, and volume.

Export/Import File

The ***Export File*** and ***Import File*** items on the ***Maintenance*** pulldown menu let you export or import comma-delimited ASCII files. To export or import a file, complete the Export/Import Capital Gainz File form:

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- Enter the name of the comma-delimited ASCII **File** to export to or import from. On export, if this file exists it is appended to, otherwise it is created. On import, this file must exist. A ***List*** button pops up the standard Windows File Dialog to choose a file.

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Exported files include a header describing the data in the file.

Transferring Data Between Programs
Example: Export File

Erase All Data

The ***Erase All Data*** item on the ***Maintenance*** pulldown menu will remove all of your data files. **Be sure this is really what you want to do!** To prevent mistakes, you must answer two confirmation questions before the operation is executed.

Graphics

Reports and Graphs

Capital Gainz displays a considerable amount of information in tables, and this information may be formatted into reports for output to the printer. Many reports contain data that is omitted from screens due to space and program performance considerations.

Some of the most useful reports are:

- **Portfolio Detail Report**: This report is similar to the Local Security Table, and shows current holdings and unrealized gains and losses in a portfolio.
- **Activity History Report**: This report shows a chronological list of purchases, sales, and distributions. The format makes it easy to check your entries against mutual fund and broker statements.
- **Total Return Report**: This report looks at the price history of a security, and calculates the total return based on prices and distributions. The total return calculation is the same as that used by mutual fund companies.
- **Performance Report**: This report calculates your performance based on recorded purchases, sales, and distributions.
- **Tax Schedule Report**: Information for Schedules B and D of the tax forms is generated based on your recorded distributions and sales. Data can be transferred to your paper or electronic tax forms.
- **Activity Detail Reports**: These reports show detailed information on recorded purchases, sales, and distributions.

Reports are generated in one of two ways:

- **From Tables**: Many tables allow you to quickly generate one or more related reports for the current portfolio or security.
- **From the Report Menu**: The Report Menu lets you choose from all available reports. You can print reports for selected portfolios or securities.

You can change the behavior or format of many reports by changing the Report Settings:

- You can generate reports that **Use Brief Formats**, omitting non-essential data. For instance, using this option with the Performance Report results in only the bottom-line figures being printed, omitting the components used in the calculations.
- You can **Show Subtotals**. For instance, using this option with the Activity History Report results in a running total and value of holdings after each purchase, sale, or distribution.
- You can **Combine Portfolios** selected for a report into a single virtual portfolio. For instance, you can treat several portfolios as a whole in order to generate a single combined Schedule B and Schedule D.
- You can **Use Internal Rate of Return** to include IRR calculations on the Performance Report. The internal rate of return factors time into the cash flows to arrive at a rate, while the standard calculation does not factor in time.
- You can specify a ***Date Range*** to restrict the data printed.
- You can send reports to plain ASCII text files with **ASCII File Output**, for storing on disk for future reference or just to increase printing speed.

When you request a report, the report is generated and displayed on the screen. From there, you can send it to your printer.

Some reports can be generated in HTML format for posting to the Web. HTML format reports are only available from the Report Menu, via a checkbox next to the report name. The HTML generated is displayed in the ASCII text file viewer, and from there can be sent to your Web browser for display. Many aspects of the HTML format can be configured by editing the styles files, CGSTYLES.CSS.

Graphs are similar to reports, but display data in a visual format that is easier to comprehend. Capital Gainz offers the following types of graphs:

- **Price-Based Graphs**: You can view line charts of prices or moving averages for securities. Two securities can be graphed at the same time to examine relative price movement. Total return area graphs illustrate price and distribution components of total return.
- **Allocation Graph**: This graph breaks down your current holdings in a portfolio by security class, such as Stock Mutual Fund; security type, such as Small Company Fund; and security.
- **Cost/Value Graph**: This graph compares cost and current market value for securities in a portfolio. The difference between the two bars is unrealized gain or loss, the same value shown on the Portfolio Detail Report.
- **Performance Graph**: This graph illustrates the performance numbers using two equivalent pie charts to analyze gain or loss.
- **Portfolio History Graph**: This graph shows your saved portfolio history over time.

Unlike special graphing programs or spreadsheets, there's no need for you to determine ranges or scaling. Based on the data being graphed, optimal ranges are automatically selected and the data is scaled accordingly. For instance, if a security's price ranges from $10 to $20 between the specified dates, then the price axis of the graph will only go from $10 to $20. Similarly, the width of bars in bar charts will be small enough to include as many as possible on one screen

Like reports, you have a number of optional settings available for graphs. For instance, you can omit statistical lines on the price graph or omit the grid lines. When you request a graph, the graph is generated and displayed on the screen. From there, you can send it to your printer or export it as a Windows BMP file. A button on all graphs lets you view the underlying data used.

Using the Viewer Settings, you can configure Capital Gainz so that multiple reports and graphs can be displayed at one time, while you continue to work in the program. You can even select an alternative program to view reports and graphs with.

Graphics Menu

The Graphics Menu, available from the ***Graph*** button on the toolbar or via the ***Graphics*** item on the ***Other*** pulldown menu, lets you generate graphs from your recorded Capital Gainz data. The Graphics Menu is divided into two sections:

Price Graphs

- **Prices for 1 Security** - A line chart showing a security's prices and volume.
- **Prices for 2 Securities** - A line chart comparing the normalized prices of two securities.
- **Moving Averages for 1 Security** - A line chart showing one or two different moving averages based on a security's prices.
- **Moving Averages for 2 Securities** - A line chart comparing the moving averages based on the prices of two securities.
- **Prices with Activity** - A line chart showing a security's prices, with buy, sell, and distribution activity flagged.
- **Total Return** - An area graph showing the price and distribution components of a security's total return.

Buttons available for this section are:

- ***Global Sec*** - Select global securities for the graph from the Global Security Tag Table.
- ***Save*** - Save the selected global securities on the Global Security Tag Table, for recall in future sessions.
- ***Recall*** - Recall the last global securities saved with the ***Save*** button.

Activity Graphs

- **Portfolio Allocation** - Pie charts breaking down portfolio holdings by class, type, and security.
- **Cost/Value** - Bar chart showing cost, value, and unrealized gain/loss for holdings.
- **Performance** - Pie charts breaking down components contributing to performance return.
- **Portfolio History** - Line chart showing portfolio value over time.

Buttons available for this section are:

- ***Portfolios*** - Select portfolios for the graph from the Portfolio Tag Table.

Buttons available from the Graphics Menu are:

- ***Ok*** - Generate the selected graph, using the currently set graph options.
- ***User Set*** - Bring up the User Settings Form to alter user settings.
- ***Graph Set*** - Bring up the Graphics Settings Form to alter graph settings.

- ***Report Set*** - Bring up the Report Settings Form to alter report settings.
- ***Dates*** - Specify a date range to restrict graph to.
- ***Exit*** - Exit from the Graphics Menu.

Viewing a Graph

When viewing a graph, you have many options on the toolbar to choose from. You can:

- Scroll the generated graphs to the left or right with the ***Left*** and ***Right*** buttons.
- Generate graphs for the next or previous items selected with the ***Previous*** and ***Next*** buttons.
- Select different items to graph using the ***Select*** button.
- Alter line styles and many other graph components using the ***Format*** button.
- Display the underlying graph data in a scrollable table using the ***Table*** button.
- Send the graph to the clipboard using the ***Clipboard*** button.
- Send the graph to a disk file using the ***File*** button.
- Output the graph to your printer using the ***Print*** button. After choosing to print, you can then select from several printer options.
- Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.

You can also move and resize graph components by clicking on items with the mouse.

Readability

The 3-D graphs, especially the bar charts, may not be very clear when displayed on your monitor. This is because of the default viewing angle (which can be changed with the ***Format*** button) and the difference in resolution between your monitor and printer. The printed output of the graph, however, should be awesome - try it!

Price Graph for 1 Security

The Price Graph for 1 Security generates a line chart showing a security's prices and volume. The following items are on the graph:

- The security's symbol, name, and high and low prices in the date range are displayed on the graph header.
- A grid with dates on the x-axis, and prices on the y-axis. You can omit the horizontal and vertical grid lines, or specify to use a logarithmic scale, using options in the Graphics Settings.
- A line chart graphing prices against dates, based on the security's price history. If the option in the Graphics Settings is set, the price is scaled logarithmically.
- Bar charts at the bottom of the graph indicating volume. You can omit the bars using an option in the Graphics Settings.
- A horizontal line indicating the average monthly price. You can omit this statistical line using an option in the Graphics Settings.
- Two horizontal lines indicating the positive and negative standard deviation. You can omit this statistical line using an option in the Graphics Settings.
- A diagonal line indicating the regression, or best-fit, line. You can omit this statistical line using an option in the Graphics Settings.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Price Graph for 2 Securities

The Price Graph for 2 Securities generates a line chart comparing the normalized prices of 2 securities. The prices are normalized, using a base of 100, in order to equate price movements. For example, consider a $10 security that moves to $11 and a $20 security that moves to $21. While both increased by $1, the security that was $10 increased 10% while the other security increased only 5%. Using normalization, the first security will go from $100 to $110, while the second security will go from $100 to $105.

After selecting this graph, the Global Security Lookup Table is displayed for you to select a reference security. This security will be held constant while you scroll through the other securities. The following items are on the graph:

- The symbol and name of the two securities are displayed on the graph header.
- A grid with dates on the x-axis, and normalized prices on the y-axis. You can omit the horizontal and vertical grid lines, or specify to use a logarithmic scale, using options in the Graphics Settings.
- Line charts graphing normalized prices against dates, based on the securities' price histories.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table. The reference security is held constant.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table. The reference security is held constant.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Moving Average Graph for 1 Security

The Moving Average Graph for 1 Security generates a line chart showing a security's moving average. After selecting this graph, you then choose the number of days in the moving average in the Select Moving Averages Form. This form also allows you to select one or two different periods to graph. The following items are on the graph:

- The security's symbol, name, high and low prices in the date range, and number of days in the moving average are displayed on the graph header.
- A grid with dates on the x-axis, and prices on the y-axis. You can omit the horizontal and vertical grid lines, or specify to use a logarithmic scale, using options in the Graphics Settings.
- A line chart graphing the moving average against dates, based on the security's price history and the type of moving average selected in the Graphics Settings.

You can choose what type of moving average calculation to use in the Graphics Settings.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Moving Average Graph for 2 Securities

The Moving Average Graph for 2 Securities generates a line chart comparing the normalized moving averages of 2 securities. After selecting this graph, you then choose the number of days in the moving average in the Select Moving Averages Form. The moving averages are normalized, using a base of 100, in order to equate price movements. For example, consider a $10 security that moves to $11 and a $20 security that moves to $21. While both increased by $1, the security that was $10 increased 10% while the other security increased only 5%. Using normalization, the first security will go from $100 to $110, while the second security will go from $100 to $105.

After selecting this graph, the Global Security Lookup Table is displayed for you to select a reference security. This security will be held constant while you scroll through the other securities. The following items are on the graph:

- The symbol and name of the two securities are displayed on the graph header.
- A grid with dates on the x-axis, and normalized moving averages on the y-axis. You can omit the horizontal and vertical grid lines, or specify to use a logarithmic scale, using options in the Graphics Settings.
- Line charts graphing normalized moving averages against dates, based on the securities' price histories.

You can choose what type of moving average calculation to use in the Graphics Settings.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table. The reference security is held constant.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table. The reference security is held constant.
- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Prices with Activity Graph

The Price with Activity Graph generates a line chart showing a security's prices and flagging buy, sell, and distribution points. The following items are on the graph:

- The security's symbol, name, and high and low prices in the date range are displayed on the graph header.
- A grid with dates on the x-axis, and prices on the y-axis. You can omit the horizontal and vertical grid lines, or specify to use a logarithmic scale, using options in the Graphics Settings.
- A line chart graphing prices against dates, based on the security's price history.
- Points on the graph corresponding to buys are marked with a B, points corresponding to sells are marked with an S, points corresponding to distributions are marked with a D, points corresponding to splits are marked with a P.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Total Return Graph

The Total Return Graph generates an area graph showing a security's total return, broken down into price and distribution components. Essentially, the graph shows the value of a single share, including price and reinvested distributions, over time. Income oriented securities will maintain level or moderately varying price lines, and increasing total value lines. Growth oriented securities will have small distribution components, and thus differ little from normal price graphs. The following items are on the graph:

- The security's symbol, name, and high and low values (not prices) in the date range are displayed on the graph header.
- A grid with dates on the x-axis, and values on the y-axis. You can omit the horizontal and vertical grid lines using an option in the Graphics Settings.
- An area graph of the prices against dates, based on the security's price history.
- An area graph of the distributions against dates, based on the security's price history.
- The total return and annual rate are displayed on the graph footer.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged security from the Global Security Tag Table.
- ***Next*** - Draw the graph for the next tagged security from the Global Security Tag Table.
- ***Select*** - Bring up the Global Security Tag Table to select securities to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Portfolio Allocation Graph

The Portfolio Allocation Graph shows how your funds are allocated within a portfolio, breaking down your holdings by security class, security type, and security. The following items are shown on the graph:

- The portfolio id, name, and value are shown on the graph header.
- A pie chart illustrating a break down of the holdings. You can select the shape of the pie chart and whether or no individual pie slices are labeled using the Graphics Settings. You can also set the maximum number of pie slices using the Graphics Settings, limiting the number of pie slices displayed. Excess slices, and slices less than 2% of the total, are rolled into the last slice. Thus, if you had 20 securities, and only specified 15 slices in the Graphics Settings, the 6 securities with the smallest total holdings are lumped into the 15th slice.
- A legend indicating which pie slices correspond to which class, type, or security. You can omit the legend using the Graphics Settings.

Buttons on the toolbar are:

- ***Class Pie*** - Draw the portfolio allocation pie chart based on security class.
- ***Type Pie*** - Draw the portfolio allocation pie chart based on security type.
- ***Security Pie*** - Draw the portfolio allocation pie chart based on security.
- ***Previous*** - Draw the graph for the previous tagged portfolio from the Portfolio Tag Table.
- ***Next*** - Draw the graph for the next tagged portfolio from the Portfolio Tag Table.
- ***Select*** - Bring up the Portfolio Tag Table to select portfolios to graph.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

The **3-Dimension** checkbox switches dynamically between two-dimensional and three-dimensional displays. Two-dimensional graphs are best for viewing on the monitor, while three-dimensional graphs are more impressive when printed out.

Note that allocations are based on the Global Security's assigned Security Type, or the breakdown on the Global Security Type Percentage Table.

Viewing a Graph

Cost/Value Graph

The Cost/Value Graph, a bar chart, 3hows the cost and current value of each local security in a portfolio. The difference in the two bars represents unrealized gains and losses. The following items are shown on the graph:

- The portfolio id, name, cost, and value are shown on the graph header.
- Cost and value bar charts for each security in the portfolio. You can select the shape of the bars and the maximum number of bars displayed on a page using the Graphics Settings. If you are holding a lot of cash in a money market fund, it could skew the range of values too high. If so, you can choose to not include cash types using the Graphics Settings.

Buttons on the toolbar are:

- ***Left*** - Scroll the bar chart to the left, displaying previous securities in the portfolio.
- ***Right*** - Scroll the bar chart to the right, displaying more securities in the portfolio.
- ***Previous*** - Draw the graph for the previous tagged portfolio from the Portfolio Tag Table.
- ***Next*** - Draw the graph for the next tagged portfolio from the Portfolio Tag Table.
- ***Select*** - Bring up the Portfolio Tag Table to select portfolios to graph.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

The **3-Dimension** checkbox switches dynamically between two-dimensional and three-dimensional displays. Two-dimensional graphs are best for viewing on the monitor, while three-dimensional graphs are more impressive when printed out.

Viewing a Graph

Performance Graph

The Performance Graph illustrates the relationship between the various factors that contribute toward your overall performance return with a security. Two equivalent pie charts are displayed. The following items are shown on the graph:

- The portfolio id, portfolio name, local security symbol, and security name are shown on the graph header.
- (First Pie) **End**: Your holdings as of the specified end date. This includes shares purchased before the end date and not sold as of the end date.
- (First Pie) **Distr**: The distributions you received, less fees you paid, over the period.
- (First Pie) **Sell**: Your sales over the period.
- **Begin**: Your holdings as of the specified begin date. This includes shares purchased before the begin date and not sold as of the begin date.
- **Buy**: Your purchases over the period. This includes all purchases between the begin and end dates, regardless of whether or not you sold the shares later.
- **Gain/Loss**: The gain/loss over the period.
- The performance return and annual rate. These use the standard return calculation, not the internal rate of return.

The two pie charts are equal:

End + Distr + Sell = Begin + Buy + Gain/Loss

Buttons on the toolbar are:

- ***Left*** - Draw the performance pie charts for the previous security in the portfolio.
- ***Right*** - Draw the performance pie charts for the next security in the portfolio.
- ***Previous*** - Draw the graph for the previous tagged portfolio from the Portfolio Tag Table.
- ***Next*** - Draw the graph for the next tagged portfolio from the Portfolio Tag Table.
- ***Select*** - Bring up the Portfolio Tag Table to select portfolios to graph.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

The **3-Dimension** checkbox switches dynamically between two-dimensional and three-dimensional displays. Two-dimensional graphs are best for viewing on the monitor, while three-dimensional graphs are more impressive when printed out.

Viewing a Graph

Portfolio History Graph

The Portfolio History Graph generates a line chart showing the value of a portfolio over time. A portfolio history, from the Portfolio History Table, must already exist. The following items are on the graph:

- The portfolio id and name are displayed on the graph header, along with the high and low values and corresponding dates for the date range.
- A grid with dates on the x-axis, and values on the y-axis. You can omit the horizontal and vertical grid lines using an option in the Graphics Settings.
- One line graph showing value, and one line graph showing return. This is the same return as calculated on the Performance Report.

Buttons on the toolbar are:

- ***Previous*** - Draw the graph for the previous tagged portfolio from the Portfolio Tag Table.
- ***Next*** - Draw the graph for the next tagged portfolio from the Portfolio Tag Table.
- ***Select*** - Bring up the Portfolio Tag Table to select portfolios to graph.
- ***Zoom In*** - Zoom in to the last year or month.
- ***Zoom Out*** - Zoom out to the last year or all dates.
- ***Format*** - Pop up a menu to alter various graph components
- ***Table*** - Bring up a scrollable table showing the graph's underlying data.
- ***Clipboard*** - Copy the graph to the clipboard.
- ***File*** - Send the graph to a file on disk.
- ***Print*** - Output the graph to your printer.
- ***Capture Image*** - Capture the image to a bitmap file, and display it in the Graphics File Viewer.. This allows you to have multiple graphs displayed at one time.
- ***Exit*** - Return to the Graphics Menu.

Viewing a Graph

Graphics Settings

The Graphics Settings Form, available via the ***User Settings*** item on the ***Config*** pulldown menu, lets you adjust a number of settings for graphs:

- (Price Graphs) **Moving Average Type** - Select the type of moving average calculation for the Moving Average Graph:

  SIMPLE - All prices in the period are given equal weighting. This is the fasted to generate.
  WEIGHT - Prices later in the period are weighted heavier. This is the slowest to generate.
  L-WEIGHT - The last price in the period is weighted double. This is fast to generate.
  EXPONENT - Prices are weighted using an exponential factor. This is slow to generate.

- (Price Graphs) **Show Date/Price Grids** - Whether or not to display the date/price axes.
- (Price Graphs) **Show Statistical Lines** - Whether or not to display statistics lines: average, standard deviation, regression.
- (Price Graphs) **Use Icons at Price Points** - Whether or not to use an icon to flag specific price points.
- (Price Graphs) **Show Volume on Price Graphs** - Whether or not to include the volume.
- (Price Graphs) **Use Logarithmic Scale** - Whether or not to use a logarithmic scale for the price axis, which better indicates relative price movements (i.e., from a price move from $99 to $100 is the same as a move from $10 to $11 with a normal price axis, but is much smaller with a logarithmic axis since it is 1% versus 10%). This only applies to single security price graph.
- **Fill Type** - The type of fill to use for pie slices, bars, and areas:

  COLOR - Solid color fill.
  PATTERN - Pattern only fill.
  BOTH - Color and pattern fill.
  NONE - No fill.

- (Pie Graphs) **Max Slices** - The maximum number of pie slices for the Allocation Graph. Excess slices are combined into the last slice, labeled 'other'.
- (Pie Graphs) **Shape** - The type of pie used in pie graphs:

  PIE - round 2-dimensional pie,
  PIE-3D - round, 3-dimensional pie.
  DOUGHNUT-3D - round, 3 dimensional doughnut.

- (Pie Graphs) **Label Slices** - Whether or not to label the individual pie slices. Usually, the values for slices are shown in a legend.
- (Pie Graphs **Show Legend** - Whether or not to show the legend listing values for pie slices.
- (Bar Graphs) **Max Bars** - the maximum number of bars shown on one screen. If there are more bars to show, you can scroll horizontally.
- (Bar Graphs) **Shape** - The type of bar used in bar graphs:

  RECTANGLE - 2-dimensional rectangular bars.
  RECTANGLE-3D - 3-dimensional rectangular bars.
  CYCLINDER-3D - 3-dimensional cylindrical bars.

- **Include Cash Security Types** - Whether or not to include cash security types, such as

money market funds, in the Security Cost/Value Graph.

- **Combine Portfolios** - When multiple portfolios are selected for an activity graph, this option combines all selected portfolios into one large virtual portfolio for the graph.

Buttons available on this form are:

- ***Colors*** - Set colors for various graph items.
- ***Fonts*** - Set fonts for various graph items.
- ***Ok*** - Save the displayed values.
- ***Dates*** - Set the date range for tables and reports.
- ***Cancel*** - Dismiss the form.

Graphs also use these settings:

- **Use Internal Rate of Return** setting from User Settings.
- **Subtract Reinvested Distr** setting from User Settings.

Finally, you can alter most of the items in a graph using the ***Format*** button on the toolbar when viewing a graph.

Print Graph to a File

You can use the ***File*** button when viewing a graph to output the graph to a file. This file can be used by other paint or graphics software. The form accepts:

- **File Type** - You can output to either a bitmap file (BMP) or a Windows metafile (WMF).
- **Filename** - The pathname of the file to output the graph to.The ***List*** button lets you browse the available files.

Buttons on the form are:

- ***Ok*** - Print the graph to the specified file.
- ***Cancel*** - Dismiss the form.

View Graph Data

You can use the ***Table*** button when viewing a graph to pop up a table showing the underlying graph data. The displayed is specific to the particular graph. You can scroll the data table horizontally and vertically.

Download/Import

Download/Import Prices

For most price sources, you'll use the Price Update from File feature to read in a file of comma-delimited prices retrieved from an online source. However, Capital Gainz includes a Download/Import feature for importing prices from Telechart 2000 and MetaStock data:

- You can specify to only read in prices for specific global securities.
- You can save and retrieve a list of global securities to use.
- You can specify to only retrieve prices for the current date.
- You can specify a range of dates to read in prices for.
- If you read in prices for a range of dates, you can specify the frequency to use: daily, weekly, or monthly.

Telechart 2000 and MetaStock databases can contain a lot of data, and you likely don't want to read all of it into Capital Gainz. Those programs are superior to Capital Gainz in analyzing raw price data. Thus, if you read in historical prices, be sure to pick weekly or monthly frequency.

Download/Import Prices Form

The Download/Import Prices Form, available from the ***Download/Import*** button on the toolbar or via the ***Download/Import*** item on the ***Other*** pulldown menu, lets you import prices downloaded from an online service. For most services, Capital Gainz' ***Update Prices from File*** function is recommended instead. However, you must use ***Download/Import*** for **Telechart 2000** and **MetaStock** imports.

On the form, you first specify the download/import parameters in the following fields:

- The **Service** to use. You can pulldown a list of valid services:
  - **Telechart 2000**: Import prices from Telechart 2000 data files.
  - **MetaStock**: Import prices from MetaStock data files.
  - **CompuServe**: Import prices retrieved from CompuServe. Several formats are supported for historical reasons. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from CompuServe.
  - **Prodigy**: Import prices retrieved from Prodigy's Current or Closing Prices formats. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from Prodigy.
  - **America Online**: Import prices retrieved from America Online's StockLink Service. We recommend using Capital Gainz' ***Update Prices from File*** function to import prices from America Online.
  - **Delphi**: Import prices retrieved from Delphi. This is supported for historical reasons, and is not guaranteed to work.
  - **GEnie**: Import prices retrieved from GEnie. This is supported for historical reasons, and is not guaranteed to work.

- Whether to download/import **Current** or **Historical** prices.
- The **Price Dates** to download/import prices for. For **Current** prices, you only enter the beginning date, and for **Historical** prices you enter both the beginning and ending date.
- For **Historical** price data, select the **Frequency**: **Daily**, **Weekly,** or **Monthly**.

Buttons available on the form are:

- ***Global Sec*** - Select global securities for the download/import from the Global Security Tag Table. When the download process completes, you will be asked if you want to process the retrieved data.
- ***Save*** - Save the selected global securities on the Global Security Tag Table, for recall in future sessions.
- ***Recall*** - Recall the last global securities saved with the ***Save*** button.
- ***Import*** - Specify a file containing prices that you've download previously from the service and now wish to read into Capital Gainz.
- ***Exit*** - Exit from the Download/Import Prices Form.

Download/Import Process
Download/Import Files

Download/Import Process

You set up and initiate the download/import process from the Download/Import Prices Form:

1) You select the service to use and specify the download/import parameters
2) Select the ***Import*** operation.
3) The **Ticker Symbol File** is created based on the selected ticker symbols. Securities without ticker symbols are skipped, as are duplicate ticker symbols.
4) You are prompted for the name of the **Downloaded Data File or Directory**, containing price information you downloaded from the service.
5) The **Downloaded Data File or Directory**, still in the service's format, is converted by the **Conversion Filter**, using the **Parameter File** and ultimately creating the **Final Input Data File**.
6) The ticker symbols in the **Final Input Data File** are converted into Capital Gainz global security symbols.
7) The **Final Input Data File** is read into Capital Gainz. On completion, a log is displayed for confirmation.

Download/Import Files

The download files are stored in Capital Gainz' Download Directory:

- The **Ticker Symbol File** contains ticker symbols selected for downloading. This file is created by Capital Gainz in the Dopwnload Directory during the download/import process. The name is based on the selected service:

  CGssss.TIC

  Where ssss is the first four characters of the service name

  Thus, for TC 2000, the Ticker Symbol File would be CGTELE.TIC.

- The **Parameter File** is used to pass parameters to the **Conversion Filter**. This file is created by Capital Gainz in the Download Directory during the download/import process. The name is based on the selected service:

  CGssss.PAR

  Where ssss is the first 4 characters of the service name

  Thus, for TC 2000, it would be CGTELE.PAR

- The **Downloaded Data File or Directory** contains data downloaded from the service or captured from a communications session. These files are created by your interaction with a service, and do not actually have to be in the Download Directory.

- The **Final Input Data File** contains downloaded data that has been converted into price update file format. This file is created by Capital Gainz in the Download Directory during the download/import process. This is the file that is ultimately read into Capital Gainz. The name is based on the selected service:

  CGssss.INP

  Where ssss is the first 4 characters of the service name

  Thus, for TC 2000, it would be CGTELE.INP.

- The **Conversion Filter** program converts data from the **Downloaded Data File or Directory** into the **Final Input Data File**. This program, **CGCV.EXE**, must exist in the Download Directory for downloading or importing prices.The Conversion Filter program can also be run outside of Capital Gainz, directly from Windows.

Update Prices From America Online

You can update prices from a file retrieved from America Online using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using America Online's default format. Be sure to read the **Notes** section below for important information.

America Online: http://www.aol.com

File Format:

- America Online's default format is tab-delimited text that looks like this:

```
--------------------------------------------------------------------------------
                Curr.           Purch.  Gain/
Symbol  Qty.    Price   Change  Price   Loss    Value
BLS     ---     56 5/8  -1 7/8
COMS    ---     56 3/8  +1 1/8
FIIIX   ---     12.17   -0.19
--------------------------------------------------------------------------------
```

- This format is:

  SYMBOL,QUANTITY,PRICE,CHANGE,PURCHASE PRICE,GAIN/LOSS,VALUE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,IGNORE,PRICE

America Online Set Up Procedure:

- Connect to America Online.
- Go to the **News & Finance** area.
- Choose **Business/Finance/Stocks/Markets**.
- Choose **StockLink**.
- Create a portfolio.

America Online Process Procedure:

- Connect to America Online.
- Go to the **News & Finance** area.
- Choose **Business/Finance/Stocks/Markets**.
- Choose **StockLink**.
- Select a portfolio.
- Click on the **Display Portfolio** button.
- Click on the **Save Portfolio** button.
- Select **Save** on the **File** pulldown menu.
- Specify the filename to save prices to, such as \CAPGNZ\PRICES.TXT

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **America Online**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to.
- Specify the **Date**, since it is not included in the data.
- Click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the America Online procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If America Online offers formatting options, see if you can retrieve prices in Quicken Price File Format. If not, see if you can retrieve prices in comma-delimited format. Either of these formats is much more reliable and stable than America Online's default format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from America Online using the ***Download/Import*** function.
- The downloaded data does not include dates, so be sure to set the **Date** field on the Update Prices From File Form.
- In the Price Settings Form, **Start at Token** is set to **SYMBOL**. This means that the data in the price file will not be processed until a line starting with SYMBOL is found.
- In the Price Settings Form, **Stop at Token** is set to **-Blank Line-**. This means that the price file will be processed until a blank line, or the end of the file, is found.
- In the Price Settings Form, **Convert Multiple Blanks to Comma** is set. This converts the blanks and tabs in the price file to commas, essentially turning it into a comma-delimited price file.
- There is no volume data available.

Update Prices from CompuServe

You can update prices from a file retrieved from CompuServe using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using CompuServe's WinCim default format. Be sure to read the **Notes** section below for important information.

CompuServe: http://www.compuserve.com

- CompuServe's WinCim default format is tab-delimited text that looks like this:

```
-------------------------------------------------------------------------------
 Ticker   Volume    High       Low      Last    Change   Update

 CCBF        58    50.500    49.750    50.500  +  0.750   3/05
 CPL        823    36.750    36.500    36.625  -  0.125   3/05
 T        21854    64.750    63.250    64.750  +  1.000   3/05
-------------------------------------------------------------------------------
```

- This format is:

  SYMBOL,VOL-100,HIGH,LOW,LAST,CHANGE,UPDATE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,VOL-100,IGNORE,IGNORE,PRICE,IGNORE,DATE

CompuServe Set Up Procedure:

- Connect to CompuServe.
- Click on the **Quotes** button on the toolbar.
- Build your list of symbols to retrieve quotes for, using the **Add** button.

CompuServe Process Procedure:

- Connect to CompuServe.
- Click on the **Quotes** button on the toolbar.
- Use the **Get** button to retrieve prices.
- From the pulldown menu, select **File**, **Save As**, and save the retrieved quotes to a file such as \CAPGNZ\PRICES.TXT..

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **CompuServe**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to.
- Specify the **Date**, since it may not be included in the data.
- Click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the CompuServe procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If CompuServe offers formatting options, see if you can retrieve prices in Quicken Price File Format. If not, see if you can retrieve prices in comma-delimited format. Either of these formats is much more reliable and stable than CompuServe's default format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from CompuServe using the ***Download/Import*** function.
- While CompuServe offers many ways to get prices using a terminal emulator or an emulator-based service such as TAPCIS, it is unknown how long these methods will be supported. If you are using one of these older methods, then it should still work with Capital Gainz ***Download/Import*** function. However, Capital Gainz now focuses on retrieving and importing current prices using the ***Update Prices from File*** function.
- The downloaded data may not include dates, so be sure to set the **Date** field on the Update Prices From File Form.
- In the Price Settings Form, **Start at Token** is set to **Ticker**. This means that the data in the price file will not be processed until a line starting with Ticker is found.
- In the Price Settings Form, **Stop at Token** is set to **-Blank Line-**. This means that the price file will be processed until a blank line, or the end of the file, is found.
- In the Price Settings Form, **Convert Multiple Blanks to Comma** is set. This converts the blanks and tabs in the price file to commas, essentially turning it into a comma-delimited price file.

Importing Prices from MetaStock

MetaStock is a service that provides stock quotes only.Actually, MetaStock encompasses all services, including Telescan, that provide data in 'MetaStock' format. You can only import MetaStock prices into Capital Gainz using the ***Download/Import*** function. You can't update prices from Metastock using Capital Gainz' ***Update Prices from File*** function, since the data is binary.

Equis International: 800-882-3040

File Structure:

```
\METASTOCK_DIR
    \DATA
        MASTER
        F1.DAT
        F2.DAT
...
```

Procedure:

Retrieve prices using the MetaStock software.

In Capital Gainz, select ***Other***, then the ***Download/Import*** function.
Specify METASTOCK as the **Service.**
Select Current prices and the Date, or Historical prices and the Date Range.
Select the securities to get prices for.
Click on the ***Import*** button, and specify the MetaStock DATA directory.

Notes:

- Capital Gainz will ask for the METASTOCK_DIR to import from. Actually, you can specify either the METASTOCK_DIR or METASTOCK_DIR\DATA. For instance, if MetaStock is installed to C:\MSTOCK, you can specify C:\MSTOCK or C:\MSTOCK\DATA. If the directory you specify contains the MASTER file, then it is assumed to be the DATA directory. Otherwise, the data directory is assumed to be DATA.
- If you have a 'stray' MASTER file in the main METASTOCK_DIR and specify that directory to import from, then that directory is assumed to be the DATA directory. If it is not the actual DATA directory, then no prices will be found. To get around this, remove the stray MASTER file or specify the full METASTOCK_DIR\DATA path.
- The Exchange Symbol field in the Global Security must be set to retrieve data for a given security. The Global Security Symbol is not used. Any Global Securities with a blank Exchange Symbol will be skipped when retrieving prices.
- Downloaded volume is assumed to be in hundreds of shares.
- If Current prices are requested, then only prices for the specified date are read in
- If Historical prices are requested, you can limit the prices read in with the From/To dates and Frequency fields on the Download/Import Prices Form.
- Use the METASTOCK service for any price service that provides data in MetaStock format, such as Telescan.
- The MetaStock conversion feature was made possible using a conversion library from **Ed Zappulla, Blue Sky Group Inc., Copyright 1991-95.**

Example

To use ***Download/Import*** to import current prices from MetaStock data:

- (MetaStock) Use the MetaStock software to download prices.
- Start up Capital Gainz
- (Capital Gainz) Select ***Other***, then the ***Download/Import*** function on the pulldown menu.
- (Capital Gainz) Select METASTOCK as the service.
- (Capital Gainz) Select Current prices.
- (Capital Gainz) Be sure the Date is set correctly.
- (Capital Gainz) Click on the ***Import*** button, and specify the MetaStock data directory, C:\MSTOCK\DATA.
- (Capital Gainz) The files are converted, and the prices found are displayed for confirmation before being added to the price history.

Update Prices From Prodigy

You can update prices from a file retrieved from Prodigy using Capital Gainz' ***Update Prices from File*** function. This topic discusses retrieving and updating prices using Prodigy's default Current Prices format. Be sure to read the **Notes** section below for important information.

Prodigy: http://www.prodigy.com

File Format:

- Prodigy's Current Prices file format is:

  SYMBOL,DATE,LAST,CHANGE,OPEN,HIGH,LOW,VOLUME,NOTE

- For Capital Gainz mapping, this format becomes:

  SYMBOL,DATE,PRICE,IGNORE,IGNORE,IGNORE,IGNORE,VOL-TOTAL

Prodigy Set Up Procedure:

- Connect to Prodigy.
- Set up your **Quote Tracks**.

Prodigy Process Procedure:

- Connect to Prodigy.
- Go to **Quote Tracks**.
- Choose **Download**.
- Set the format to **Comma-Delimited with Headings**.
- Specify to retrieve **Current Prices**, not **Closing Prices**.
- Download the quotes to a file such as \CAPGNZ\PRICES.TXT

Capital Gainz Setup Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.
- Click on the **Settings** button to go to the Price Settings Form.
- Under **Format Settings**, set the **Initialize Format to** field to **Prodigy**.
- The other **Format Settings** fields will automatically be set - don't change them.
- Click on the ***Ok*** button to save the settings, and return to the Update Prices from File Form.

Capital Gainz Process Procedure:

- Select ***Prices***, then the ***Update Prices from File*** function from the Global or Local Security Tables.

- Specify the **Filename,** such as \CAPGNZ\PRICES.TXT, that you saved prices to, then click on the ***Ok*** button to read the file in.
- When the price file is read in, click on the ***View*** button to see if the prices converted correctly.
- If the price file converted correctly, exit the viewer and click on the ***Ok*** button to update prices.

Notes:

- This is the Prodigy procedure and format at the time of this writing - both are subject to change. In fact, both are likely to be changed, 'breaking' this process.
- If Prodigy offers formatting options, see if you can retrieve prices in Quicken Price File Format.
- Using ***Update Prices from File*** replaces the old method in Capital Gainz of reading in prices from Prodigy using the ***Download/Import*** function.
- If you want Closing Price format, change the comma-delimited format Capital Gainz expects to see.
- In the Price Settings Form, **Start at Token** is set to "**SYMBOL"** (include quotes) This means that the data in the price file will not be processed until a line starting with "SYMBOL" is found.
- In the Price Settings Form, **Stop at Token** is set to **-End Of File-**. This means that the price file will be processed until the end of the file is found.

Importing Prices from Telechart 2000

Telechart 2000 is a service that provides stock quotes only. If you don't need any of the other features of online services, and frequently build price histories for a number of securities, this is an excellent value. Capital Gainz can automatically extract prices from Telechart 2000 data files. You can't update prices from Telechart 2000 using Capital Gainz' ***Update Prices from File*** function, since the data is binary.

Worden Brothers, Inc.: 800-776-4940

File Structure:

```
\TELEFILE_DIR
    TELEFILE (points to DATA directory)
    \DATA
        BASENAME (lists securities with NDX files)
        A\
            AAA.NDX
                (Format: 24 bytes of header
                         date,high,low,close,volume,open)
            ABB.NDX
            ABC.NDX
        B\
            BA.NDX
...
```

Procedure:

Retrieve prices using the Telechart 2000 software.

In Capital Gainz, select ***Other***, then the ***Download/Import*** function.
Specify TELECHART as the **Service.**
Select Current prices and the Date, or Historical prices and the Date Range.
Select the securities to get prices for.
Click on the ***Import*** button, and specify the Telechart 2000 DATA directory.

Notes:

- Capital Gainz will ask for the TELEFILE_DIR to import from. Actually, you can specify either the TELEFILE_DIR or TELEFILE_DIR\DATA. For instance, if Telechart 2000 is installed to C:\TC2000, you can specify C:\TC2000 or C:\TC2000\DATA. If the directory you specify contains the BASENAME file, then it is assumed to be the DATA directory. Otherwise, the TELEFILE file will point to the DATA directory.
- If you have a 'stray' BASENAME file in the main TELEFILE_DIR and specify that directory to import from, then that directory is assumed to be the DATA directory. If it is not the actual DATA directory, then no prices will be found. To get around this, remove the stray BASENAME file or specify the full TELEFILE_DIR\DATA path.
- The Exchange Symbol field in the Global Security must be set to retrieve data for a given security. The Global Security Symbol is not used. Any Global Securities with a blank Exchange Symbol will be skipped when retrieving prices.
- Downloaded volume is divided by 100 by the conversion process.
- If Current prices are requested, then only prices for the specified date are read in
- If Historical prices are requested, you can limit the prices read in with the From/To dates

and Frequency fields on the Download/Import Prices Form.

Example

To use ***Download/Import*** to import current prices from Telechart 2000:

- (Telechart 2000) Use the Telechart 2000 software to download prices.
- Start up Capital Gainz
- (Capital Gainz) Select ***Other***, then the ***Download/Import*** function on the pulldown menu.
- (Capital Gainz) Select TELECHART as the service.
- (Capital Gainz) Select Current prices.
- (Capital Gainz) Be sure the Date is set correctly.
- (Capital Gainz) Click on the ***Import*** button, and specify the Telechart 2000 data directory, C:\TC2000\DATA.
- (Capital Gainz) Capital Gainz determines the data files from the BASENAME file.
- (Capital Gainz) The files are converted, and the prices found are displayed for confirmation before being added to the price history.

Calculations

Unrealized Gain/Loss Calculation

Unrealized gains and losses reflect the difference between the amount you paid for currently held shares and the prevailing market rate. In Capital Gainz, Unrealized gains and losses can be found on the Local Security Table, Portfolio Summary and Detail Reports, Activity Summary Report, Buy Shares Detail Report, and Cost/Value Graph.

Evaluating current holdings is the first step in analyzing your performance. For instance, a large unrealized loss may signal that it's time to cut your losses and dump a security - unless you anticipate a rebound. Conversely, a large unrealized gain may signal that it's time to take some of your gains by selling shares - unless you want to ride it out a while longer. The calculations involved are:

buy_shares_value = buy_shares * current_price
buy_shares_basis (average) = buy_shares * average_price
buy_shares_basis (cost) = buy_shares_amount
gain_loss = buy_shares_value - buy_shares_basis - buy_shares_comm

The price for the average method is derived from the totals maintained in the local security record:

average_price = local_security_buy_amount / local_security_buy_shares

The gain/loss percentage for current holdings is calculated with:

(buy_shares_gain_loss * 100) / (buy_shares_basis + buy_shares_comm)

The above gain/loss calculations also apply to uncovered short sales. In short sale calculations, the number of shares is negative, and therefore the buy_shares_value and buy_shares_basis are also negative. If the price has dropped since the short sale, the absolute value of the buy_shares value is less than the absolute value of the buy_shares_basis, thus resulting in a positive (gain) calculation

You can **subtotal the Portfolio Detail Report by broker/investment company**. This lets you compare the value of advice from individual brokers and investment advisors. You can also use the subtotals to compare the performance of different mutual fund groups. However, to have a fair comparison, you should hold similar fund types in each group.

You can modify the User Settings so that **reinvested distributions are not included in the cost** when unrealized gains and losses are calculated. Reports and graphs flag when this option is used in the calculations. Assuming all distributions are reinvested:

buy_shares_value = buy_shares * current_price
buy_shares_basis (average) = buy_shares * average_price - distr
buy_shares_basis (cost) = buy_shares_amount - distr
gain_loss = buy_shares_value - buy_shares_basis - buy_shares_comm

Example: Unrealized Gain/Loss Calculation

Example: Unrealized Gain/Loss Calculation

Assume you made the following purchases:

100 shares at $10 each, for $1000, with a $30 commission
100 shares at $9 each, for $900, with a $30 commission

The current price is now $11.00. Your current, **unrealized gain** would be:

gain = (200 * $11) - ($1000 + $900) - ($30 + $30) = $240
gain% = ($240 * 100) / ($1960 + $60) = 12.24%

If the current price was $9.50, your current, **unrealized loss** would be:

loss = (200 * $9.5) - ($1000 + $900) - ($30 + $30) = -$60
loss% = (-$60 * 100) / ($1960 + $60) = -3.06%

Next, assume the following activity:

01/01	Buy 100 shares at $10 for $1000.00
06/30	Dividend of $0.20 per share, for a total of $20.00
06/30	Buy 2.051 shares at $9.75 for $20.00 (reinvestment)
12/31	Dividend of $0.15 per share, for a total of $15.31
12/31	Buy 1.612 shares at $9.50 for $15.31 (reinvestment)
12/31	Capital gain of $0.45 per share, for $45.92
12/31	Buy 4.834 shares at $9.50 for $45.92 (reinvestment)

buy_shares_value = 108.497 shares * $9.50 = $1030.72
buy_shares_basis = $1000 + $20.00 + $15.31 + $45.92 = $1081.23
gain_loss = $1030.72 - $1081.23 = $-50.51
gain_loss% = ($-50.51 * 100) / $1000 = -5.05%

If we **subtracted reinvested distributions**:

buy_shares_value = 108.497 shares * $9.50 = $1030.72
distr = $20.00 + $15.31 + $45.92 = $81.23
buy_shares_basis = $1000 + $20.00 + $15.31 + $45.92 - $81.23 = $1000
gain_loss = $1030.72 - $1000.00 = $30.72
gain_loss% = ($30.72 * 100) / $1000 = 3.07%

If biannual dividends were paid, the dropping share price resulted in a higher yield:

yield = (0.15 * 2 * 100) / 9.50 = 3.16%

By subtracting reinvested distributions from cost when calculating unrealized gain/loss, the poor performance of the fund is masked. You see the 3.07% gain and 3.16% yield, and figure it's doing fine for a short term bond fund. However, you are including distributions twice in your assessment. It's much better to look at the gain/loss and yield separately. Doing this, the 3.16% yield is fine, but you see that the loss of 5.05% on open shares is eating away at your performance. Looked at this way, you'll probably consider switching to a better performing fund.

Realized Gain/Loss Calculation

Realized gains and losses refer to distributions received and gains or losses incurred through sales. Realized gains and losses can be found in Capital Gainz on the Activity Summary Report, Tax Schedules Report, Sell Shares Detail Report, and Distribution Detail Report.

The calculations for sales are:

sell_shares_amount = sell_shares * sell_price
buy_shares_basis (average) = buy_shares * average_price
buy_shares_basis (cost) = buy_shares_amount
gain_loss = sell_shares_amount - buy_shares_basis - sell_shares_comm - buy_shares_comm

The realized gain/loss percentage is calculated with:

(gain_loss * 100) / (buy_shares_basis + buy_shares_comm)

Example: Realized Gain/Loss Calculation

Example: Realized Gain/Loss Calculation

Assume you executed the following sale:

Sell 200 shares at $11.00 with a $45 commission.
The shares were purchased in two 100 share lots:
100 shares at $10 each, for $1000, with a $30 commission
100 shares at $9 each, for $900, with a $30 commission

The **realized gain** on the sale would be:

gain = (200 * $11) - ($1000 + $900) - $45 - ($30 + $30) = $195
gain% = ($195 * 100) / ($1900 + $60) = 9.95%

If you executed the sale at $9.50 instead, the **realized loss** would be:

loss = (200 * $9.5) - ($1000 + $900) - $45 - ($30 + $30) = -$105
loss% = (-$105 * 100) / ($1900 + $60) = -5.36%

Yield Calculation

Yield refers to the simple annual percentage you can expect from a given security. Some securities don't pay out dividends or interest, and thus have a current yield of 0%. Only dividends/interest are used, as capital gains distributions tend to be erratic. Yield can be found in Capital Gainz on the Local Security Table, Global Security Table, Portfolio Detail Report, and Global Security Report.

The **yield for a security is calculated as the number of payouts per year multiplied by the last per share payout**. The calculation is:

(div_per_year * last_div_per_share * 100) / last_price_per_share

However, by altering the User Settings, you can specify to calculate yield on your average cost:

(div_per_year * last_div_per_share * 100) / average_cost

Yield is usually more important for bonds or large company mutual funds and stocks, where price appreciation is a secondary consideration. For growth or small company mutual funds and stocks, price appreciation is more important. Note that current yield is really a measure of expected return. That's why Capital Gainz only takes the last dividend/interest distribution per share and multiplies it by the number of expected dividend/interest payouts.

Calculating yield on average cost will result in a higher yield if you bought at prices lower than the current price, or a lower yield if you bought at prices higher than the current price.

The distribution per share figure is the dividend rate for stocks. Most mutual fund statements include a per share value on the statement declaring the amount of the distribution. If the mutual fund company does not include the per share figure, you can let Capital Gainz calculate it in the Distribution Form. The calculated value should be very close to the actual value. There are two slightly different ways to calculate this figure, depending on the type of security. For most stocks and stock mutual funds, use:

distr_per_share = distr_amount / shares_owned

However, many cash securities and bond or money market mutual funds factor in **shares held for partial distribution periods**:

shares_entire : Shares held for the entire distribution period = number of shares
shares_partial: Shares held for part of the distribution period= shares * ((distr_date - purchase_date) / (365 / div_per
distr_per_share = distr_amount / (shares_entire + shares_partial)

Capital Gainz assumes any security paying dividends monthly (dividends per year = 12) uses partial dividend periods. The difference is not very significant, and only applies to the default per share value calculated in the Distribution Form.

Total portfolio yield is simply the average of all yields for securities with open shares:

portfolio_yield = average (yield of active securities)

Example: Yield Calculation

Example: Yield Calculation

Assume you own 100 shares of a security that distributes dividends quarterly. A $38.00 dividend payment translates into $0.38 per share. Multiply this by four, since the dividend is quarterly, and you have a $1.52 per share annual dividend. If the shares are trading at $45.00 each, then the current yield is:

(4 * .38 * 100) / 45.00 = 3.38%

If you specified to calculate yield on average cost in the User Settings, and your 100 shares cost $400, the yield would be:

(4 * .76 * 100) / (400 / 100) = 3.80%

Next, let's examine distribution per share values. Assume the following activity for a fund that pays quarterly dividends:

01/01/91	Own 100 shares
01/15/91	Buy 10 shares
01/31/91	Dividend of $45.87

The dividend per share is calculated with:

distr_per_share = (distr_amount / shares_owned) = 45.87 / 110.00 = 0.417

However, for a money market mutual fund that pays monthly dividends, the distribution per share is calculated with:

shares_entire = 100.00
shares_partial = 10.00 * ((1/31/91 - 1/15/91) / (365 / 12)) = 5.33
distr_per_share = 45.87 / (100.00 + 5.33) = 0.435

Net Buy Calculation

The Performance Report includes a Net Buy figure that represents the amount of 'new' cash invested. This value is calculated as:

Purchases - Sales - Distributions + Fees

For a stand-alone mutual fund with which you make direct purchases, the figure for that security will indicate the amount of new cash invested over the request period. However, if you have a cash account that all funds flow through, then the new cash invested for the portfolio is determined by the Net Buy figure for the portfolio total - not for the cash account. For instance:

Add $1000 to CASH account
Buy $500 worth of stock XYZ

At this point:

CASH Net Buy = 1000 - 500 = 500
XYZ Net Buy = 500
Total Net Buy = 1000 + 500 - 500 = 1000

Given that Net Buy is fresh cash added, then adding Net Buy to the calculated Return amount will determine the portfolio increase/decrease over the period. And, note that:

Increase in Value = Net Buy + Return = Portfolio Value on Date #2 - Portfolio Value on Date #1

Looking at more complex sample data, the following figures are calculated:

1997 Portfolio Value = $181,295.64
1998 Portfolio Value = $242,106.56
1998 Performance Return =-$33,197.70
1998 Net Buy = $27,613.22

Doing the calculations shows this relationship to be correct:

(242,106.56 - 181,295,64) = 33,197.70 + 27,613.22

Total Return Calculation

Total return shows performance based on price movement and reinvested distributions. This figure is based solely on the price history, and does not reflect actual purchases, sales, and distributions. Total return can be found in Capital Gainz on the Total Return Report and Total Return Graph.

Essentially, total return represents a buy-and-hold strategy, and thus probably differs from the performance return that you realize via purchases, sales, and distributions. In calculating total return, distributions are assumed to be reinvested. The actual calculation is:

```
begin_shares = 1.00
end_shares = 1.00 + shares_bought
shares_bought = sum ( distr_per_share / reinvestment_price )
begin_value = begin_shares * begin_price
end_value = end_shares * end_price

total_return% = ( ( end_value - begin_value ) * 100 ) / begin_value
```

When comparing the performance of securities, it's important to compare 'like' periods. For instance, comparing the return of Mutual Fund A from 1988-1991 to Mutual Fund B from 1985-1988 unfairly penalizes Mutual Fund B, since there was a severe market correction in 1987. If these are the only periods data is available for these two funds, no reliable comparison can be made.

To compare the total return figure to a fixed, compounded investment, an **annual rate is also calculated** . This rate assumes simple, yearly compounding of interest, and is calculated by:

```
start_date = date of first price found within date range
finish_date = date of last price found within date range
years  =  ( finish_date - start_date ) / 365
rate% = ( ( finish_value / start_value ) ^ ( 1 / years ) - 1 ) * 100
```

To **calculate the total return of all securities**, the price and return of each security must be normalized so higher priced securities aren't weighted more than lower priced ones:

```
factor = 100 / first_price
    normalized_begin_price = 100.00
    normalized_end_price = end_price * factor
    normalized_distr_per_share = distr_per_share * factor
    normalized_shares_bought = shares_bought * factor
```

To get the total return rate for the portfolio, we recognize that percentage already represents a normalized figure, so simply average the return rates of all securities:

```
total_return% = average ( total return of all securities )
```

If you don't specify a date range, then the date range used for portfolio total return is the longest range found for any security. If any securities were held significantly less than this range, their contribution is negatively affected. For instance, if one security is held from 1/1/80 to 12/31/92, and another security is held from 1/1/92 to 12/31/92, then the second security's total return only covers one year, yet the total return for all securities covers 12 years. Thus, **to accurately use the total portfolio return, you must specify a reasonable date range, such as one year or less.**

Example: Total Return Calculation

Example: Total Return Calculation

Carolina Power and Light had this data for 1/1/90 through 12/31/91 (quarterly dividend per share was 0.73 in 1990 and 0.76 in 1991):

```
begin_shares = 1.00
end_shares = 1.00 + shares_bought
begin_price = 47.228 on 01/ 3/90
end_price = 52.625 on 12/27/91
shares_bought = .1387

Reinvested dividends:
02/02/90:    ( (1.0000 + .0000 ) * .73 ) / 43.637 = .0167 shares
05/02/90:    ( (1.0000 + .0167 ) * .73 ) / 43.695 = .0170 shares
08/06/90:    ( (1.0167 + .0170 ) * .73 ) / 43.651 = .0173 shares
11/05/90:    ( (1.0337 + .0173 ) * .73 ) / 43.318 = .0177 shares
02/01/91:    ( (1.0510 + .0177 ) * .76 ) / 45.292 = .0179 shares
05/02/91:    ( (1.0687 + .0179 ) * .76 ) / 48.058 = .0172 shares
08/01/91:    ( (1.0866 + .0172 ) * .76 ) / 47.420 = .0177 shares
11/01/91:    ( (1.1038 + .0177 ) * .76 ) / 49.625 = .0172 shares
Total:          .1387 shares 'bought' with reinvested dividends
begin_value = 1.00 * .47.228 = 47.228
end_value = ( 1.00 + .1387 ) * 52.625 = 59.924
years = 2
total_return% = ( ( 59.924 - 47.228 ) * 100 ) / 47.228 = 26.88%
```

The price contribution to the total return was:

```
( ( 52.625 - 47.228 ) * 100 ) / 47.228 = 11.43%
```

The rest of the increase is attributable to reinvested distributions. The annual rate is:

```
rate% = ( (  59.924 / 47.228 ) ^ ( 1 / 2 ) - 1 ) * 100 = 12.64%
```

So to beat the performance of CPL over the two years, you would have needed a fixed income investment yielding better than 12.64%.

Next, let's look at **total return for all securities**. For instance, if you have three securities in a portfolio with the following starting and ending prices:

```
security 1: 10.00 to 12.00
security 2: 25.00 to 40.00
security 3: 50.00 to 40.00
```

the normalized starting and ending prices would be:

```
security 1 ( factor = 100/10 = 10 ):    100.00 to 120.00
security 2 ( factor = 100/25 = 4 ):     100.00 to 160.00
security 3 ( factor = 100/50 = 2 ):     100.00 to  80.00
total :                                 100.00 to 120.00 ( 360.00 / 3 ) = 20% total return for all securities
```

Performance Return Calculation

The figures calculated on the Performance Report and Performance Graph in Capital Gainz provide the most comprehensive performance measurements. The dollar figure measures in-flow and out-flow of cash to arrive at how much money you would have made, or lost, if you liquidated the account. You can choose to calculate just a straight percentage, referred to as the standard return, or also calculate the internal rate of return based on cash flows.

There are five components to performance return:

- Your holdings as of the specified begin date. This includes shares purchased before the begin date and not sold as of the begin date.
- Your purchases over the period. This includes all purchases between the begin and end dates, regardless of whether or not you sold the shares later.
- The distributions you received, and fees you paid, over the period.
- Your sales over the period.
- Your holdings as of the specified end date. This includes shares purchased before the end date and not sold as of the end date.

These figures are then combined into an **overall performance return figure**:

begin_price = first price found on or after begin date
initial_value = open shares at begin date multiplied by begin_price
end_price = last price found on or before end date
end_value = open shares at end multiplied by end_price
sell_amt = total amount of sales over the period
sell_comm = total selling commissions over the period
buy_amt = total purchase amount over the period
buy_comm = total purchase commissions over the period
distr = total dividends, interest, and capital gains received over the period
fees = total fees paid over the period

return = end_value + (sell_amt - sell_comm) + (distr - fees) - (initial_value + buy_amt + buy_comm)

Capital Gainz calculates an unweighted return, referred to as the **standard return**. The calculations accounts for reinvested distributions and redistributed sales proceeds.

reinvest_distr = any distribution preceding a purchase
reinvest_sales = any sales preceding a purchase
reinvest = reinvest_distr + reinvest_sales
comm = buy_comm + sell_comm
return% = (return / (initial_value + buy_amt - reinvest + comm)) * 100

Notice that dividend and sale amounts are assumed to be reinvested if there are any subsequent purchases. When evaluating total portfolio performance return, this applies across all securities. An equivalent annual rate is determined:

start_value = initial_value + buy_amt - reinvest + comm
finish_value = start_value + return
rate% = ((finish_value / start_value) ^ (1 / years) - 1) * 100

Capital Gainz can also calculate a weighted return, known as the **internal rate of return**, depending on

the User Settings, Capital Gainz determines the IRR based on an iterative process. In essence, the IRR delivers a time-weighted performance by examining the actual cash flows. The IRR calculation is too complex to explain here, but it is explained in detail in many accounting texts, generally in the sections where the present and future value concepts are considered.

Based on the calculated IRR, a return percentage for the entire period is then determined:

IRR% = internal rate of return of cash flows
return% = ((((1 + (IRR / 100)) ^ years)) - 1) * 100

Note on Short Sales:
If you have a short sale that results in a gain, the performance percentage calculated will always be the maximum value. That's because the proceeds from the short sale are 'used' for the subsequent purchase. So, for a short sale that resulted in a gain:

sell_amt = amount of short sale
buy_amt = amount of purchase to cover
return = sell_amt - buy_amt
reinvest = amt of short sale
return% = (return / (buy_amt - reinvest)) * 100

In the above, reinvest will be greater than or equal to buy_amt if there is a gain, so the basis for the division is 0. While a more reasonable percentage could be calculated by swapping the buy/sell dates for a short sale, that would result in incorrect overall portfolio percentages. The performance really is infinite - you put $0 down and received something at the end. However, since no broker allows you to short shares with no money on deposit, the overall portfolio performance will be correct.

Example: Performance Return Calculation

Example: Performance Return Calculation

Let's look at an example of **calculating performance return** using the Twentieth Century Vista mutual fund between 1/01/90 and 12/31/92:

begin_price = 8.39 on 1/01/90
initial_value = 303.65
end_price = 11.35 on 12/31/92
end_value = 2457.30
sell_amt = 510.00
sell_comm = 0.00
buy_amt = 2332.29
buy_comm = 0.00
distr = 132.29
fees = 10.00

return = 2457.30 + 510.00 + 122.29 - (303.65 + 2332.29) = 453.65

Internal Rate of Return calculation:

IRR% = 15.70%
return% = (((1 + (15.70 / 100)) ^ 2) - 1) * 100 = 54.92%

Standard Return calculation:

reinvest_distr = 132.29
reinvest_sales = 510.00
reinvest = 132.29 + 510.00 = 642.29
return% = (453.65 / (303.65 + 2332.29 - 642.29)) * 100 = 22.75%
start_value = 303.65 + 2332.29 - 642.29 = 1993.65
finish_value = start_value + 453.65 = 2447.30
rate% = ((2447.30 / 1993.65) ^ (1 / 3) - 1) * 100 = 7.07%

The internal rate of return is about twice the standard, unweighted rate, reflecting the time-weighting effect. However, for periods one year or less, the standard rate and IRR will usually be very similar.

Total Return vs Performance Return Calculations

Since the total return figure reflects a buy-and-hold strategy, you can compare it to whatever strategy you used over the period. If you used dollar-cost averaging, then see if that worked better than a buy-and-hold approach.

For example, the total return for Twentieth Century Vista from 1/1/90 to 12/31/92, was 41.23%, with a yearly rate of 12.18%. Our internal rate of return during that same period was 15.70%, equating to a return of 54.92%. Thus, the timing of purchases and sales allowed us to do better than if we invested everything at the beginning of the period.

If your actual performance return with a security was poor or mediocre, but the total return was good, then you've adversely affected your performance return through bad timing. The security is a good-performer, and should probably be held. This effect is often seen with dollar-cost averaging strategies employed over a short period in a rising market.

If your actual performance return with a security was good, but the total return was poor or mediocre, then you've managed to increase returns through good market-timing. While a buy-and-hold strategy would not have done well, the market-timing effects of your purchases and sales made this security a winner. This effect is often seen with dollar-cost averaging strategies employed over a long period in a fluctuating market.

Overall, total return is probably the most revealing of the two figures, especially for mutual funds. It clearly shows whether a fund performed well or not, regardless of any attempts at market timing. If you looked solely at your actual performance return, bad timing may hide good fund performance, and good timing may hide poor fund performance.

Price History Calculations

Price history, shown in Capital Gainz' Price History Table and Price History Report, allows you to quickly view a security's prices over specific intervals. Distributions are shown to help you account for price dips, since, for example, a $10 stock should fall to $9 after a $1 dividend. The high/low prices and dates, monthly average price, and distributions per share over the period are included at the end of the Price History Report.

In the Price History Report, the **monthly average price** is calculated by first averaging the prices in each month, then averaging each month's average price. This accounts for a varying number of monthly entries, preventing overweighted time periods. The calculations are:

month_avg = sum (prices) / number_of_prices
monthly_avg_price = sum (month_average) / number_of_months

On the other hand, the **average price calculation for shares purchased** and the **average price calculation for shares sold**, in the Buy Shares Table, Sell Shares Table, Activity Detail Report, and Activity Summary Report, are weighted averages:

buy_avg_price = buy_shares_basis / number_of_buy_shares
sell_avg_price = sell_shares_amount / number_of_sell_shares

You can use several price-related graphs to analyze prices:

- You can graph the price of one security.
- You can graph the price of two securities, with normalized prices.
- You can graph prices with actual purchase, sale, and distribution points flagged.
- You can graph moving averages.

Example: Price History Calculations

Example: Price History Calculations

Generally, you'd like to see a steady or gradually increasing price for income producing securities. Here's a year's worth of prices for Carolina Power and Light, an income-oriented utility stock:

Date	Price	Distr/Share
12/27/91	$52.6250	
11/27/91	$49.6250	
11/01/91		DIV $0.7600
9/28/91	$49.1250	
8/31/91	$47.3750	
8/01/91		DIV $0.7600
7/27/91	$47.0000	
6/29/91	$45.6250	
6/01/91	$46.2500	
5/02/91	$48.0580	
5/02/91		DIV $0.7600
3/30/91	$47.5000	
3/21/91	$47.2500	
3/18/91	$47.8070	
3/04/91	$47.2420	
2/01/91	$45.2920	
2/02/91		DIV $0.7600
1/02/91	$46.6520	
High on 12/27/91	$52.6250	
Low on 2/01/91	$45.2920	
Monthly Avg	$47.9162	
Distr Total		$3.04

For growth securities, you'd like to see more of an up-trend to make up for lack of regular dividends. The **monthly average price** was arrived at with:

01/91 average = (46.6520) / 1 = 46.6520
02/91 average = (45.2920) / 1 = 45.2920
03/91 average = (47.2420 + 47.8070 + 47.2500 + 47.5000) / 4 = 47.4498
05/91 average = (48.0580) / 1 = 48.0580
06/91 average = (46.2500 + 45.6250) / 2 = 45.9375
07/91 average = (47.0000) / 1 = 47.0000
08/91 average = (47.4200 + 47.3750) / 2 = 47.3975
09/91 average = (49.1250) / 1 = 49.1250
11/91 average = (49.6250) / 1 = 49.6250
12/91 average = (52.6250) / 1 = 52.6250
monthly_avg_price = (46.6520 + 45.2920 + 47.4498 + 48.0580 + 45.9375 +
47.0000 + 47.3975 + 49.1250 + 49.6250 + 52.6250) / 10
= 47.9162

For **buy shares average price**, assume you've recorded the following purchases for a security:

01/01/91	Buy 100 shares at $9, for $900
01/15/91	Record price of $7
02/01/91	Buy 200 shares at $8, for $1600
02/15/91	Record price of $10
02/20/91	Record price of $12
03/01/91	Buy 100 shares at $10, for $1000

avg purchase price = ($900 + $1600 + $1000) / (100 + 200 + 100) = $8.75

01/91 average = ($9 + $7)/2 = $8
02/91 average = ($8 + $10 + $12)/3 = $10
03/91 average = ($10)/1 = $10

monthly avg price = ($8 + $10 + $10) / 3 = $9.33

Moving Average Calculations

A moving average smooths out prices by averaging over a prior period, making it easier to spot trends. Through the Graphics Settings, you can choose to graph the following types of moving averages:

- **Simple** - All prices in the period are given equal weighting. The prices are added up over the specified period, then divided by the number of days in the period.
- **Weighted** - Prices later in the period are weighted heavier than earlier prices. Each price is weighted by multiplying it by its relative position, the results are added together, and the sum is then divided by the total weightings.
- **Late-Weighted** - The last price in the period is weighted double any other price. This is a simple form of the weighted average.
- **Exponential** - This provides another form of weighting. The simple moving average is calculated for the first period, and for subsequent days the current average is subtracted from the price, the result multiplied by 2 / Period, and this value added to the average.

Example: Moving Average Calculations

Example: Moving Average Calculations

The examples that follow assume the following price data:

Day	Price	Day	Price
1	10.000	11	11.000
2	10.125	12	11.500
3	10.750	13	12.000
4	11.000	14	12.125
5	11.500	15	11.750
6	11.250	16	11.500
7	11.125	17	11.500
8	11.000	18	12.000
9	10.875	19	11.500
10	11.000	20	11.375

A 10 day moving average will be used for illustration. There are some important considerations for moving averages:

- Most users won't have prices for every day. To fill in these gaps, the last price found is assumed to be the closing price on days that don't have prices recorded.
- Saturdays and Sundays are skipped.
- If the date range exceeds the number of points that can be graphed, then weekly or monthly average prices are used.
- If you specified a date range to graph, then the moving average period is subtracted from the first date in order to get moving averages as early in the range as possible.

For the **simple moving average**, all prices in the period are given equal weighting. The prices are added up over the specified period, then divided by the number of days in the period. Using the example data and a 10 day moving average, no average is available until the 10th day. On that day, the moving average is:

moving_avg= (Day 1 + Day 2 + Day 3 + ... Day 10) / 10 =108.625 / 10 = 10.8625

Only the 10th day's price requires this much work, as there's a simpler way to generate subsequent prices. On the 11th day, Day 1's price is subtracted from the prior total, Day 11's price is added, and the result is divided by 10:

moving_avg= (108.625 - 10.00 + 11.00) / 10 = 109.625 / 10 = 10.9625

For the **weighted moving average**, prices later in the period are weighted heavier than earlier prices. Each price is weighted by multiplying it by its relative position, the results are added together, and the sum is then divided by the total weightings. Using the example data and a 10 day moving average, no average is available until the 10th day. On that day, the moving average is:

moving_avg= ((Day 1 * 1) + (Day 2 * 2) + ... (Day 10 * 10)) / (1 + 2 + 3 ... + 10) = 605.250 / 55 = 11.0045

This type of moving average is slow to generate, as each day requires this entire formula to be calculated.

For the **late-weighted moving average**, the last price in the period is weighted double any other price. This is a simple form of the weighted average. The prices are added up over the specified period, with the last price added twice, and the total is divided by the number of days in the period plus one. Using the example data and a 10 day moving average, no average is available until the 10th day. On that day, the

moving average is:

moving_avg = (Day 1 + Day 2 + Day 3 + ... (Day 10 * 2)) / (10 + 1) = 119.625 / 11 = 10.8750

Only the 10th day's price requires this much work, as there's a simpler way to generate subsequent prices. On the 11th day, Day 1's price and Day 10's price are subtracted from the prior total, Day 11's price is added twice, and the result is divided by 11:

monthly_avg = (119.625 - 10.00 - 11.00 + (11.00 * 2)) / 11 = 120.625 / 11 = 10.9659

The **exponential moving average** provides another form of weighting. The simple moving average is calculated for the first period, then each new price is applied to the current average. Using the example data and a 10 day moving average, no average is available until the 10th day. On that day, the simple moving average is calculated to be 10.8625, using the formula given earlier. Subsequent day's averages are calculated by subtracting the current average from the day's price, multiplying the result by 2/Period, and adding this to the current average:

Day 10: 10.8625
Day 11: (11.0000 - 10.8625) * (2 / 10) + 10.8625 = 10.8900
Day 12: (11.5000 - 10.8900) * (2 / 10) + 10.8900 = 11.0120

Portfolio Allocation Calculation

The Portfolio Allocation Report and Portfolio Allocation Graph in Capital Gainz let you quickly see how your investment dollars are spread out. This helps you determine if you're being conservative or risky, considering the actual and perceived market direction. Holdings are broken down by security class, security type, and security. The percentages are calculated with:

pct = value / total_portfolio_value

Determining factors for your portfolio's weightings include how much cash you need, how old you are, and your bullishness or bearishness on the market. One rule of thumb is: the shorter term your needs are, the more conservative you should be. If you are older and will soon need the cash for retirement, a market downturn would be catastrophic for an aggressive growth-oriented portfolio. However, this same market downturn would be unwelcome, but not devastating, to a young investor who has time to ride the market back up.

Example: Portfolio Allocation Calculation

Example: Portfolio Allocation Calculation

Here's an example of a moderately aggressive portfolio:

Security		Value	Pct
CPL	Carolina Power & Light	$16,017.67	16.71%
FPTXF	Fin Progress Tax Free	$15,152.89	15.81%
GLV1	GLV 401K Plan	$13,620.40	14.21%
PSNC	Public Srvc Co of NC	$10,630.50	11.09%
GRACE	W.R. Grace	$7,490.75	7.82%
PFZ	Pfizer Inc.	$6,510.71	6.79%
FPINC	Fin Progress Ind Income	$5,511,30	5.75%
NUVNC	Nuveen NC Tax Free Trust	$5,355.21	5.59%
CCB	Central Carolina Bank	$4,051.30	4.23%
KRG	The Kroger Co	$3,940	4.11%
TCINT	20th Century Intl Inv	$3,491.99	3.64%
FPDLI	Fin Progress Daily Inc	$2,563.07	2.67%
ATT	AT&T	$1,502.20	1.57%

Type		Value	Pct
LCS	Large Company Stock	$35,461.33	37.00%
TFBF	Tax Free Bond Fund	$15,152.89	15.81%
SCS	Small Company Stock	$14,681.80	15.32%
CASH	Cash Equivalent	$13,620.40	14.21%
LCSF	Large Company Stock Fund	$5,511.30	5.75%
UNIT	Unit Trust	$5,355.21	5.59%
FSF	Foreign Stock Fund	$3,491.99	3.64%
MMF	Money Market Fund	$2,563.07	2.67%

Class		Value	Pct
Stock		$50,143.13	52.32%
Bond Fund		$20,508.10	21.40%
Cash		$16,183.47	16.89%
Stock Fund		$9,003.29	9.39%
Total		$95,837.99	100.00%

More than 50% of the portfolio is in stock holdings, less than 20% is in cash, and the rest is in stock and bond mutual funds.

Portfolio History Calculation

Portfolio History is made up of a series of dates with two components

- **Value**: the value of currently active securities on the given date. This essentially is:

  shares = shares held on that date
  price = price on that date
  SUM(shares * price) for all securities

- **Return**: the realized and unrealized gain/loss for all securities on the given date. To see the details of this calculation, look at the Performance Return Calculation topic. The **Return Rate** calculated is the standard rate, not the internal rate of return.

If no money every leaves the portfolio, then the difference between the Value and Return is Cost. However, if any money leaves the portfolio (as is more common), it's not possible to accurately assign the portions of the cost of prior transactions to the amount removed. Thus, the difference between Value and Return is not Cost. Instead, the figures just show historical Value and Return figures.

Example: Portfolio History Calculation

Portfolio History Calculation Example

You have the following activity

Date	Type	Security	Shares	Price	Amount
1/01/95	BUY	CASH			5000.00
2/01/95	SELL	CASH			1000.00
2/01/95	BUY	ABC	100	10.00	1000.00
4/01/95	SELL	CASH			2000.00
4/01/95	BUY	XYZ	100	20.00	2000.00

On 12/31/95, ABC is selling for $11.00, and XYZ is selling for $30.00. CASH is a money market fund with a constant $1.00 price. Thus:

Value of ABC = 100 * 11.00 = 1100.00
Value of XYZ = 100 * 30.00 = 3000.00
Value of CASH = 2000 * 1.00 = 2000.00
Value = 6100.00

Return for ABC =
    Unrealized = 1100.00 - 1000.00 = 100.00
    Realized = 0.00
Return for XYZ =
    Unrealized = 3000.00 - 2000.00 = 1000.00
    Realized = 0.00
Return for CASH=
    Unrealized = 2000.00 - 2000.00 = 0.00
    Realized = 1000.00 - 1000.00 + 2000.00 - 2000.00 = 0.00
Return = 1100.00
Return Rate = 1100.00/(5000.00 + 1000.00 +- 2000.00 - 1000.00 - 2000.00) = 22%

Since no money has left the portfolio, the different between the Value and the Return is $5000.00, which is the Cost. Now, if you had sold all $2000.00 in the CASH account and used the proceeds to pay bills on 12/31/95, you would have:

Value of ABC = 100 * 11.00 = 1100.00
Value of XYZ = 100 * 30.00 = 3000.00
Value of CASH = 0 * 1.00 = 0.00
Value = 4100.00

Return for ABC =
    Unrealized = 1100.00 - 1000.00 = 100.00
    Realized = 0.00
Return for XYZ =
    Unrealized = 3000.00 - 2000.00 = 1000.00
    Realized = 0.00
Return for CASH=
    Unrealized = 0.00 - 0.00 = 0.00
    Realized = 1000.00 - 1000.00 + 2000.00 - 2000.00 + 2000.00 - 2000.00 = 0.00
Return = 1100.00
Return Rate = 1100.00/(5000.00 + 1000.00 + 2000.00 - 1000.00 - 2000.00) = 22%

As you can see, the Return is the same, but the Value is different. The difference between the Value and Return is no longer the Cost since money had left the portfolio. It's easy to imagine a case where Return actually exceeds Cost - a very large percentage of the portfolio is sold and the proceeds used elsewhere,

such as a down payment for a house.

Tax-Related Details

Tax Publications

While Capital Gainz gives you a number of tax-related options, it's up to you to employ them correctly. The information presented in this chapter is based on the following IRS documents:

- **IRS Publication 550 - Investment Income and Expenses**
- **Publication 564 - Mutual Fund Distributions**.

Refer to these publications for detailed information. Also, I've personally found **The Money Income Tax Handbook**, by the editors of Money Magazine, to have the best investment-related tax information.

Taxes and Holding Periods

For most years, sales of securities held less than one year are treated as short term gains or losses, and sales of securities held more than one year are treated as long term gains or losses. For a long time, Capital Gainz let you set the Long Term Holding Period, and the short or long term status was determined when you recorded the sale in Capital Gainz - so changes in the holding period would not affect sales from prior years. This worked great, and appeared to be flexible enough to handle any changes that the government might make

Then came 1997 and the stupid 'mid-term' capital gains. In that year, securities held less than one year were treated as short term gains and losses, securities held between one year and eighteen months were treated as mid-term gains and losses, and securities held longer than eighteen months were treated as long term gains. Each had a different tax rate. Plus, there was a special period during which securities held between one year and eighteen months were treated as long term gains. This was quite a mess, and Capital Gainz was changed to determine the holding period internally, at the time the Tax Schedule Report is generated. Thus, **now when the Tax Schedule Report is generated, Capital Gainz examines internal tables to determine the holding periods for the specific year**, and ignores any long or short term status stored in the records at the time the sale was recorded. The holding period setting is no longer available, and reports other than the Tax Schedule Report do not break down holdings and sales into short and long term categories.

In 1998, sanity was restored to have only short and long term holding periods. However, there may also be a special, greater than five year, period. In any case, determination of holding periods for the Tax Schedule Report is now made internally by Capital Gainz, and can not be configured by users. Any future changes in holding periods will require an updated version of Capital Gainz to generate a correct Tax Schedule Report.

Alon' with the mid-term holding period that was introduced in 1997 - and removed in 1998 - came a separate mid-term capital gain distribution category. Capital Gainz added this new category, and broke down distributions on the Tax Schedule Report according to how you recorded them. For 1998, though, only short and long term capital gains distribution types should be used - any distributions recorded using 'extra' categories will be lumped in with long term capital gains distributions on the Tax Schedule Report.

Taxes and Selling Methods

The single category method corresponds to the IRS' 'average basis' designation, while all other methods correspond to the IRS' 'cost basis' designation. Capital Gainz includes reports similar to the 1040 form's Schedule B and D.

Cost Basis

The cost basis designation for identifying shares sold means that the basis for calculating gains/losses for taxes is the actual purchase price of the shares.

Based on the IRS documentation, using any cost basis other than First-In/First-Out (FIFO) requires you to tell the responsible investment company or broker which specific shares you want to sell. These shares are listed on a report after entering a sale in Capital Gainz, prior to confirming it. You should use the FIFO selling method if you don't explicitly identify the shares.

Capital Gainz offers the following cost basis selling methods:

- **First-In/First-Out (FIFO) and Last-In/First-Out (LIFO)**: The FIFO method is the default method, in that the IRS assumes that you sell the oldest shares of a security first. In a long term rising market, the FIFO method usually results in larger gains, which translates into higher taxes. In a long term falling market, the FIFO method usually results in smaller gains, or larger losses. In a long term rising market, the LIFO method usually results in smaller gains, or even losses. In a long term falling market, the LIFO method usually results in larger gains, or smaller losses.
- **Max Gain/Min Loss (MAX) and Min Gain/Max Loss (MIN)**: Regardless of market trends, the MAX selling method results in the maximum gain or minimum loss without consideration for the holding period. Likewise, the MIN selling method results in the minimum gain or maximum loss without consideration for the holding period. These options are useful if your income fluctuates, as you can realize the largest gains in the lower income years and the smallest gains or even losses in the higher income years.
- **Specific Identity (ID)**: You can sell individual purchases, or parts of individual purchases, using the ID selling method. Specific share identification is usually used to maximize or minimize gains, but the MAX and MIN methods do this automatically.
- **Short Sale (SHRT)**: When you cover a short sale, Capital Gainz applies the purchased shares to outstanding short sales on a first-in/first-out basis. Short sales are not reported on the tax forms until they are covered. Covered short sales are always short term sales, as per IRS guidelines.

Average Basis

IRS Publication 564 describes the Single Category and Double Category average basis for mutual funds. Capital Gainz only supports the Single Category method.

- **Single Category (SCAT)**: Capital Gainz automatically maintains the adjusted basis for those securities employing the Single Category selling method. Shares are sold first-in/first-out using the average cost of the remaining shares. You need to take some precautions when using the Single Category selling method:

  Once you use the Single Category method for a sale, you can not use another method for a later sale.

You should record activity in the order that it occurs. Capital Gainz will determine the average price on the date of a sale even if you have recorded one or more subsequent purchases. However, all prior activity must be entered correctly before you record a sale in order to have the correct average cost used.

- **Double Category**: Capital Gainz does not support the Double Category selling method. While it appears fairly straightforward, the complexity involved when you try to do something such as change a previously recorded sale is staggering. Even when managed by a computer program, it's very easy for you to make an error with disastrous side effects. Plus, there are holes in the tax laws, such as accounting for holding period changes. Anyone who was using the Double Category method prior to 1997 found themselves in big trouble with the implementation of the three tier holding periods in 1997. You are much better off using other selling methods to manipulate taxes.

For the average cost selling method, Capital Gainz only averages the recorded amount, not the commission. This is because the commission or load is never actually invested in shares, and thus is not part of the cost. If you want to include mutual fund loads in the average cost, then don't break out the load - include it in the amount.

Taxes and Commissions

Commissions on Schedule D

Purchase commissions are included in the cost when determining gains or losses on sales for Schedule D. Sales commissions can be subtracted from the proceeds, or added to the basis.

If sales commissions are reported in the sale:

Sales Price = selling_amount - selling_comm
Cost = purchase_amount + purchase_comm

If sales commissions are reported in the cost:

Sales Price = selling_amount
Cost = purchase_amount + purchase_comm + selling_comm

By default, Capital Gainz assumes that you subtract the sales commission from the selling amount, since this is the most common way sales are reported. You can modify the security type to include the selling commission as part of the cost instead.

Allocating Commissions

Whenever multiple purchases are involved with a single sale, Capital Gainz allocates the buy and sell commissions by the number of shares involved.

The selling commission is allocated by:

(closed_shares / total_closed_shares) * close_comm

The purchase commission is allocated:

(closed_shares / open_shares) * open_comm

Example: Taxes and Commissions

Example: Taxes and Commissions

Assume the following purchases:

Date	Shares	Price	Amount	Comm
1/01/90	100.00	20.00	2000.00	35.00
7/01/90	200.00	18.50	3700.00	40.00
1/01/91	100.00	21.00	2100.00	35.00

On 7/01/91, you sell 150 shares at $25.00 each, and pay a $40.00 commission. The FIFO method creates these closed shares records:

Date	Shares	Price	Amount	Cls-Comm	Opn-Date	Basis	Opn-Comm
7/01/91	100.00	25.00	2500.00	26.67	1/01/90	2000.00	35.00
7/01/91	50.00	25.00	1250.00	13.33	7/01/90	925.00	10.00

The first record uses $26.67 of the $40.00 closing commission:

(closed_shares / total_closed_shares) * close_comm
(100.00 / 150.00) * $40.00 = $26.67

and the second record uses the rest. The second record uses $10.00 of the $40.00 original purchase commission:

(closed_shares / open_shares) * open_comm
(50.00 / 200.00) * $40.00 = $10.00

These are the remaining open shares records:

Date	Shares	Price	Amount	Comm
7/01/90	150.00	18.50	2775.00	30.00
1/01/91	100.00	21.00	2100.00	35.00

On Schedule D, if the security type specifies to include sales commissions as part of the sale:

Sales Price = selling_amount - selling_comm
= (150.00 * $25.00) - $40.00 = $3710.00
Cost = purchase_amount + purchase_comm
= ($2000 + $925.00) + $45 00= $2965.00
Gain = $3710.00 - $2965.00 = $745.00

However, if sales commissions are reported in the cost:

Sales Price = selling_amount
= 150.00 * $25.00 = $3750
Cost = purchase_amount + purchase_comm + selling_comm
= ($2000 + $925.00) $45.00 + $40.00 = $3005.00
Gain = $3750.00 - $3005.00 = $745.00

Taxes and Group Sales

'**Group sales' refers to the act of lumping all of the purchases for a given sale into short and long term groups, so only one or two entries are made on Schedule D for each sale.** The purchase date shown will be VARIOUS. There are no references as to the legality of this approach in any of the IRS documents. However, if you've been making monthly purchases of a mutual fund for twenty years, selling them all would affect 240 different purchases. Many taxpayers and CPAs have made reporting such events easier by grouping sales, so that only one Schedule D is necessary.

Example: Taxes and Group Sales

Example: Taxes and Group Sales

Here's a partial Schedule D without grouping:

Description	Buy Date	Sell Date	Sell Amt	Buy Amt	Loss	Gain
TCVIS 1.053	8/07/89	8/06/90	8.00	9.00	1.00	
TCVIS 5.834	9/07/89	8/06/90	46.00	50.00	4.00	
TCVIS 5.258	10/09/89	8/06/90	41.00	50.00	9.00	
TCVIS 5.821	11/07/89	8/06/90	46.00	50.00	4.00	
TCVIS 5.525	12/07/89	8/06/90	44.00	50.00	6.00	
TCVIS 12.701	12/09/89	8/06/90	100.00	106.00	6.00	
TCVIS 5.875	1/08/90	8/06/90	46.00	50.00	4.00	
TCVIS 6.188	2/07/90	8/06/90	49.00	50.00	1.00	
TCVIS 6.196	3/07/90	8/06/90	49.00	50.00	1.00	
TCVIS 6.01	4/09/90	8/06/90	47.00	50.00	3.00	
TCVIS 2.91	5/07/90	8/06/90	23.00	24.00	1.00	
TCVIS 1.414	5/07/90	12/31/90	10.00	12.00	2.00	
TCHTG 6.105	8/07/90	8/06/90	45.00	50.00	5.00	
TCHTG 5.889	9/07/89	8/06/90	43.00	50.00	7.00	
TCHTG 5.708	10/90/89	8/06/90	42.00	50.00	8.00	
TCHTG 6.196	11/07/89	8/06/90	45.00	50.00	5.00	
TCHTG 6.002	12/07/89	8/06/90	44.00	50.00	6.00	
TCHTG 7.385	12/09/89	8/06/90	54.00	56.00	2.00	
TCHTG 0.694	12/09/89	8/06/90	5.00	5.00		
TCHTG 6.485	1/08/90	8/06/90	47.00	50.00	3.00	
TCHTG 0.345	2/07/90	8/06/90	3.00	2.00		1.00
TCHTG 1.464	2/07/90	12/31/90	10.00	11.00	1.00	

If you grouped sales, Schedule D would be much shorter:

Description	Buy Date	Sell Date	Sell Amt	Buy Amt	Loss	Gain
TCVIS 63.371	VARIOUS	8/06/90	500.00	539.00	39.00	
TCVIS 1.414	5/07/90	12/31/90	10.00	12.00	2.00	
TCHTG 44.809	VARIOUS	8/06/90	327.00	364.00	37.00	
TCHTG 1.464	2/07/90	12/31/90	10.00	11.00	1.00	

Both TCVIS and TCHTG had large sales that involved multiple purchases, and these were grouped into a single sale entry. They also had sales that closed a single purchase. This example only shows Short Term sales, but similar grouping would occur on the Long Term sales section of Schedule D.

Taxes and Wash Sales

A wash sale is defined as a sale that incurs a loss and the purchase of a substantially identical security within 30 days prior to or after the sale. IRS Publication 550 defines wash sales in detail. Capital Gainz reports potential wash sales in a separate report following Schedule D, and can even make the adjustments for you. But there are restrictions:

- If a local security uses the **average selling method**, wash sales are not checked for or adjusted.
- **Only amounts are adjusted**. Commissions are not changed.
- Wash sale recognition and adjustment **considers only the total cost and proceeds for a given sale**. So, a short term loss can be offset by a long term gain in the same sale, eliminating the potential short term wash sale.
- The adjustment process looks at **purchases made 30 days prior to the sale** that are still open as of the sale date, and **purchases made 30 days after the sale**.
- **Only part of the loss could be adjusted**, if fewer purchased shares are found than shares involved in the sale.
- The **per share loss for a wash sale** is determined by dividing the total shares involved in the sale by the loss for the sale. This per share loss is applied by matching purchased shares and closed shares from the wash sale.
- **Adjusting one sale could turn a subsequent sale into a wash sale**, which will also be adjusted.
- **Wash sale adjustments can not be reversed**. If you are not sure, make a backup of your data before executing the wash sale adjustment.
- After a wash sale adjustment, there may still be sales that look like wash sales due to partial adjustments. **Data should not be adjusted more than once for the tax year.**

Should You Worry About Wash Sales?

Wash sale rules make sense for large investors manipulating purchases and sales in order to expedite losses, but they are a nightmare for the small investor using mutual funds. If you make periodic purchases and sales, and are not intentionally expediting losses, you have several options. Listed in order of preference:

- Avoid making purchases of a given fund 30 days after a sale if the sale of that fund resulted in a loss. If your checking account is drafted by the mutual fund company, get them to skip a purchase.
- If the wash sale amounts are small and you can clearly show that the wash sale resulted from regular periodic investments, it's reasonable to ignore them. This is your call, based on the spirit of the tax laws.
- Let Capital Gainz adjust for the wash sales.

Wash Sale Adjustment Process

Capital Gainz' wash sale adjustment process is as follows:

1) **You select the Tax Schedule Report and specify to check for wash sales.** Schedules B and D are generated.

2) If any wash sales are detected, **the Wash Sale Report is generated at the end of Schedule D**. Capital Gainz asks if you want to automatically adjust for wash sales.

3) If you **elect to let Capital Gainz adjust for wash sales**, purchases made within 30 days of sales that incurred losses are adjusted, as are closed shares records involved in the sales. Purchases which contributed to the wash sale loss have their purchase amounts decreased, with the amount applied to prior and subsequent purchases.

4) After **closed shares records involved in the loss are adjusted downward, and affected open and closed shares records are adjusted upward**, new Schedule D and Wash Sale Reports are generated.

Example: Taxes and Wash Sales

Example: Taxes and Wash Sales

Assume you have the following activity in one security:

Date		Shares	Price	Amount
2/10/90	BUY	100.00	20.00	2000.00
2/28/90	BUY	100.00	30.00	3000.00
3/10/90	BUY	100.00	30.00	3000.00
4/01/90	BUY	100.00	30.00	3000.00
4/15/90	SELL	300.00	25.00	7500.00
4/30/90	BUY	100.00	20.00	2000.00

The FIFO sale on 4/15/90 generated a $500 loss:

$7500 - $8000 = $500.00

But, all the loss can't be taken since the same security was purchased within 30 days. Capital Gainz will report this as a potential wash sale, and give you the option of having it adjusted automatically. Only part of the loss will be adjusted, since you sold 300 shares but only 200 shares were purchased within 30 days of the sale - 100 before the sale and 100 after it. The per share loss on 4/15/90 was:

($7500 - $8000) / 300 = $1.6667

After the adjustment:

Date		Shares	Price	Amount
2/10/90	BUY	100.00	20.00	1833.33
2/28/90	BUY	100.00	30.00	2833.34
3/10/90	BUY	100.00	30.00	3000.00
4/01/90	BUY	100.00	30.00	3166.67
4/15/90	SELL	300.00	25.00	7500.00
4/30/90	BUY	100.00	20.00	2166.66

The amount of the loss attributed to the wash sale is:

1.6667 * 200 = $333.33

This amount is subtracted from the basis of the open shares in the sale, reducing the loss to:

$500.00 - $333.33 = $166.67

In turn, corresponding amounts are added to affected shares before and after the sale.

Notice that the net amount of purchases remains the same, $13000, both before and after the adjustment.

This example points out a key consideration. **After adjustment, this sale will still look like a wash sale since there's a loss on a sale that occurs within 30 days of a purchase. If you generate the tax forms again, Capital Gainz will report that this looks like a wash sale. You should not adjust for it again.**

Taxes and Distributions

You can alter the treatment of various distribution types for securities by modifying the security types.

- **Dividends and Interest**: You should classify securities whose dividends or interest are exempt from taxes as one of the tax free security types. These security types have 'Tax Free' in their names. Note that the Tax Exempt value in the local security refers to securities that are completely exempt from taxes on distributions and sales (such as IRAs), which is different than a security that pays tax free dividends or interest.
- **Capital Gains Distributions**: Most mutual funds periodically distribute capital gains. If they are not explicitly classified as short term, then treat them as long term capital gains. Short term capital gains distributions are included on Schedule B, but are always taxable, even for tax-free securities. Long term capital gains distributions are added to Schedule B, then subtracted back out. You must transfer the value to the correct place on your Schedule D form.
- **Return of Principal**: Return of principal is reported in the dividend totals on Schedule B, but subtracted back out since it is non-taxable. If a return of principal exceeded the basis, then short and/or long term capital gains distributions were created.
- **Bond Discounts**: Bond discount, which includes OID, is taxed just like interest on Schedule B, even though you don't receive anything. The amount of the discount is added to the basis, reducing the gain reported when you sell the bond. If held to maturity, there should be no gain on the final sale (redemption). Taxes are applied earlier than if you were allowed to delay realizing the gain until the sale.
- **Bond Amortization**: Amortization of bond premium is treated like a negative interest payment on Schedule B, reducing your taxes by reducing the amount of interest. The amount of the amortization is subtracted from the basis, reducing the loss reported when you sell the bond. If held to maturity, there should be no loss on the final sale (redemption). Taxes are lessened earlier than if you delayed realizing the loss until the sale.
- **Accrued Interest**: Accrued interest reduces the amount of interest reported on Schedule B. While you received all the interest, you had to reimburse the previous holder for the time you did not own the security.
- **Fees**: Miscellaneous fees, such as IRA maintenance fees, are included on the Fee Report, printed after Schedule B. These may be deductible expenses
- **Margin Interest**: Margin interest is included on the Fee Report, printed after Schedule B. This expense may be deductible.

Taxes and Purchase Discounts

Purchase discounts occur when your dividend reinvestment plan uses dividends to purchase shares at a discounted price or you purchase shares of your company stock at a discount. The difference between the current market value of the shares purchased and the actual purchase amount should be reported as normal income in the year the purchase is made.

To record a purchase discount in Capital Gainz, add the purchase at the current market price but use a negative commission. The Load/Commission/Discount Calculator will determine the current market price from the discounted price and discount rate.

Many dividend reinvestment plans pay small commission fees on your behalf. Treat these fees like discounts, using a negative commission. They should be noted in the plan statements you receive.

Discounts and commissions paid on your behalf are included in the dividends reported on Schedule B, as companies usually include them on your 1099-DIV forms. Ironically, the IRS taxes discounts immediately, but forces you to delay the tax-reducing effect of commissions until the shares are sold.

Purchase Discount Example

Example Purchase Discount

A dividend reinvestment plan gives you a 5% discount on shares purchased with reinvested dividends. They pay a dividend of $29.15, reinvesting it at a price of $16.079 and buying 1.813 shares. Since the purchase is at a 5% discount, the undiscounted values are:

- Shares: 1.813 (does not change)
- Price: $16.079/.95 = $16.925
- Amount: 1.813 * $16.925 = $30.69
- Discount: $30.69 - $29.15 = $1.54

In Capital Gainz Buy Shares Form, you would enter:

- Shares: 1.813
- Price: 16.925
- Amount: 30.69
- Commission: -1.54

The $1.54 discount will be reported on Schedule B of the Tax Schedule Report for the year in which it was received.

Tax-Exempt Retirement Accounts

You should define any securities completely free from taxation, such as a mutual fund held in an IRA account, as Tax Exempt in the Local Security Form. Distributions and sales of such securities will be skipped in the Tax Schedule Report.

Interacting with Tax Software

When you generate the Tax Schedule Reports in Capital Gainz, **you can choose to create an export file in Tax Exchange Format** (TXF). TXF format is accepted by a number of popular tax preparation programs, including TurboTax and TaxCut. Using this export file will help avoid mistakes made when transferring data, but there are some shortcomings:

- If you have too many sales, then the import may fail. If this happens, try the group sales option.
- TXF is alwaysl evolving, and some programs may not recognize new features.
- The Fee Report generated by Capital Gainz may include items that must be manually entered.

To export data to TurboTax:

- Generate the Tax Schedules Report with the **Export to Tax Exchange Format** option set for the desired tax year. Round to dollars, since TurboTax rounds anyway. If sales affected many purchases, choose to group sales.
- The resulting file, CAPGNZ.TXF, is displayed.
- Exit from Capital Gainz.
- Start up TurboTax.
- Select the Import Data function, choosing to import generic Tax Exchange Format data.
- Set the Import Directory and Import File values for TurboTax. For instance, the directory may be \CAPGNZ and the import file CAPGNZ.TXF.
- Execute the import.
- When importing is complete, Schedule B and Schedule D will be filled in with values from Capital Gainz.

Securities with Special Tax Treatment

Several securities warrant special consideration with regards to taxes:

- **Zero-Coupon Bonds**: Zero-coupon bonds are issued at a discount, and the difference between the maturity price and purchase price must be treated as interest over the life of the bond. IRS publications refer to this as Original Issue Discount (OID). In Capital Gainz, record OID as Bond Discount (DISC).
- **Zero-Coupon Mutual Funds**: Zero-coupon mutual funds pay distributions, which differs from the implied interest of zero-coupon bonds. The funds usually execute a reverse split to adjust the shares so you have the same number as before the reinvestment. Record the distribution and reinvestment, then execute a split in the indicated ratio. This ratio may have greater precision than Capital Gainz supports, so if rounding affects the share count, manually adjust the last purchase's share count to reset the total.
- **U.S. Savings Bonds**: Savings Bonds are like zero-coupon bonds, but implied interest can be deferred until the bonds are redeemed. You can choose to record the interest each year, similar to zero-coupon bonds, using Bond Discount. However, it's usually wiser to defer taxes by not recording implied interest, instead reporting the differences between the purchase price and the maturity price when the bonds are redeemed.

  Capital Gainz offers a couple of ways to make dealing with multiple Savings Bonds much easier. You can use a security per denomination, or a single security with a simulated $1 purchase price. For sales, you can set up the security type so the gain on the sale is reported as interest on Schedule B

Investment Strategies

Investing in Mutual Funds

Commissions charged for buying and selling shares of stock through a brokerage, even a discount brokerage, can eat into profits. Further costs come from the spread between bid and asked prices for over the counter stocks. The minimum commission charged is generally in the $8-50 range, plus an odd lot differential is often charged for less than 100 shares.

Mutual funds, however, often have little or no associated commission (load), especially when purchased directly from the investment company. Thus, they are an ideal choice for the small investor who wishes to dollar-cost average and diversify without spending a fortune on commissions. On the other hand, all mutual funds do charge an expense fee, but this fee is usually in the range of only 1-3% annually.

One problem with mutual funds is an ironic consequence of their popularity: many are so big, that you often end up 'buying the market'. With so much cash to invest, a large number of stocks must be purchased, and the funds' net asset values end up mirroring the stock market itself. In turn, this results in consistent underperformance, since some percentage of cash in the fund is uninvested and earning money market rates.

There are several ways to avoid this problem:

- Buy smaller funds, which can focus on fewer issues in order to beat the market.
- Acknowledge that you are buying the market, and purchase market index funds. These funds simply mirror holdings in indexes such as the S&P 500, resulting in lower management fees.
- When evaluating funds, look for those committed to staying fully invested, rather than those having the option to time the market by shifting assets to cash or other non-stock instruments.

References

You'd be hard pressed to walk into a book store without bumping into a display rack or two full of books about mutual funds. But here are a couple of good places to start:

- **The Individual Investor's Guide to Low-Load Mutual Funds**: From the American Association of Individual Investors, this reference guide lists performance, expenses, portfolio breakdown, and management of over 1000 mutual funds. Plus, introductory chapters offer concise information on mutual fund categories and deciphering fund statements. This book costs $19 from AAII, or is included with your annual $49 membership fee.

  American Association of Individual Investors
  625 North Michigan Ave., Chicago, IL 60611-3110

- **Business Week, Money Magazine, and Forbes annual mutual fund issues**: These financial publications do an excellent job of ranking mutual fund performance and risk in annual comprehensive mutual fund issues. You can generally find subscriptions to these publications for $30-50. Or, just go to your local library and find the latest mutual fund ranking issues of these magazines.

Investing in Dividend Reinvestment Plans (DRPs)

Dividend reinvestment plans, or DRPs, provide an alternative to mutual funds for the small investor who wants to pick stocks but avoid paying commissions. These plans allow you to automatically reinvest dividends in new shares, and to purchase additional shares through monthly or quarterly payments. You purchase shares through the company itself (or an acting agent of the company), so you are charged little if any fees. When you sell shares, you are charged normal brokerage fees. Or, you can request the shares, and then sell them through a discount broker.

The advantages to DRPs are that you get the low overhead benefits associated with a mutual fund while retaining the freedom to select individual securities. In fact, you even avoid mutual funds' expense fees. Also, some companies actually give you a discount of up to 5% on shares purchased with reinvested dividends. The disadvantages to DRPs are: you are normally limited to a single day a month or quarter to purchase and/or sell shares, often you must own shares of the company before enrolling in the plan (which forces you to pay a brokerage commission at least once), and although several hundred companies offer these plans, you're still forced to limit your investment options.

References

- **Evergreen Enterprises**: Evergreen Enterprises publishes 'The Directory of Companies Offering Dividend Reinvestment Plans', a directory of companies offering dividend reinvestment plans, including investment limits and discounts. This guide is updated annually, and costs $29.

  Evergreen Enterprises, P.O. Box 763, Laurel, MD 20707-0763

- **DRPdisk**: If you'd prefer to sort through DRP information on your computer, check into DRPdisk from DRPsoft. DRPdisk consists of spreadsheet software and a series of related files containing DRP information and data. You can search, sort, print, or graph data. Initial cost is $30, and you can purchase update subscriptions for $12-48, depending on the frequency desired.

  DRPsoft, P.O. Box 169, Oxford, MA 01540

- **First Share**: First Share is a network of investors who participate in dividend reinvestment plans. Members agree to sell single shares of stock of the companies they own to other members, and can purchase single shares from other members. Annual membership is $12, and members pay $2.50 for each share purchased, along with a $5 transfer fee.

  First Share, 28 East 55th St., Indianapolis, IN 46220

- **The National Association of Investors Corp.**: NAIC sponsors a Low Cost Investment Plan, which lets you purchase a single share of stock in DRP companies for the cost of the share plus a $5 set-up charge. Annual membership to NAIC is $32.

  NAIC, 1515 East Eleven Mile Rd., Royal Oak, MI 48067

- **The Moneypaper**: The Moneypaper is a newsletter which features DRPs. It offers a Buy One Share Program, which lets you buy the first share of a DRP at cost plus a $15-20 processing fee. An introductory subscription price for the Moneypaper costs $36.

  The Moneypaper, 1010 Mamaroneck Ave., Mamaroneck, NY 10543

Investing Using Dollar-Cost Averaging

Dollar-cost averaging refers to the discipline of investing a small amount of money in specific securities at set intervals. The reasoning is that rigorous adherence to this approach guarantees that you'll buy the most shares when the share price is the lowest. Of course, this does not imply that you will never lose money. This strategy usually employs mutual funds or dividend reinvestment plans as the investment vehicle, but can also be accomplished with individual stocks and a deep discount broker (to minimize commissions). In fact, many mutual funds let you automate dollar-cost averaging via automatic monthly bank drafts.

Example

If you invested $100 in Mutual Fund X at the start of each month, and the share prices at the start of each month for a given 6 month period were $20, $15, $10, $10, $11, and $14:

Month	Amount	Price	Shares
1	$100.00	$20.00	5.00
2	$100.00	$15.00	6.67
3	$100.00	$10.00	10.00
4	$100.00	$10.00	10.00
5	$100.00	$11.00	9.09
6	$100.00	$14.00	7.14
Total	$600.00	$13.33	47.90

The performance return using dollar cost averaging is:

Cost	= 47.90 shares for $600.00
Value	= (47.90 * $14) = $670.60
Gain	= $70.60
Time-Weighted Return	= +24%

Notice that you show a gain, even though the share price dropped 30% over the period.

If you had invested all $600 at the beginning price of $20:

Cost	= 30.00 shares for $600.00
Value	= (30.00 * $14) = $420.00
Loss	= $180.00
Time-Weighted Return	= -30%

Of course, if you had perfect timing, you would have purchased 60 shares for $10 each:

Cost	= 60.00 shares for $600.00
Value	= (60.00 * $14) = $840.00
Gain	= $240.00
Time-Weighted Return	= +41%

Investing Using Value Averaging

Value averaging is like dollar-cost averaging in that they both try to eliminate emotions and guesswork with a mutual fund based strategy. However, instead of investing a fixed amount per month, you have a fixed total investment target with value averaging. For instance, say you plan to purchase $200 per month. One month after the first purchase, your fund is worth $205. To adjust to $200 per month, you'd purchase $195 the next month. This approach purchases even more when prices are down and even less when prices are up compared to dollar-cost averaging. However, there are several drawbacks:

- Unlike dollar-cost averaging, you can't set up automatic bank drafts to implement value averaging since the amounts vary.
- You must refigure your targets prior to each purchase.
- If the market drops consistently, you must increase the amount of your purchases. It's hard enough to have the discipline to invest in a falling market, but value averaging makes you invest MORE in a falling market. While this may in fact be the right approach, it's very difficult to stick with.
- If the market rises consistently, you must decrease the amount of purchases or sell shares. This poses the dilemma of where to park uninvested funds.

On the other hand, value averaging can determine when to sell shares. If the value rises enough, then adjustment would trigger selling some holdings. Dollar-cost averaging has no selling indicator.

Example

Let's apply value averaging to the dollar-cost averaging example. The target is $100 per month:

Month	Amount	Price	Shares
1	$100.00	$20.00	5.00
2	$125.00	$15.00	8.33
3	$166.70	$10.00	16.67
4	$100.00	$10.00	10.00
5	$60.00	$11.00	5.45
6	$0.00	$14.00	0.00
Total	$551.70	$12.14	45.45

In Month 2, since you had 5.00 shares at $15.00 for a total of $75.00, you needed to buy $125.00 worth of shares to reach the $100.00 per month target. In Month 3, you had 13.33 shares at $10.00 for a total of $133.30, so you needed to buy $166.70 worth of shares to hit the $100.00 per month target. Instead of selling shares when the target was exceeded in Month 6, I skipped the last investment:

Cost	= 45.45 shares for $551.70
Value	= (45.45 * $14) = $636.30
Gain	= $84.60
Time-Weighted Return	= +25%

There are numerous variations of Value Averaging, including: Automatic Investing by Frederic Goodman, Value-Cost Averaging by Dave Blackmon, and TWINVEST by Robert Lichello.

Using the Internet

The Internet has many, many sources of valuable investment information. Plus, a number of online brokers offer Internet trading with commissions as low as $8. Finally, a number of Internet sites can provide price data that can be read directly into Capital Gainz to update the price of your portfolio. If you are not online yet, it's time to connect up.

Information

While it would be impossible to list all sources of investment information on the Internet, here is a sampling of the most popular sites:

- **TheStreet.com (www.thestreet.com)**: From Jim Cramer,.a source of investment news and opinion.
- **Wall Street Journal (www.wsj.com):** The online version of the venerable Wall Street Journal.
- **Barron's (www.barrons.com):** The online version of Barrons.
- **Investors Business Daily (www.investors.com):** The online version of Investors Business Daily.
- **Motley Fool (www.motleyfool.com):** Investment news, opinion, and chat areas.
- **Quote.com (www.quote.com):** Investment news, data, and charts.
- **CNBC (www.cnbc.com):** The greatest business cable TV show, on the Internet.
- **Online Brokers:** Most online brokers offer investment news, data, and charts in addition to online trading.

Online Brokers

This is not a comprehensive list of online brokers, but just a sampling of the most popular ones. Some of the information sites above provide rankings based on service, reliability, and other factors:

- **E*Trade (www.etrade.com)**
- **Ameritrade (www.ameritrade.com)**
- **Scott Trade (www.scotttrade.com)**
- **Brown & Company (www.brownco.com)**
- **Mr. Stock (www.mrstock.com)**
- **DLJ Direct (www.dljdirect.com)**
- **Web St. (www.webstreetsecurities.com)**
- **Datek Online (www.datek.com)**

Price Data

A number of Internet sites provide free price data that can be used to update your Capital Gainz portfolios. The Capital Gainz Help section on updating prices compares these, and includes instructions on setup, processing, and updating.

Technical Details

User Data File Sizes

Several years worth of **user data generally takes less than 1 MB** of disk space, unless you have a very large number of active securities. For each data file in Capital Gainz, a corresponding index is maintained for fast access. The sizes of individual items in Capital Gainz data files are:

Global Data	**Bytes per Record**
Broker/Inv Company	249
Global Security	292
Portfolio	182
Price History	23
Security Type	37
Local Data Files	
Local Security	254
Open Shares	74
Closed Shares	135
Distributions	51

Data files are named with a **.DAT** extension, and index files are named with a **.K01** extension.

When items are deleted in Capital Gainz, the space is not returned to your hard disk. Instead, unused space is reused as new data is added. You can immediately reclaim space from deleted records by using the ***Rebuild/Pack Data Files*** choice on the ***Maintenance*** pulldown menu.

Temporary Files

Capital Gainz utilizes a number of temporary files during normal program operation. All temporary files begin with CG and have the extension .TMP. These files are either cleaned up after they are used or at program startup.

Temporary files are placed in the temporary directory you specified at installation. This can be changed using the ***System Configuration*** choice on the ***Config*** pulldown menu. Generally, temporary files are placed in one of the following:

- The main Capital Gainz directory, \CAPGNZ.
- A designated temporary directory on your hard drive, such as \TMP or \TEMP.

Improving Program Performance

There are a number of ways to make Capital Gainz run faster:

- **Use date ranges in Capital Gainz when possible.** You can set date ranges in Capital Gainz for price displays, activity displays, and most reports. This drastically decreases the amount of data processed, resulting in faster operation. Often, there's little need to look at more than a year's worth of data. You can set a range from the ***Activity***, ***Prices***, ***Reports***, or ***Config*** pulldown menu.
- **Increase memory.** Add more physical memory chips. While the exact amount varies with what Windows programs you run concurrently with Capital Gainz, a system with 16 MB of RAM should be sufficient in most cases. If there is not enough RAM, Windows may be forced to swap to disk, dramatically slowing down performance.
- **Limit the number of portfolios.** Since each portfolio in Capital Gainz uses a separate set of data files, limit the number of portfolios you use. If you break up your holdings across a number of portfolios, you needlessly penalize program performance, especially when printing reports.
- **Use the Rebuild/Pack Data Files option.** The ***Rebuild/Pack Data Files*** option, available on the ***Maintenance*** pulldown menu, rebuilds the indexes and reclaims unused file space.
- **Periodically run a disk reorganizer**. Many software utility packages include disk reorganizers, or disk defragmenters, that rearrange hard disk blocks to minimize disk head movement during operations that access the disk.

CG.INI Configuration File

The **CG.INI** file, located in the main Capital Gainz program directory, contains configuration settings specified at installation and via the ***Config*** pulldown menu. While you can change this file directly with a text editor, it's best to use the various configuration dialog boxes. Values in the file are:

[Configuration]

CompanyName = Your company name.

DataDir = Data directory.

DocumentDir = Documentation and help file directory.

DownloadDir = Download directory.

ProgramDir = Program directory.

RegistrationNumber = Registration number.

RevisionNumber = Installed version number.

TempDir = Temporary file directory.

UserCode = Your usercode for this version.

UserName = Your user name.

[UserSettings]

AutoCalculate = Whether or not to automatically calculate values on activity entry.

ActivityOverwritesPrice = Whether or not prices from activity entries overwrite price history.

ConfirmDelete = Whether or not to confirm deletions.

ConfirmOnExit = Whether or not to ask for confirmation on program exit.

CurrentPortfolioId = Currently open portfolio.

DateFormat = Format for date entry/display: 1=MM/DD/YYYY, 2=DD/MM/YYYY.

DateFormatPrices = Format for dates in price update or download/import files: 1=MM/DD/YYYY, 2=DD/MM/YYYY.

DeletePriceFile = Whether or not to delete the price update file after successful update.

DumpErrors = Whether or not to dump errors and debugging information to a file.

ExitOnShutdown = Whether or not to end the program automatically on Windows shutdown.

FlagComments = Whether or not to flag records with comments in tables.

FractionTable = Whether or not to display the fraction-to-decimal table on activity entry.

IgnoreWarnings = Whether or not to skip warning messages.

OmitInactiveGlobalSecurities = Whether or not to omit inactive global securities from tables.

OmitInactiveGlobalSecuritiesDays = The number of days to use when checking for inactive global securities.

OmitInactiveSecurities = Whether or not to omit inactive local securities from tables and reports.

PartialPeriodDividends = Whether or not to use partial periods in calculating per share values.

PortfolioHistoryFile = Name of the Portfolio History File.

PriceAlertFile = Name of the Price Alert File.

PriceFile = Default name of price update file.

PriceFileBlanksToCommas = Whether or not to convert blanks to commas in Price Update File.

PriceFileFormat = Default format of price update file.

PriceFileInitFormat = Initial format of Price Update File.

PriceFileSeparator = Field separator in Price Update File.

PriceFileStartAtSymbol = Symbol to start processing at in Price Update File.

PriceFileStopAtSymbol = Symbol to stop processing at in Price Update File.

ProcessPriceAlerts = Whether or not to process price alerts at program startup.

ProcessPriceFile = Whether or not to process price update file at program startup.

QuietPriceUpdate = Whether to automatically update prices from a file or require confirmation.

RedistributeProceeds = Whether or not to redistribute sale proceeds.

ReinvestDistr = Whether or not to reinvest distributions.

SecurityTableOrder = Order of values displayed on Local Security Table.

Sort Portfolios By Name = Whether to sort portfolios in tables and reports by name or number.

Sort Securities By Name = Whether to sort securities in tables and reports by name or symbol.

SubtractReinvested = Whether or not to subtract reinvested distributions from basis.

UseGainLossColors = Whether or not gain/loss values appear in green/red.

UseInternalRateOfReturn = Whether or not to use the internal rate of return when calculating performance return percentages.

UsePriceVolume = Whether or not to use volume when updating prices.

UseSound = Whether or not to use sound.

YieldOnAverageCost = Whether to calculate yield on average cost or current price.

[ReportSettings]

AsciiText = Whether or not to output reports to ASCII text files.

AppendFile = Whether or not files are appended or overwritten is **AsciiText** is set.

Brief = Whether or not to use brief report formats when available.

CombinePortfolios = Whether or not to selected portfolios on reports.

Hide Account Numbers = Whether or not to blank out account numbers in reports.

LeftMarginInches1000 = Left margin for report output, in 1/1000 inches.

PageHeightInches1000 = Page height for report output, in 1/1000 inches. (Not implemented.)

PageWidthInches1000 = Page width for report output, in 1/1000 inches. (Not implemented.)

Paper Size = Paper size to use (1=Letter, 2=A4).

ReportFile = Default file name to send ASCII text reports to.

Subtotals = Whether or not to show subtotals on reports when available.

TopMarginInches1000 = Top margin for report output, in 1/1000 inches.

UseLandscapePrinting = Whether or not to use landscape mode printing when available.

Use Negative Values = Whether or not to use margin/short values in allocation report/graph.

[GraphicsSettings]

AxisColor = Color of axis grid in price graphs.
AxisFont = Axis label font in graphs.
AxisFontSize = Size of axis label font in graphs.
BarShape = Shape of bars in bar charts.
CostBarColor = Color of cost bar in cost/value graphs.
DistrAreaColor = Color of distribution area in total return graphs.
FillType = Fill type for pie slices and bars.
FootnoteFont = Footnote font in graphs.
FootnoteFontSize = Size of footnote font in graphs.
IncludeCash = Whether or not to include cash security types in graphs.
LabelColor = Color of chart labels.
LegendFont = Legend font in graphs.
LegendFontSize = Size of legend font in graphs.
Line1Color = Color of price line in price graphs.
Line2Color = Color of second price line in price graphs.
MaximumBars = Maximum number of bars per page on bar charts.
MaximumSlices = Maximum number of slices for pie charts.
MovingAverageType = Type of moving average for moving average graphs.
PriceIcons = Whether or not to mark price points with icons.
PieLegend = Whether or not to show the legend on pie charts.
PiePoints = Whether or not to label slices on pie charts.
PieShape = Shape of pie in pie charts.
PointFont = Point label font in graphs.
PointFontSize = Size of point label font in graphs.
Portfolio Return Color = Color of return line in portfolio history graphs.
Portfolio Value Color = Color of value line in portfolio history graphs.
PriceAreaColor = Color of price area in total return graphs.
PrintBottom Margin = Print margin from bottom of page.
PrintLayoutForPrinter = Whether to redraw the graph for the printed page dimensions.
PrintLeft Margin = Print margin from left of page.
PrintOrientation = Print in landscape or portrait mode.
PrintRight Margin = Print margin from right of page.
PrintScale = Print actual size or fit to page.
PrintTopMargin = Print margin from top of page.

ShowAxis = Whether or not to show axis grid on price graphs.

ShowStatistics = Whether or not to include statistical lines on price graphs.

ShowVolume = Whether or not to show volume on price graphs.

StatsLineColor = Color of statistical lines in price graphs.

TitleFont = Title font in graphs.

TitleFontSize = Size of title font in graphs.

ValueBarColor = Color of value bar in cost/value graphs.

VolumeColor = Color of volume bars in price graphs.

[DnldSettings]

DefaultService = Last download/import service selected.

ImportFile = Last download/import file selected.

ImportDir = Last download/import directory selected.

VolumeDiv = Volume divisor for Capital Gainz Conversion Program. This overrides defaults.

[SizeSettings]

BrokerWindowAt = Initial X-position, Y-position, width, and height of Broker/Inv Company Table.

FileMaximize = Initial maximize status of file viewing window.

FileWindowAt = Initial X-position, Y-position, width, and height of file viewing window.

FrameWindowAt = Initial X-position, Y-position, width, and height of application frame.

FrameWindowMaximize = Initial maximize status of application frame.

GlobalSecurityWindowAt = Initial X-position, Y-position, width, and height of Global Security Table.

GraphicsMaximize = Initial maximize status of graphics window.

GraphicsWindowAt = Initial X-position, Y-position, width, and height of graphics window.

LocalSecurityMaximize = Initial maximize status of Local Security Table.

LocalSecurityWindowAt = Initial X-position, Y-position, width, and height of Local Security Table.

PortfolioWindowAt = Initial X-position, Y-position, width, and height of Portfolio Table.

ReportMaximize = Initial maximize status of report viewer.

ReportWindowAt = Initial X-position, Y-position, width, and height of report viewer.

SecurityTypeWindowAt = Initial X-position, Y-position, width, and height of Security Type Table.

[Macros]

Macro1 = First toolbar button's message, icon, and keystroke sequence.

Macro2 = Second toolbar button's message, icon, and keystroke sequence.

Macro3 = Third toolbar button's message, icon, and keystroke sequence.

Macro4 = Fourth toolbar button's message, icon, and keystroke sequence.

Macro5 = Fifth toolbar button's message, icon, and keystroke sequence.

Macro6 = Sixth toolbar button's message, icon, and keystroke sequence.

[Backup]

BackupDir = The drive and directory to backup to or restore from.

EraseDisk = Whether or not to erase the disk before backing up.

LastBackup = Date of the last backup.

RemindBackup = Reminder to backup on exit: Daily, Weekly, Monthly, None.

UseZip = Whether or not to use file compression when backing up or restoring.

ZipFileName = If using file compression, the name of the zip archive.

[Rebuild]

AutoRebuild = Automatically rebuild/pack at startup: Daily, Weekly, Monthly, None.

LastRebuild = Date of the last rebuild/pack.

[InternetSettings]

BrowserPath = The full pathname of the browser executable used to view prices. This overrides the default behavior of using the default HTML file application.

DebugFlag = Internal flag to display debug information.

FileNameBase = Base name for files to use in the Internet price retrieval process.

HistFileNameBase = Base name for files to use in the historical Internet price retrieval process.

HistFrequency = Frequency for historical price downloads: Daily, Weekly, Monthly.

HistUrlChartName = URL base to view charts from the Internet in your Web browser.

HistUrlFileName = URL base to retrieve historical price data from the Internet.

HistUrlHtmlName = URL base to view historical price data from the Internet in your Web browser.

LastRetrieveDate = Date of the last successful price retrieval from the Internet.

LastRetrieveTime = Time of the last successful price retrieval from the Internet.

Proxy Server = Server name to use as a proxy when retrieving prices from the Internet

Timeout = The number of seconds to wait for the price retrieval from the Internet.

UrlFileName = URL base to retrieve price data from the Internet.

UrlHtmlName = URL base to view price data from the Internet in your Web browser.

UsePriceFileFormat = Whether or not to use custom price file format for price data retrieved from the Internet.I

[ViewerSettings]

FileViewerAt = Initial X-position, Y-position, width, and height of standalone graphics/text file viewer.

GraphicsFileViewer = Viewer to use when viewing graphics files.

ReportViewerAt = Initial X-position, Y-position, width, and height of standalone report viewer.

SeparateReportViewer = Whether to use a standalone viewer for reports.

TextFileViewer = Viewer to use when viewing text files.

Function Map

Local Security Table

Global Security Table

Portfolio Table

Broker/Investment Company Table

Security Type Table

Window Pulldown Menu
Help Pulldown Menu

File Descriptions

Program Directory

C4ASCX.DLL - ASCII file driver.
C4CLAX.DLL - Clarion file driver.
C4DOSX.DLL - DOS file driver.
C4OLEX.DLL - OLE library.
C4RUNX.DLL - Runtime library.
C4TPSX.DLL - TopSpeed file driver.
CAPGNZ.BMP - Capital Gainz logo bitmap.
CAPGNZ.EXE - Capital Gainz executable.
CG.ICO - Capital Gainz icon.
CG.INI - Capital Gainz settings file.
CGBACK.ICO - Capital Gainz Backup icon.
CGCALC.EXE - Capital Gainz Calculator executable.
CGCALC.ICO - Capital Gainz Calculator icon.
CGCALEND.EXE - Capital Gainz Calendar executable.
CGCALEND.ICO - Capital Gainz Calendar icon.
CGDNLD.ICO - Capital Gainz Download icon.
CGEXIT.ICO - Capital Gainz Exit icon.
CGGRAPH.ICO - Capital Gainz Graphics icon.
CGINET.DLL - Library used for Internet access.
CGINSFNC.EXE - Miscellaneous functions for upgrade/uninstall.
CGMONEY.ICO - Capital Gainz Update Prices icon.
CGREPORT.ICO - Capital Gainz Reports icon.
CGREST.ICO - Capital Gainz Restore icon.
CGSTYLES.CSS - Cascading Style Sheet for HTML format reports.
CGUPG.EXE - Capital Gainz Upgrade/Uninstall/Backup executable.
CGUPG.ICO - Capital Gainz Upgrade icon.
CGVIEWER.EXE - Capital Gainz Viewer program.
CGVIEWER.ICO - Capital Gainz Viewer program icon.
DUNZIP32.DLL - Unzip library.
DZIP32.DLL - Zip library.
TSAD.DLL - Advertisement library.
TSUNINSTALLER.EXE - Removes advertisement files.
UNCG.ICO - Capital Gainz Uninstall icon.
VIFI5.OCX - Graphics library.

Data Directory

BROKER.DAT, BROKER.K01 - Broker/Investment company data.
CGDNLD.LOG - Last price file update log.
CLOSEnnn.DAT, CLOSEnnn.K01 - Closed shares data for portfolio nnn.
DISTRnnn.DAT, DISTRnnn.K01 - Distribution data for portfolio nnn.
GSEC.DAT, GSEC.K01 - Global security data.
GSECTYP.DAT - Global Security type breakdown by percentage.
LSECnnn.DAT, LSECnnn.K01 - Local security data for portfolio nnn.
OPENnnn.DAT, OPENnnn.K01 - Open shares data for portfolio nnn.
PASSWD.DAT, PASSWD.K01 - Encrypted password data.
PORHST.DAT - Portfolio history.
PRCALE.DAT - Price/volume alerts.
PRC_HST.DAT, PRC_HST.K01 - Price history data.

SECTYP.DAT, SECTYP.K01 - Security type data.
SETTINGS.DAT - Current revision number for data.

Download Directory

CGCV.EXE - Conversion filter program.
CGCV.ICO - Conversion filter icon.
CG*.PAR - Parameter files for Conversion filter.
CG*.TIC - Ticker files for Conversion filter.

Documentation Directory

CAPGNZ.HLP - Capital Gainz help.
CGCALC.HLP - Capital Gainz Calculator help.
CGCALEND.HLP - Capital Gainz Calendar help.
CGUPG.HLP - Capital Gainz Upgrade/Uninstall/Backup help.
VENDBMP.ZIP - Screen shots.
VENDOR.DOC - Distribution information.
README.WRI - README file.

Error Messages

Severity

- **SYSTEM**: Fatal internal error, usually caused by corrupt data files or a hard disk problem. For instance, a disk failure could corrupt a Capital Gainz data file. Errors of this severity terminate the program.
- **ABORT**: Fatal processing error, usually caused by inconsistencies in data files. For instance, you can't execute Capital Gainz using data files created with a previous version unless they've been upgraded. Errors of this severity terminate the program.
- **ERROR**: Error message signaling an invalid operation or user entry. For instance, you can't sell more shares than you own.
- **WARNING**: Informational message about user entries. For instance, specifying a purchase date that is later than your current PC system date generates a warning message.

Reporting Errors

Reporting Errors

Please report any errors, or suspected errors, that you encounter while using Capital Gainz. Capital Gainz undergoes extensive testing, but there is always the possibility of program bugs slipping through. Also, errors may result from configuration conflicts or hardware failures on your particular machine. To report an error, it's essential to include the following:

- A description of the sequence of events leading up to the error.
- Whether or not you can duplicate the problem.
- Copies of your Capital Gainz data files, **\CAPGNZ*.DAT and \CAPGNZ*.K01**. We will, of course, treat these with confidentiality.
- A description of your system configuration, such as: version of Windows, any virus scanning software in use, any other programs running at the time of the problem, etc.
- A description of your hardware, such as: processor, memory installed, monitor type, available disk space, etc.

This information can be sent on diskette through the mail, or sent electronically. If sent through the mail, please use 3.5" high density diskettes. If sent electronically, please compress the information into a single archive with PKZIP. Do not send infomation, either on diskette or electronically, that has been created with a backup program such as DOS BACKUP.

Fonts Used

Capital Gainz uses a limited number of fonts and styles, with all fonts being TrueType:

- All tables and input forms use Arial 10 point font.
- Most report text uses Arial 9 point font, although some lines do use Arial 8 point font.
- The file viewer uses Courier New 10 point font.
- Fonts used in graphs can be changed.

Operating Systems

Capital Gainz is available for 32 bit Windows systems only. This includes:

- Windows 95
- Windows 98
- Windows NT

With a 32 bit Windows operating system you get, among other things:

- Access to more memory, so adding RAM to your PC will speed up operations, especially when multiple applications are running. With Windows 3.1, anything over 16MB was more or less wasted.
- Safer operation, since 32 bit applications run in their own address spaces and (theoretically) can't affect other programs or the operating system.
- Faster operation, since more data is fetched at a time.
- Real multitasking. Prior versions of Windows used cooperative multitasking, meaning multiple programs could run at the same time, provided that they voluntarily gave up clock cycles. One program could easily hog resources and prevent other programs from running. Newer versions of Windows allocate clock cycles internally - like a real operating system should.

It all adds up to programs running faster and safer.

32 bit programs can run on Windows 3.1, which is a 16 bit operating system, using Microsoft's Win32 library. This comes with Windows 3.1. However, to run most 32 bit programs now available on Windows 3.1, you need to upgrade you Win32 system to 1.30 or later, which adds necessary common dialogs. Win32 can be downloaded from Microsoft's Web site. Before you start trying this, a few comments are in order:

- We do not provide support for Capital Gainz running on Windows 3.1 with Win32.
- From experience, Win32 is not a very robust solution.
- Win32 1.30 does not work with OS/2.

So, Windows 3.1 can run 32 bit programs, but Win32 installation is not real simple, and Win32 itself may cause some frustrations. It's much better to just move on to Windows 95 or later. There is another compelling reason to make the move: the year 2000. Not only is Windows 3.1 NOT year 2000 compliant, but many older applications will have problems. Some of these applications may now only have 32 bit versions that are year 2000 compliant.

Questions and Answers

General Usage Questions

"Why does Capital Gainz report that no Help is available?"

The online Help files are installed to the Documentation Directory. If you change this directory using the System Configuration item on the Config pulldown menu, the Help files must be moved as well. If you delete the Help files, you can reinstall Capital Gainz to add them back.

"Why does Capital Gainz halt with 'Invalid Record Declaration'?"

You are trying to execute Capital Gainz against data files created with a different version of Capital Gainz. You need to upgrade your data files by running the Capital Gainz Upgrade program.

"How do I get help with hard to explain problems?"

For complicated problems, the best way to get help is to send us copies of your data files, *.DAT and *.K01, on a diskette. Be sure to include a detailed explanatory note, including a problem description, list of events leading up to the problem, and information about your system configuration.

"Which files are the user data files?"

User data files are those matched by the *.DAT and *.K01 wildcard templates.

"Why doesn't data that I enter show up on the tables?"

Two possibilities. First, if you are entering data from a table, then the system date range may be set and your entries are outside of the range. They are written, but don't show up in the tables until you reset the date range. Second, it's possible that the file indexes are corrupted - run ***Maint, Rebuild/Pack*** to rebuild them.

"**Why does my Capital Gainz window grow (or shrink) between executions?"**

This can happen if you exit Capital Gainz and there is a horizontal or vertical scrollbar on the application frame, or there may be a discrepancy with the video driver. Capital Gainz saves the window sizes on program exit for use the next time you run it. You can block this behavior, eliminating growing/shrinking windows, by turning off the Save Windows Sizes at Program Exit option, available from ***Config, User Settings, Windows***.

"Is Capital Gainz Year 2000 ready?"

Yes. For date entry, you can specify MM/DD (uses current year), MM/DD/YY (uses 1900 for 0-18, 2000 otherwise), or MM/DD/YYYY. However, reports only show MM/DD/YY.

Password Questions

"Can I secure my data from others who use my computer?"

Use the ***Set Password*** menu item on the ***Config*** pulldown menu to password protect access to the program. If you set the password to all blanks, Capital Gainz does not prompt for a password at startup.

"I forgot my password. What do I do?"

To regain access to Capital Gainz, you must reinstall the program, which will set a blank password.

Purchase, Sale, and Distribution Questions

"Do I have to enter all of my prior activity to get started?"

In order to match purchases with future sales, determine long or short term holding periods, and accurately calculate performance return, all prior activity must be recorded. This task is made easier by the repeated entry of the activity forms. There are two short cuts available. First, if you've been buying and selling shares of a mutual fund over some time period, you only really need to record purchases that are still owned. Another alternative is to lump all of your holdings into two groups, long and short term. Record one big purchase for the total shares and basis of the long term group on a date older than the long term holding period. Then, record the individual short term purchases. This approach works great with money market funds, which maintain a constant price.

"How do I change or delete a buy, sell, or distribution entry?"

To change or delete activity, use the ***Buy Shares Table, Sell Shares Table, or Distribution Table*** item on the ***Activity*** pulldown menu item on the Local Security Table. Then highlight the item in the list and use the ***Change*** or ***Delete*** button.

"How do I record mutual fund loads?"

Loads are recorded similarly to commissions, but they are calculated differently. A $35 commission on a $1000 purchase means you paid $1035, invested $1000 of it, and paid $35 to the broker. A $35 load on a $1000 purchase, which is a 3.5% load, means that you paid $1000, invested $965 of it, and paid $35 to the mutual fund. The ***Load*** button on the activity forms brings up a calculator that separates the load from the purchase amount and calculates the unloaded price.

"How can I record a purchase for $0.00?"

Capital Gainz usually requires non-zero values for shares, price, and amount. If you want to set one or more of these to zero, turn off automatic calculations in the User Settings or on the activity form.

"Why is the per share value displayed on the Distribution Form so low?"

You are misinterpreting the meaning of the per share field. It's the amount of the distribution divided by the number of shares owned, not the price.

"How do I find the per share amount of a distribution?"

For stocks and bonds, this is the stated dividend/interest rate. For mutual funds, check your statements immediately after receiving a distribution, as they usually include a per share value. If not, the value calculated and displayed by Capital Gainz is usually close enough for accurate yield and total return figures.

"I've been using the per share value wrong. How do I fix it?"

There's a button on the Distribution Table, ***Recalculate Per Share***, that will recalculate the per share values for the displayed distribution records.

"Does the order that I enter activity matter?"

If you are using the average cost selling method, then it's imperative that you enter all activity in order. Otherwise, you should at least be sure to avoid recording any sales before all prior purchases have been recorded. To explain the caution when using the average cost selling method, assume you have the following activity:

Buy 10 shares at $11 on 1/1/91
Buy 10 shares at $12 on 2/1/91
Sell 10 shares at $12 on 2/2/91
Buy 10 shares at $13 on 3/1/91
Sell 10 shares at $14 on 4/1/91

The 2/2/91 sale should close 10 shares at an average price of $11.50, and the 4/1/91 sale should close 10 shares at an average price of $12.25. If you entered the 4/1/91 sale before the 2/2/91 sale, the 2/2/91 sale would use the correct $11.50 basis, but the 4/1/91 sale would incorrectly use a $12 basis. The cost used is the average cost at the time the sales are recorded.

"My 401K does not provide the share price. How can I track it?"

The best way to handle this type of investment is to initially use a fixed price of $100.00, and set the selling method to the average cost method so shares you withdraw will have the same basis. When you receive a statement showing your gain/loss, record the price using the ***Prc Val*** button to calculate the price from the known value. Use the last calculated price for subsequent purchases.

"Can I use one global security for both my wife's and my 401K?"

No. Since the Price From Value feature derives a price from the value of the security, the prices will differ unless identical contributions are made. Use a unique global security for each 401K local security.

"Can I enter multiple activity on a single date for a security?"

Yes. You can have multiple purchases, multiple sales, and/or multiple distributions on a given date for a single security. When a distribution is recorded, the per share amount is calculated based on the number of shares held as of the beginning of the specified date. This allows for accurate Per share calculations when a mutual fund pays dividends and capital gains on the same day. However, when selling shares, the number of shares available to be sold are the number as of the end of the specified date. Thus, you should not record multiple sales on the same date if you are using the average cost selling method.

On a given date, the following order is assumed:
1) Distributions
2) Purchases
3) Sales

"Is it OK to delete old distributions and sold shares?"

You really shouldn't delete the old records, as they are used to determine your overall performance return with the security. If you use the average selling method, you can't delete the sell shares records, since they are required to calculate the current average price. If you end up selling all shares of a security and want to clean up, I suggest defining an 'inactive' portfolio, and moving the security to it.

"How do I record an IRA maintenance fee?"

To record an IRA fee, use the ***Record Fee*** item from the ***Activity*** pulldown menu on the Local Security Table, or record a distribution using the FEE type. If you paid the fee with a separate check, then that's all you need to do. If you let the fund company sell shares to realize the fee, you'll need to record the sale, so answer Yes when asked if you want to sell shares to cover the fee. You'll then fill out the Sell Shares Form for the sale.

"How can I see a chronological list of all activity?"

The Activity History Report shows a chronological listing of purchases, sales, and distributions for a security.

"Why do the values calculated on entry differ from my statements?"

There are occasionally rounding differences, but you probably need to adjust the precision settings for the local security.

"How do I record a stock that was taken over by another company?"

Use the ***Convert Security*** item from the ***Security*** pulldown menu on the Local Security Table. Be sure to examine the help examples, since this can be a complex operation. Also, study the documentation you receive from the company in order to understand share conversions and ratios.

"What selling methods am I allowed to use?"

According to the IRS publications, anytime you have multiple purchases of a security, you are assumed to use the first-in/first-out method unless you provide explicit prior written identification of the shares you want to sell to the agent responsible. For mutual funds, you can also use the average cost selling method without notifying the agent. However, once you use the average method, you must continue to use it as long as you hold shares of that fund. I suggest not using the average cost method unless you absolutely have to, since it requires more care and will never be the optimal method for tax planning.

"Why don't reinvested shares show up in the Buy Shares Table?"

After recording a distribution and answering Yes to the reinvestment question, you still must complete the Buy Shares Form that comes up. Usually, all the information is filled in correctly except for the price.

"How do I record a stock dividend?"

For non-taxable stock dividends with identical shares, record a stock split of:

(shares_owned + new_shares) FOR shares_owned

A non-taxable stock dividend of non-identical shares is more complicated, and you should consult the IRS publications for details.

"How do I sweep sale proceeds into a money market fund?"

You can use the ***Set Cash Account*** item on the ***Securities*** pulldown menu on the Local Security Table to set up the cash account for the portfolio. Or, you can set the redistribute proceeds option in the User Settings, so you'll be asked where you want to invest the proceeds after recording a sale.

"Why don't security totals in the Local Security Table match Buy Shares Table totals?"

The local security record maintains totals for current shares, amount, and commission. If you abnormally terminate the program during an operation that manipulates activity records, the local security's values may become out-of-sync with the actual activity totals. This can be fixed manually from the Local Security Table using the ***Fixup*** item on the ***Security*** pulldown menu, or you can use ***Consistency Check*** item on the ***Maintenance*** pulldown menu to fix up such discrepancies.

"How do I handle zero-coupon mutual funds?"

Zero-coupon mutual funds pay distributions, so they differ from the implied interest of zero-coupon bonds. After a distribution, the funds use a reverse split to adjust the shares so you have the same number as before the reinvestment (if you reinvest). You need to record the distribution and reinvestment, then execute a split in the indicated ratio.

"How do I handle Savings Bonds?"

You can record each individual savings bond, but the small values makes this cumbersome. I suggest the following:

> Lump all savings bonds of the same series into multiple securities with different denominations. Make sure the savings bond security type specifies to report sales on Schedule B. The gain on sales is then treated as interest.
> Record a purchase using the cost. Thus, a $50 bond purchased for $25 would be recorded as a purchase of 1 share at $25.
> When you redeem savings bonds, use the specific identity selling method so you can pick individual bonds. To sell a $50 bond purchased at $25, record a sale of 1 share at $50.

"Can I show both long and short positions for a security that I am hedging (long and short holdings) instead of seeing the combined figures on the Local Security Table?"

Yes. Simply define two local securities linked to the same global security, and use one for the long position and one for the short position. By linking them both to the same global security, the current positions will be updated by setting the price of that global security.

"Why aren't short sales covered when I record a purchase of a security that I am short?"

You must explicity use the ***Cover Short Sale*** function to conver short sales, since you can be long and short a security at one time.

"I have a security that spun off another company - how do I record this?"

Use the ***Convert Security*** item from the ***Security*** pulldown menu on the Local Security Table. Be sure to examine the help examples, since this can be a complex operation. Also, study the documentation you receive from the company in order to understand share conversions and ratios.

"When I transferred shares to another portfolio, only the buy shares were transferred, not the sell shares or distributions."

The ***Transfer Shares*** function transfers buy shares only - such as when you transfer holdings to a child's account or to charity. To move all activity for a local security, use ***Copy Security***, then delete the original local security.

"How do I handle a security that was converted into a new company?"

You could use the ***Convert Security*** item from the ***Security*** pulldown menu on the Local Security Table. Or, it may be easier to just change the security symbol and name, and execute a ***Price Split*** if the share price or count was changed.

Security Questions

"What should I do with securities that have been closed out?"

When you sell all of the shares from a local security, you should keep the security around until after all sales have been used in the tax forms. Then, you have two options:

> You can delete the security, which will remove it along with all associated activity. Deleting a local security does not delete the associated global security and price history - if you want to remove these, you'll need to delete the global security as well.
>
> A better approach is to set up a separate inactive portfolio, copy the security that was sold off to it, then delete the security from the original portfolio.

"Is there a way to not show securities with 0 shares?"

Turn on the option in the User Settings, or on the Local Security Table, to hide inactive securities.

"Why do I get a 'Duplicate Key' error when defining a local security?"

A local security already exists with the specified symbol. If it does not appear on the Local Security Table, turn off the Hide Inactive option checkbox on the toolbar.

"I defined a Local Security earlier - why doesn't it show up in the local security table now?"

It probably doesn't have any open shares, and you have the Hide Inactive option set. Turn off the Hide Inactive checkbox on the toolbar.

"**How do I manage margin accounts?"**

Define a cash security for the portfolio, and use the ***Set Cash Account*** option on the ***Securities*** pulldown menu on the Local Security Table to define the security as the cash account for that portfolio. Then, whenever you buy shares, the amount is subtracted from the cash account, and whenever you sell shares or receive a distribution, the amount is added to the cash account.

"I gave my kids shares that I held - how do I record this in Capital Gainz"

You can handle a non-taxable transfer two ways. First, if you transferred all buy shares to one account, and had no sell shares or distributions, simply use ***Security/Copy Security*** from the Local Security Table to copy the security to the destination portfolio, then delete the original security. However, to transfer some number of buy shares to another portfolio, first define the security in the destination portfolio (if necessary), then use ***Activity/Transfer Shares*** from the Local Security Table. You'll specify the destination portfolio and security, then the number of shares to transfer and the selling method to use in selecting shares.

"I have a money market account I've been using for awhile, and want to treat it as a CASH asset type now."

Use the ***Convert to Cash Asset*** function to convert it to a CASH asset type.

"Why do I have to define global and local securities?"

Global securities define a stock or fund and maintain price histories, while local securities maintain activity for a specific holding. Several local securities can be linked to one global security, centralizing price data.

"When I try to delete a global security, I get an error that there are local securities linked to it. How can I figure out which ones they are?"

Use the Global Security Report, and be sure the Report Setting option for showing subtotals is set.

Price Questions

"How do I record a split of .98765 for 1, since the precision exceeds the entry field?"

Simply record the split as 9.8765 for 10, which is identical.

"Why don't updated prices show up on the tables and reports?"

Capital Gainz always uses the latest dated prices. If you inadvertently add a price for 12/31/94 instead of 12/31/93, then update prices on 6/1/94, tables and reports will still use the 12/31/94 date since it's later. Other prices are still added, but you need to delete the 12/31/94 entry from the Price History Table.

"How can I resynchronize price history with my activity?"

Use the ***Rebuild Price History*** choice from the ***Prices*** pulldown menu.

"How can I trim the size of my price history?"

Use the ***Rebuild Price History*** choice from the ***Prices*** pulldown menu to keep only one price per week or month.

"Can I change the security sequence while updating prices from the screen?"

If you set the exchange field in the global securities, then Capital Gainz displays prices for updating in order first by exchange, then by global security symbol. This makes it easier to update prices using listings from the newspaper, as you don't have to keep flipping back and forth between sections.

"I messed up importing a price file - how can I fix the prices?"

First, you should always use the ***View*** button after reading in a price file, before committing the prices with the ***Ok*** button. But, if you did not do that, you can either edit the price history table for all securities, or do the following:

1) Use the ***Example*** button on the Update Price From File form to generate a price update file, showing the latest prices and dates.
2) Save the displayed prices to a file.
3) Edit the file with a text editor, correcting the prices.
4) Use Prices/Update Prices from File again, reading in the altered price file.

"Can I read in prices from the Internet?"

There are two options. The first, ***Prices, Get Prices from Internet***, will use the current Internet connection to automatically retrieve prices from the Internet and read them into Capital Gainz. Alternatively, ***Prices, Update Prices from File*** lets you specify a file of prices already retrieved from an online source to be read into Capital Gainz.

Calculation Questions

"Why does the gain/loss figure include reinvested shares?"

The Local Security Table shows the current unrealized gain or loss of all outstanding open shares, including those purchased with reinvested distributions. If you turn on the User Setting option to subtract reinvested distributions, the Local Security Table and Portfolio Detail Report will subtract reinvested distributions from cost in determining gain/loss.

"Why is the yield so high (or all '*'s)?"

You either entered the amount of the dividend for the dividends/year field in the Global Security Form, or entered a price for the per share field in the Distribution Form. The dividends/year figure should indicate the number of times a year the company pays dividends, such as 4 for quarterly payouts. The per share value should indicate the per share amount of the distribution, not the reinvestment price, and is normally listed on your statements.

"Why are total return percentages correct, but the rates so low?"

There is probably an incorrect, 'stray' entry in the Price History Table. If you mistakenly added a price for 1/01/41 instead of 1/01/91, then calculating total return percentages for all dates would skew the rate by 50 extra years. To fix this, check the Price History Table.

"What's the difference between total return and performance return?"

Total return uses only the price history of a security to show the return, simulating a buy-and-hold strategy with reinvested distributions. Performance return is calculated based on your actual recorded purchases, sales, and distributions.

"What do the variations between total return and performance return mean?"

If your actual performance return was under par, but the total return is good, then you've adversely affected your performance return through bad timing. The security is a good-performer, and should probably be held. This effect is seen mainly with a dollar-cost averaging strategy employed over a short period in a rising market.

If your performance return was good, but the total return is under par, then you've managed to increase returns through good market-timing. While a buy-and-hold strategy would not have done well, the market-timing effects of your purchases and sales made this security a winner. This effect is seen mainly with a dollar-cost averaging strategy employed over a long period in a fluctuating market.

"What is the 'rate' figure?"

The yearly rate of return, assuming annual compounding.

"Can I just see a straight, non-adjusted performance return figure?"

Turn off the User Settings option to use the internal rate of return.

"How are purchases on different dates factored into performance return?"

The internal rate of return calculation takes time-weighting of cash flows into consideration.

"Why does the yield calculation only use the last dividend?"

Yield is a measure of expected return, so Capital Gainz takes the last dividend/interest distribution per

share and multiplies it by the number of expected payouts.

"Why is the gain on a shorted security so high in the Local Security Table?"

Remember that the Local Security Table shows unrealized gain/loss. Since you shorted the security, it didn't cost you anything, so any gain (or loss) will be, essentially, infinite.

"Why not show Cost and Value in Portfolio History?"

If no money ever leaves a portfolio, then Cost can be calculated and shown. However, if any money ever leaves a portfolio - as is far more common - then allocating cost across multiple transactions is not feasible. If no money ever leaves a portfolio, then the difference between Value and Return in Portfolio History is Cost. If money does leave the portfolio, then this is no longer true. In fact, it's possible to have Return exceed Value.

"Why does the Performance Report show 999999% for a shorted security?"

If you have a short sale that results in a gain, the performance percentage calculated will always be the maximum value. That's because the proceeds from the short sale are 'used' for the subsequent purchase. So, for a short sale that resulted in a gain:

sell_amt = amount of short sale
buy_amt = amount of purchase to cover
return = sell_amt - buy_amt
reinvest = amt of short sale
return% = (return / (buy_amt - reinvest)) * 100

In the above, reinvest will be greater than or equal to buy_amt if there is a gain, so the basis for the division is 0. While a more reasonable percentage could be calculated by swapping the buy/sell dates for a short sale, that would result in incorrect overall portfolio percentages. The performance really is infinite - you put $0 down and received something at the end. Since no broker allows you to short shares with no money on deposit, the overall portfolio performance will be correct.

Tax Questions

"How are long and short term capital gains distributions treated?"

By default, Capital Gainz treats short term capital gains distributions as ordinary dividends, and long term capital gains distributions as transfers to Schedule D. However, you can modify the security types to change this behavior.

"When is long or short term status determined?"

Capital Gainz used to deterimine this at the time the sale was recorded, but now determines it when the Tax Schedule Report is generated, using internal tables for each year.

"Why doesn't a local security with distributions and sales show up on the tax reports?"

The local security is probably defined as tax-exempt, which means it's treated like an IRA. You can change the security from the Local Security Table.

"What does 'Group Sales' mean on the tax reports?"

The group sales option lets you group all purchases for a given sale, resulting in a single short term transaction and a single long term transaction. If you've been buying shares of a mutual fund monthly and then close the fund by selling all of the shares, grouping sales makes the Schedule D report much shorter and easier to transfer to your actual tax forms. The purchase date shown for grouped sales is VARIOUS.

"Should I show sales of money market funds on Schedule D?"

According to the IRS documents, all sales of mutual funds must be reported. However, since these sales are usually not reported on 1099s, you can leave them off of Schedule D by setting the security type to OMIT sales from Schedule D

"How do I make a security's dividends tax-free on Schedule B?"

To define a security as distributing tax-free dividends, select a tax-free security type for the associated global security. Predefined tax-free security types have the phrase 'tax-free' in their names. You can also change the tax-free status of a security type, or define a new one that is tax-free.

"How do I record a foreign tax reported on a year-end 1099 form?"

Foreign taxes are paid out of distributions, but the fund companies don't report them until the end of the year. The suggested way to handle this is:

> Record the amount of the Foreign Tax as a Dividend on the last day of the year, without reinvesting the distribution.
> Record the Foreign Tax as a Fee on the last day of the year, without selling shares to cover the fee.

"How do I handle Savings Bonds for taxes?"

Savings Bonds are like zero-coupon bonds, except taxes on the increase to basis can be deferred until they are redeemed. You can set the Savings Bond's security type so that sales are reported on Schedule B.

"Why doesn't the distribution total on my tax report match the amount on my 1099?"

There could be several explanations. A mutual fund may have paid a foreign tax, a dividend reinvestment plan may have transparently absorbed brokerage fees, you may have omitted discounts on dividend reinvestment plans, or you may have made a data entry error. Compare the Activity History Report against the end of the year statement mailed to you.

"How do I export tax data to TurboTax (or TaxCut)?"

To generate an import file for tax preparation programs, select the Tax Schedule Report, then choose the option to export the data in tax exchange format (TXF). After the TXF file is created, exit from Capital Gainz. Start up your tax preparation program, specify the directory and file for the import TXF source, and then execute the import.

"Why does my tax software return errors when reading the TXF file?"

Make sure that you generated the Tax Schedules Report in Tax Exchange Format, that you specified the correct file name and directory to your tax preparation program, and that you indicated to import a TXF file. Unfortunately, the Tax Exchange Format (TXF) is always evolving, and tax software may interpret TXF files differently, or not recognize newly implemented features.

"How do I handle purchase discounts for reinvested dividends in my DRP?"

Some DRPs give you a discount on reinvested dividends. The discounts should be reported as income in the year you receive the shares, and the difference added to the cost basis of the shares. In Capital Gainz, use a negative commission for the purchase discount.

Data Consistency Questions

"Strange things are happening, like incorrect prices showing for securities. What's can I do?"

Try running ***Rebuild/Pack Files*** from the ***Maint*** pulldown menu. This will rebuild any corrupted indexes.

"How can I tell if I have inconsistent data?"

Run the Consistency Check procedure, using the ***Consistency Check*** item from the ***Maintenance*** pulldown menu. The most important problems indicate that security values don't match activity tables, probably because of abnormal terminations. Serious errors, such as out-of-sync index and data files, can cause many messages during the consistency check. These types of problems are best detected by 'strange' program behavior, such as entries not showing up in tables or activity listings out of date order.

"How can I fix inconsistent data?"

You can manually address messages printed by the Consistency Check output log. Or, you can tell the Consistency Check procedure automatically fix a number of well-defined problems.

Report Questions

"Why are some letters 'chopped off', or truncated, in the displayed report?"

You printer resolution is greater than the display resolution. The printed output will look fine.

"Why is the displayed report unreadable?"

Some printer drivers cause unintelligible displays for reports. The printed output should be fine.

"Why do reports print so slow on my dot matrix printer?"

Capital Gainz reports use a limited number of different fonts and sizes. Dot matrix printers differ in capabilities, so rendering the correct output may significantly affect the output speed. A laserjet or inkjet printer is strongly recommended.

"Reports will not print - I get an error from Windows (or the printer)."

This is likely caused by a bad printer driver. Capital Gainz uses the printer driver to render the report. If you can't solve the printer problem, use the ASCII File Output option in Capital Gainz Report Settings.

"Can I save reports to disk, for later retrieval and searching?"

Use the ASCII File Output option in Capital Gainz Report Settings. This will send report data to plain text file.

Graph Questions

"How do I avoid having the large total in my money market account obscure the other bars in the Cost/Value Graph?"

Capital Gainz automatically scales data based on the largest value, so the large money market holding is adversely affecting other securities. To skip money market funds, choose not to include cash equivalent securities in the Graphics Settings.

"Can I get rid of all these lines cluttering up the Price Graph?"

The average line is displayed by default, but can be turned off in the Graphics Settings. You can also turn off options for drawing a grid and for displaying the volume graph.

"Can I generate graphics files to use with other programs?"

You can choose the ***File*** button while viewing a graph, then output the graph to a bitmap (BMP) or Windows metafile (WMF) file.

"Why is the Cost/Value graph so hard to read?"

Your printer resolution is greater than the display resolution. The printed output will look great. If you prefer to just view graphs, I suggest that you not specify 3-D graph types in the Graphics Settings.

"I have a black and white laser printer - how can I print out pie charts to distinguish slices that are in color on the screen?"

In the Graphics Settings, specify a fill type of pattern, or pattern and color. By default, only color is used for the fill type.

"Can I generate price graphs on a logarithmic scale?"

Set the logarithmic axis option in the Graphics Settings.

"The allocation chart by security is hard to read because there are too many pie slices - can I reduce how many are shown?"

You can set the maximum number of pie slices in Graphics Settings. Any extra slices will be combined into one extra 'Other' slice.

"I only look at price graphs for a few of my securities, but have to scroll through the ones I don't care about to reach those that I want to see. Is there a better way?"

On the Graphics Menu, use the ***Global Sec*** button to tag securities that you want to graph. If you want to save the list for future sessions, use the ***Save*** button to save the list, and the ***Recall*** button to recall the list.

The Story of Capital Gainz

After graduating from college and managing to land a good paying software engineering job, I naturally became interested in investing. I read books and magazines covering various aspects and strategies of investing. When the moment came to plunk down my cash, I was tripped up by that arch nemesis of small investors: the brokerage fee. Apparently, you couldn't make money in the investment game unless you already had plenty of it!

Switching gears, I hit on the concept of Mutual Funds. Natural progression led me to the small investor's utopia: no-load mutual funds. Finally, it was time to take the plunge. I spent some time switching cash from fund to fund whenever the urge struck. It was the hey-day of the mid-80's bull market, and very difficult to make a mistake in stock funds.

Then came the crash of '87 and a period of wild market instability. Whereas 90% of the investment strategies were winners during the ride up, I couldn't find a strategy that adequately dealt with the new market instabilities. I was confused...and then I saw the light of dollar-cost averaging. Shortly afterward I stumbled onto Dividend Reinvestment Plans, which allowed purchases of company stock without paying brokerage commissions. Mutual Funds and Dividend Reinvestment Plans became the basis for my monthly dollar-cost averaging routine.

While formulating these investment strategies, I finally bought a personal computer for home. I thought it would be nice to manage my investments and track performance using my new purchase, a 7MHz Epson Equity II. The paper, pencil, and calculator era drew to a close as I designed a spreadsheet and accompanying formulas to manage and track my investments.

Not long after that, I redesigned the spreadsheet to address the shortcomings of the initial version. Along the way, I made the standard mistakes in specifying cell ranges and screwing up calculations by not moving blocks of cells in just such a way to preserve the maze of interdependencies. There had to be a better way.

A Turbo-Tax/Quicken software bundle came with a free investment tracking program called Stock!. I played with it a bit - a little slow, but it looked like it would solve my spreadsheet blues. Well, the more data I entered, the slower Stock! ran. I read articles in PC Week while waiting for the program to record sales of shares, the red hard disk light on my PC flashing madly. Even on my 20Mhz 386 machine at work, it was beyond my patience level.

I hunted around for shareware and freeware, and only found one package that came close to meeting my needs. After experimenting a bit, I decided it was time to look at commercial packages. Since Managing Your Money was the top selling investment program for PCs, I borrowed the manual from a friend to give it a look-see. Well, by this time I had become pretty stubborn and wanted a package that would meet my every need. MYM missed on several counts, most noticeably that it simply swept distributions off into the checking account module, without factoring them into performance.

The ugly truth was out: not only did it take money to make money in the investing game, but the software to manage investments was geared to the large investor buying and selling blocks of stock. What about the small investor sticking to a regimen of dollar-cost averaging? What about the conservative investor who enrolled in dividend reinvestment plans to capture both income and share appreciation opportunities? As far as I could tell, they were left out in the cold. It looked like if I really wanted satisfaction, I had to do it myself.

After carefully scrutinizing application development packages, I chose Clarion Professional Developer. I also bought a 386 machine to join my outdated PC XT compatible. Many months and many late evening, early morning, and weekend sessions later, Capital Gainz was born.

Maybe you've hit many of the same potholes that I have. In fact, you could very well have found new ones. Or, maybe you're just starting out in the quest to link your investments to the power of your personal computer. In any case, I hope Capital Gainz satisfies your investment tracking needs. Let me

know how you feel. I really want to add more stuff, and I bet that you have a need that is currently absent from Capital Gainz, but would really help with your investment endeavors.

Update, January 1992

Capital Gainz is steadily generating increased interest, due to: word-of-mouth recommendations; a top 'trophy' rating by Public Brand Software, a leading disk vendor; the fine efforts of Public Brand Software, The Software Labs, and other major shareware disk vendors; the Association of Shareware Professionals (ASP) designation, and the ASP Team Mailing, run by Nelson Ford of the Public (software) Library; and an excellent newspaper review by Noah Matthews of Knight-Ridder, carried in the San Jose Mercury News and The Baltimore Sun.

Growing popularity spurred me on in creating Capital Gainz version 3.0. This version contains significant enhancements, allowing it to cover the spectrum from small to large investors, including professional investment managers.

I'd like to thank all of the registered users, many of whom offered encouragement and suggestions. I'd like to list all the names here, but this manual has already grown well over 300 pages. The bulk of recent additions to Capital Gainz are directly attributable to their feedback. Keep 'em coming, and I'll do my best to keep up!

Update, Fall 1992

The success of Capital Gainz was the main reason I was able to strike it out on my own full-time. I want to thank each and every customer for letting me realize my dream. After putting up with years of corporate BS, I feel born again with the revelation that quality DOES matter!

Several months after releasing version 3.0, I realized that Capital Gainz' complexity had increased, and proved overwhelming at times to new users. I hurriedly put together the Capital Gainz Demo/Tutorial screen show, and am pleased by the results. Not only is it a valuable way to jump start new users, but it's also a viable sales tool.

Version 3.1 of Capital Gainz adds several new features. The most important, and requested, addition is the new graphics program. You can now visually analyze your data, with the same flexibility and ease-of-use you've become accustomed to with Capital Gainz. Another important feature is the Data Consistency Check. Data entry errors - and program errors - do happen, and this consistency checker will point them out and even suggest how to fix them.

I'm still receptive to suggestions. I'm always thrilled to get pre-3.0 registrations with notes requesting this or that feature, since I can usually include the response that 'this version has it'. I know I won't stay a step ahead of requests for long, but I'm trying.

I'd like to add special thanks to: Jack Germain, who wrote an excellent review of Capital Gainz for the Alternative Computing Bulletin; PC West Software, whose Text-Show package made putting the demo/tutorial together a breeze; Clarion Software, for a great development environment, and Bits Per Second, LTD, for their tremendous Clarion Graphics package; Nelson Ford of the Public (software) Library, for providing the invaluable ASP team mailing service; and especially Public Brand Software, who added a 'PBS Best Seller!' stamp to Capital Gainz' trophy rating. Nothing helps success like success.

Update, Summer 1993

I'm very happy with what I've been able to offer Capital Gainz customers. The new Download Program in version 3.2 answers a number of requests - it supplants a hastily developed interim utility that required some upfront effort by the user. The second-most requested feature added is moving averages in the Graphics Program.

Currently, Capital Gainz is pushing hard on the DOS 640 KB memory ceiling. I've done everything possible to fit the program into limited memory while trying to isolate key sections of code to keep performance reasonable. The memory ceiling is one of the main reasons mouse support was left out of this version, a difficult decision to make.

Once again, many thanks to all current and future Capital Gainz customers. Some special thanks are in order, though. First, several prerelease test volunteers played a big part in the stability of version 3.1. In particular, I'm indebted to Chris Horne for his meticulous, timely reports and suggestions. A couple of Prodigy users, Gary Bezanson and Marvin Noelkin, and a CompuServe user, Robert Walton, provided feedback and really helped out by 'spreading the word' to other online users. Finally, John Coyle's review of Capital Gainz in 'Life Insurance Selling Magazine' generated tremendous response. Either Capital Gainz filled a very strong need or else this publication has a huge subscriber base. Perhaps it's a combination of the two.

Update, Summer 1994

Capital Gainz is finally on the road to Windows, as version 4.0's text-based interface adds mouse support, pulldown menus, push buttons, radio buttons, check boxes, and scroll bars. All the old functionality is there, but with a brand new look and feel. Much of the program code was rewritten to accommodate the drastically changed interface.

Also, Capital Gainz now utilizes DOS Extender technology to run in memory above the DOS 640 KB limit. Since it does not rely on slow DOS overlay swapping, Capital Gainz runs much faster.

While the latest release of Clarion Software's development package added all the tools needed to construct the snazzy user interface, it also brought an uncomfortable instability. While developing Capital Gainz 4.0, I also was an unwitting Beta tester for Clarion, as it took them a number of bug fix releases before a stable version emerged.

On the plus side in development, we added a Pentium 66Mhz PC to our stable of 4 machines. I uncovered a gem in the CLACOM communications library, which relieved me of considerable code in the Download Program, as well as adding new protocols such as Zmodem. Finally, we switched to Dan Bricklin's Demo II for our Demo/Tutorial. This package dramatically sped up both the generation and execution of the demo/tutorial, and made it much more flexible for users.

Update, Fall 1995

The long awaited Windows version of Capital Gainz is here. The move to Windows was possible as TopSpeed introduced a dynamite new Windows version of Clarion. However, significant work was necessary to move Capital Gainz from the DOS programming paradigm to the Windows event-driven programming model. I’m extremely happy with the end result, but less than enthused over the lateness of the project.

Capital Gainz for Windows adds impressive new graphics and charting features. You can move objects around, apply perspective, and much more to get those presentations looking perfect. On the other side of the coin, the functionality of the price download feature slipped due to the combination of Windows and the online services’ lack of terminal interfaces. Terminal emulation is the key to automating price downloads in a consistent manner, and CompuServe is the only major online service that provides such access. Thus, automated downloads are available only with CompuServe, although Capital Gainz can still import prices retrieved from other services.

The powerful Windows Help file format gave us an excuse to drop hard copy documentation. For reasonable manual costs, you need large quantities, and this leads to excessive waste when products are upgraded. Windows Help files allow for up-to-the-minute correct documentation - no more lists of changes/deletions. Plus, search features and hypertext linking are big improvements over paper documentation. I was very happy with ForeHelp as the Help file authoring tool.

Just when I was readying Capital Gainz for Windows 5.0, Microsoft rolled out Windows 95. I chose to ignore it for now - if I kept chasing the latest and greatest interfaces, Capital Gainz would never be released.

Finally, a big thank you to Chia-Chi Chao, a long-time Beta tester who discovered many interesting bugs. Plus, he's mainly responsible for the addition of the internal rate of return calculation.

Update, Summer 1996

Capital Gainz encountered some serious problems as the new file driver used in Version 5.0 caused file corruptions for a small percentage of users. While we were able to recover most of the corrupted data for users (no one had to start from scratch), I was shocked at how few users bother to backup data. It's really very easy to corrupt data on a hard disk - a power failure, operating system bug, or similar problem can easily trash data. It's so fast and easy to backup that it just doesn't make sense to not do it regularly. And, if you do use tape backup, try recovering data every now and then to be sure the unit is working correctly.

We rushed out Version 5.1 which reverted back to earlier file drivers when the company that produced the drivers did not adequately address the problems in the new drivers. Thus, instead of the uncluttered multi-file *.TPS containers, we're back to a bunch of *.DAT and *.K01 files. But, this approach does mean that any corruptions affect only a single file or index, rather than ruining a set of files. So this may be best anyway.

Version 5.2 is very close to completion, and it is a major improvement over the initial Windows release of Capital Gainz. We made data entry better, squashed a number of bugs, and added some exciting new features: portfolio history of value/return, report filtering via security type or broker/investment company, and an improved Windows-based download price file converter.

Sadly, we had to drop support for automated price downloads from the last service we supported, CompuServe. The problem with automating downloads is that services are changing rapidly, and, in my experience, they don't support developers or users adequately. CompuServe is switching to a new interface, called HMI, for access. We tried to be approved for this and obtain the toolkit for access, but our application, email, and phone calls were ignored. I was not surprised. Rather than continue supporting Compuserve for our users (since CompuServe couldn't handle it), we decided instead to focus on improving the price import feature. Thus, we now support easy importing of prices from CompuServe's WinCIM.

Dropping support for automated CompuServe downloads may not be such a great loss, as America Online and the Internet appear to have the most momentum. Capital Gainz' online Help lists several Internet stock price sources, and others are popping up daily. As long as a service provides quotes in the popular Quicken format, importing them into Capital Gainz is simple.

Now, if the stock market cooperates and keeps going ever upward, we'll all be happy (except for the short-selling pessimists!).

Update, Summer 1998

Capital Gainz for Windows continues to get good reviews. The American Association of Individual Investors' (AAII) Computerized Investing publication gives it very high marks for ease of use. And, a PC Computing review of Top Web Site Downloads last year noted AlleyCatSoftware and Capital Gainz as the class act in the investment arena.

Capital Gainz 6.0 is close to release. The biggest change is the move to 32 bit architecture for safer, faster operation. Also, the addition of a new Cash asset type makes tracking brokerage cash accounts, or money market accounts, much easier. Finally, we beefed up the price importing capabilities and added a lot more help pages for retrieving prices from various places, including a number of free Internet sources.

There are many more tweaks and fixes included in Capital Gainz 6.0. Notably, because of the waffling back and forth in Congress over capital gains holding periods, we gave up on trying to make Capital Gainz flexible enough to be configured for the changes (the 3-tier periods in 1997 made this impossible). Instead, we now determine holding periods internally when generating the Tax Schedule Report.

With all the fixes and changes, and the much needed new Cash asset type, behind us, we will now begin looking at issues such as options and employee option grants.

Registration Information

Capital Gainz and all related programs and documentation are Copyright 1991-99 by David Lee Cohen, and protected by U.S. and International Copyright Law. Capital Gainz is distributed in a single version. Without a Username/Usercode, Capital Gainz is installed in Evaluation Form with a 60 day trial period and a sign-on message indicating that it is an evaluation product. With a valid Username/Usercode, Capital Gainz is installed in Registered Form, with no time limitations. The Username/Usercode that is used at installation to brand Capital Gainz as a full, unlimited program is sent upon receipt of the registration payment. This Username/Usercode is only valid for minor updates within a version: it stays the same for 5.2a to 5.2b, but changes from 5.2 to 6.0.

Installation of the Registered Form will not affect the data entered with the Evaluation Form - all previously entered data is recognized by the Registered Form (although it may be upgraded first). The evaluation period should be sufficient for you to determine if Capital Gainz meets your needs.

Payment of the registration fee for Capital Gainz entitles you to:

- Diskettes containing the latest version of Capital Gainz.
- Future enhanced releases at reduced prices.
- Technical support via electronic mail or telephone.

License Agreement

Order Form

License Agreement

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(2) Evaluation/Registration: Capital Gainz is distributed in a single version. Without a Username/Usercode, Capital Gainz is installed in Evaluation Form with a 60 day trial period and a sign-on message indicating that it is an evaluation product. With a valid Username/Usercode, Capital Gainz is installed in Registered Form, with no time limitations.

(3) Username/Usercode: Upon registration of Capital Gainz, the user receives a Username/Usercode that is used at installation to brand Capital Gainz as a full, unlimited program. This Username/Usercode is only valid for minor updates within a version: it stays the same for 5.2a to 5.2b, but changes from 5.2 to 6.0.

(4) Usage Restrictions: Capital Gainz is Registered in the name of the person who purchased it. You may install Capital Gainz on as many computers as necessary provided that you are the only person who uses Capital Gainz on the machines. This allows you to install Capital Gainz on a home computer and on your personal computer at work. Capital Gainz is not copy protected, and as many backup copies as deemed necessary can be made.

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(8) Satisfaction Guarantee: If you are dissatisfied with a Registered Version of Capital Gainz for any reason, regardless of the existence of software errors or media defects, you may return the entire package, in original condition, at any time up to 30 days after purchase for a full refund of your original registration fee.

The Account Number for a global or local security is used to reference any important number associated with a security. For instance, it can be a brokerage account number, dividend reinvestment plan number, or mutual fund account number. You can leave the account number blank if you wish.

Accrued Interest occurs when you purchase a bond between interest periods. Part of your purchase cost is used to compensate the seller for interest earned but not received, since you will receive the entire interest payment. The accrued interest is subtracted from the dividend/interest totals on Schedule B of the tax forms, since you paid for it.

Amount refers to how much you paid when you bought some shares of a security, or how much you received when you sold some shares of a security. Commissions are not included, unless you specifically lump them in with the purchase and sale amounts. If a security is using the average cost method, then the amount shown for individual open shares is the corresponding average cost of the shares, not the actual purchase amount.

For uncovered short sales, the purchase Amount will be displayed as negative.

Global securities are defined with an Asset Type of CASH or SECURITY. CASH

For purchases and sales, Average Price is calculated by dividing the amount by the number of shares involved.

'Basis' often refers to the amount associated with open shares, and 'basis price' often refers to the associated price. The term 'basis' is used to reflect the fact that the actual purchase amount or price is not necessarily the same amount or price used to determine gain/loss amounts. When using an averaging method the basis price and amount usually differ from the actual purchase price and amount.

Bond Amortization is an interest offset used to make up for the difference between the higher purchase price and face value of a bond. It's generally associated with previously issued bonds purchased at a premium over maturity price. This happens when interest rates drop, causing the price of bonds issued at higher yields to increase in order to bring the yield down to current rates. You can choose to amortize the premium over the life of the bond, based on the earlier of the maturity or call date. Bond amortization reduces the basis of your holdings, and thus is subtracted from the dividend totals on Schedule B of the tax forms.

The IRS rulings on bond amortization are a nightmare - good luck if you choose to amortize a premium.

Bond discount is implied interest recorded to make up for the difference between the lower purchase price and face value of a bond. While bond holders don't receive interest, there is implied income which bond holders are liable for taxes on. When a bond is issued at a discount to the maturity price, as is the case with zero-coupon bonds, the discount is called Original Issue Discount, or OID. Previously issued bonds may also be purchased at a market discount, which can happen if interest rates increase, causing existing bonds to drop in price to meet current rates. Bond discount increases the basis of your holdings, and thus is added to the dividend totals on Schedule B of the tax forms.

Different rulings apply to bond discount, depending on whether it's original issue discount or market discount, as well as on the actual purchase date. The maze of IRS rulings is a nightmare - good luck if you don't receive a regular OID statement.

A browser, or Web browser, is a program used to display files retrieved from the Internet. The default Web browser is the application that you have configured your system to use for .HTM files. Windows associates certain file extensions with progams, and you should already have an association set up with HTM files. If you don't have such an association set up:

1. Double-click on My Computer icon.
2. Choose View, then Options.
3. Select the File Types tab.
4. Click on the New button.
5. Specify a description, such as Web Page.
6. Specify the filename extension, .htm.
7. Specify the Mime type as text/html.
8. Click on the New button to define an action.
9. Specify the action Open, and the command to run, which is the path of your Web browser.
10. Click on Ok to complete the association.

Buy Shares are shares currently held and not sold. Buy shares are added by recording purchases from the Local Security Table. Recorded buy shares can be modified or deleted from the Buy Shares Table. When shares are sold, buy shares are converted to sell shares. The buy shares total displayed in the Local Security Table should match the buy shares total calculated in the Buy Shares Table.

Many mutual funds disburse gains from security sales in the form of short and long term Capital Gains Distributions. For taxes, short term capital gains are treated as ordinary dividends on Schedule B of the tax forms, while long term capital gains are listed on Schedule B but subtracted back out and shown on Schedule D. There are two components to capital gains distributions: a total amount and a per share amount. The per share amount is NOT the same as the price of a security when reinvesting distributions.

A security defined as a CASH asset type can be designated as the Cash Account for a portfolio. Purchases automatically subtract from the cash account security, and sales and distributions automatically add to the cash account.

The Comment lines allow you to add descriptive text for an item. This text appears on reports specific to the item.

ERROR: syntaxerror
OFFENDING COMMAND: --nostringval--

STACK:

Commissions are either charges by broker/investment companies for purchasing or selling securities, or mutual fund front-end and back-end loads.

Taxes and Commissions

The Current Portfolio is the portfolio open for activity.

The Capital Gainz Data Directory, defined at installation and changed with the System Configuration form, defines where Capital Gainz data files are located. The Data Directory is usually the same as the Program Directory, which is usually C:\CAPGNZ.

Dates are accepted and displayed in MM/DD/YY format, by default. You can change the format via the User Settings. Only valid dates may be entered.

Dates can be entered as:

- MM/DD/YYYY - Four digit year.
- MM/DD/YY - Two digit year: 2000 is used for 0-18, 1900 is used otherwise.
- MM/DD - No year: current year is assumed.

In reports, dates are always shown as MM/DD/YY.

Some dividend reinvestment plans give you a Discount, such as 5%, on reinvested distributions. The amount of the discount is reported as taxable income, and the cost of the shares when you sell them is the undiscounted price. In Capital Gainz, you record a purchase discount using a negative commission.

Taxes and Purchase Discounts

A Distribution is when a security pays the holder dividends, interest, short/long term capital gain, or return of principal. Bond discount and amortization are also distributions, but are implied rather than actual disbursements. Capital Gainz also treats fees and accrued interest as distributions.

The Distribution Amount is the total value of the distribution. Usually, this is the distribution per share, or rate, multiplied by the number of shares owned.

Whenever a security distributes cash, like dividends, there are two components. First, there is the actual amount. Second, there is the Per Share amount, or the amount of the distribution divided by the number of shares owned. For dividends, this second value is also sometimes called the dividend rate. It is NOT a price.

Valid Distribution Types are:

DIV - Dividend or Interest
INT - Interest
STCG - Short Term Capital Gains
LTCG - Long Term Capital Gains
PRIN - Return of Principal
DISC - Bond Discount
AMRT - Bond Amortization
FEE - Fee
ACCR - Accrued Interest
MARG - Margin Interest

Taxes and Distributions

Dividends are cash disbursements of company earnings. Stocks and mutual funds distribute dividends on either and annual, semi-annual, quarterly, or monthly basis. There are two components to dividends: a total amount and a per share amount. The per share amount is the amount distributed per share, or dividend rate - it is NOT the same as the price of a security when reinvesting distributions. Many income mutual funds that pay dividends monthly factor in partial period holdings when calculating the distributions, as contrasted with securities that simply take the number of shares held on the dividend date and multiply it by the per share amount.

Dividends/Year or Interest/Year refers to the number of times dividends or interest are paid out by the company during the year. For instance, a bond fund may pay monthly dividends, so the Dividends/Year would be 12. Or, a stock may pay quarterly dividends, so the Dividends/Year would be 4. This figure is important in calculating the security's yield.

The Capital Gainz Document Directory, set to the DOC subdirectory under the Program Directory at installation and changed with the System Configuration form, defines where Capital Gainz documentation and help files are stored. Since Capital Gainz is usually installed in \CAPGNZ, the Document Directory is usually \CAPGNZ\DOC.

The Capital Gainz Download Directory, set to the DNLD subdirectory under the Program Directory at installation and changed with the System Configuration form, defines where Capital Gainz download program files and scripts are stored. Since Capital Gainz is usually installed in \CAPGNZ, the Download Directory is usually \CAPGNZ\DNLD.

The Exchange refers to values such as NYSE (New York Stock Exchange), AMEX (American Stock Exchange), OTC (Over-the-Counter), etc. The values are not checked against any list. When updating prices from the screen, securities are shown in alphabetical order first by exchange, then by global symbol. Some Exchange values are predefined, but you can enter any value you wish.

The Exchange Symbol is the actual ticker symbol used to identify a security. A field in the global security lets you define the exchange and exchange symbol. The global security symbol does not have to be the same as the exchange symbol, although it frequently is used that way. The exchange symbol is criticial if you will be updating prices from a file retrieved from an online service or the Internet, or using the Download Program to import data from another data source.

A Fee is an IRA maintenance fee, a low share balance fee, or another fee that isn't associated with a specific purchase or sale. Fees are managed along with distributions. Often, mutual fund companies redeem shares in order to pay fees. If this occurs, you must be sure to record the sale as well as the fee.

A Filename refers to the full path of a file located on your hard drive. When a field accepts a filename, a ***List*** button next to the field will pop up a list of filenames available.

A Global Security defines a particular stock, bond, or mutual fund. It has a price history and a security type. It is independent of all portfolios, and thus not directly related to any buy, sell, or distribution activity. A global security's symbol cannot be duplicated. Global securities are usually linked to local securities held in portfolios, but may exist independently for tracking prices.

The Global Security Name is a long descriptive name for the security. Wherever a local security is referenced, the global security name is retrieved via the global security symbol link.

The Global Security Symbol is a shorthand representation for a global security. It may be the same as the actual ticker symbol for a security, but the user is free to assign any symbol to a security. A global security symbol can not be duplicated.

When generating the Tax Schedule Report, you will have the option to Group Sales. Alternatively, whether or not to group sales can be set on a security-by-security basis by modifying the security type. This option simplifies the tax form by grouping all purchases for each sale into single long and short term entries. While strict interpretation of the IRS tax laws does not say this is allowed, many accountants have done it for years, and the resulting gain/loss and tax amounts are essentially the same.

Taxes and Group Sales

Interest payments are cash disbursements by short term securities. There are two components to interest: a total amount and a per share amount. Most securities that pay interest factor in partial period holdings when calculating the distributions.

Interest/Year is the same as Dividends/Year.

The Internal Rate of Return is a complex calculation that determines the gain/loss rate of an investment based on cash flows. An iterative process is used to arrive at the annual rate, factoring in the specific holding periods.

A Broker/Investment Company is composed of data identifying the company responsible for a global or local security. For a global security, this would be the actual company or mutual fund that issued the shares. For a local security, this would be the broker or mutual fund company responsible for buying or holding the shares.

Some mutual funds charge front-end Loads on purchases, and/or back-end Loads on sales. These charges could be treated as commissions. Since the stated load understates the actual cost percentage, an 'effective load' is often referred to as well.

If you use the average cost selling method and want to include any load as part of the average cost, then include it in the amount field. Capital Gainz does not average any commission amounts, since these are never really invested in shares.

Taxes and Commissions

A Local Security is an instance of a global security within a portfolio, and has buy, sell, and distribution activity. Price history and security type are determined through the link to the global security. A local security's symbol is unique within a single portfolio, but may be duplicated across portfolios.

A Local Security Symbol is a shorthand representation for a local security. It can be the same as the global security symbol or the same as the ticker symbol, but the user is free to assign any symbol to a security. A local security symbol is unique within a portfolio.

Margin is when the outflow of money from a portfolio's cash account exceeds the account's balance. Margined portfolios will show a negative balance for the cash account.

Margin Interest is when you have to pay a broker interest for money you borrowed to invest. Margin interest is similar to fees, in that both are recorded as distributions.

Net Buy indicates the amount of fresh cash added to a security or portfolio. It is calculated with:

Purchases - Sales - Distributions + Fees

The security or portfolio value increase.can be calculated by adding Net Buy to Return. For instance, if the Performance Report is run for 1/1/99 through 12/31/99, Net Buy + Return is the same as subtracting the value of the 12/31/98 Portfolio Detail Report from the 12/31/99 Portfolio Detail Report.

Non-taxable interest or dividends are amounts subtracted from the total distribution to arrive at the taxable amount. Non-taxable values include return of principal and non-taxable distributions.

The Original Amount of a buy shares record is the actual purchase amount, regardless of any activity, such as a return of principal distribution, that adjusts the basis. In most cases, it will be the same as the buy shares' amount field.

A Portfolio consists of zero or more related local securities and their holdings. Portfolios can be arranged by investor, account, or any other method the user desires.

Portfolio History is a set of historical value and return figures for a portfolio. These are added manually or calculated for a specific date or dates.

Value shows the value of shares held on that date.
Return shows the calculated gain/loss from all activity up to that date. (Realized and unrealized gains/losses.).
Return Percentage shows the unweighted return percentage, based on cost and return.

If no money ever leaves the portfolio, then the difference between the value and the return is cost.

A Portfolio Id is a number between 1 and 999. This number is used as part of the name for the physical files used to hold portfolio-specific data.

You can define Price and Share Precision for a local security. This specifies how many decimal places to use when accepting or displaying values for the security. The Precision really only helps with rounding at data entry time.

The Price for a security is usually the price without any load or commission, since activity form fields allow you to break out the load or commission on a purchase or sale. However, you may choose to not break the values out, and instead record the price including the load or commission. The current price of a security is the latest price that you recorded for the security. Prices are stored in the buy and sell records for purchases and sales, and a price history is built for the global security based on activity and price updates.

A Price Alert is an upper or lower price or volume limit you specify. These limits are checked when you update prices, or a manual check can be requested. Any current price or volume amount that exceeds one of the limits is flagged and displayed in a log.

Price History is a table of prices and distributions for a global security. Prices are added when recording activity or updating security prices.

Valid Price Types are:

PRC - Price per share.
DIV - Dividend per share.
INT - Interest per share.
STCG - Short term capital gain distribution.
LTCG - Long term capital gain distribution.
SPLT - Stock split or stock dividend ratio.

A Price Update File is a comma-delimited file containing symbols, dates, and prices. It is nearly always obtained from the Internet or an online service. You can define the specific content and order of the file to match the source of your price data.

The Capital Gainz Program Directory, defined at installation and changed with the System Configuration form, defines where Capital Gainz program and library files are stored. This is normally \CAPGNZ. Usually, the Data Directory is the same as the Program Directory.

A proxy server is a separate computer (or, more correctly a process on a computer) that serves as your gateway to the Internet. For instance, a small home network may have 3 computers, Computer A, Computer B, and Computer C. Computer A is connected to the Internet via a 56Kbps modem, and is also running proxy server software. Applications on Computers B and C can access the Internet via Computer A if they are told that Computer A is the proxy server.

Because of Quicken's popularity, many data services provide price files in what is called 'Quicken Price File Format'. This is simply a comma-delimited file with this format:

Symbol,Price,Date

Capital Gainz can read these files in, as is, using the ***Prices/Update Prices From File*** menu selection.

The Standard Return Rate is an annual percentage rate, derived from the Standard Return Percentage and the time period covered. The IRR Rate is the Internal Rate of Return.

A Realized Gain/Loss is a gain or loss resulting from a sale or distribution.

The Return is the total gain/loss, based on current value, purchases, sales, and distributions. Basically:

Return = End Value + Sell Amount + Distributions - Buy Amount

A Return of Principal is a non-taxable distribution of invested capital, usually associated with unit trusts, partnerships, or REITs. A return of principal distribution reduces the basis of your holdings. It is completely different from short/long term capital gains distributions.

The Standard Return Percentage is the gain/loss percentage based on current value, purchases, sales, and distributions. Basically:

Return = End Value + Sell Amount + Distributions - Buy Amount
Return% = Return/(Buy Amount - Reinvested Amount)

The IRR Return Percentage is based on the calculated Internal Rate of Return and the time period covered.

A Security Class is a top level category for a security type. You can't add or change security classes, but you can add or change security types. The security classes are:

STOCK - Securities such as common or preferred stock.
STOCK FUND - Stock-based mutual funds.
BOND - Securities such as corporate or municipal bonds.
BOND FUND - Bond-based mutual funds.
CASH - Any security with a fixed value, such as money market mutual funds.
OTHER - Any other type of security, such as a partnership.
OTHER FUND - Any other type of mutual fund, such as an allocation fund.

A Security Type consists of a class, such as Stock, and a Type, such as Large Company Stock. The security type contains information pertaining to a security's tax status. A global security is associated with a security type, and all local securities that are linked to that global security also inherit its security type. You can also further assign individual percentages to types for a specific global security - this is useful for breaking down a mutual fund into its constituent holdings.

Valid Sell Methods are:

FIFO - Shares are sold First-In/First-Out.
LIFO - Shares are sold Last-In/First-Out.
MAX - Shares are sold for Maximum Gain/Minimum Loss.
MIN - Shares are sold for Minimum Gain/Maximum Loss.
SCAT - Shares sold use Single Category Average Cost.
ID - You identify the specific shares to sell.
SHRT - Sell shares short.

Taxes and Selling Methods

Short Sales are when you sell shares of a security that you don't currently own. When selling short, you hope to buy the shares back at a profit.

Sell Shares are shares that have been sold. Sell shares are created when you record sales from the Local Security Table. Recorded sell shares can be modified or deleted, and sales can be reversed, from the Sell Shares Table. When shares are sold, buy shares are converted to sell shares.

The Stock Split Ratio specifies the ratio for a stock split or stock dividend, entered as Value1 for Value2. If each share is split into two shares, the ratio is 2 For 1. If a 10% stock dividend was paid, the ratio is 1.1 for 1. Notice that you can use equivalent ratios if desired or necessary - so, the 10% stock dividend could also be recorded as 110 for 100, or 11 for 10.

The Standard Return is a calculation that determines the unweighted gain/loss percentage of an investment based on purchases, sales, and distributions. Reinvested distributions and redistributed proceeds are accounted for in the cost.

Tax Exchange Format (TXF) is a special format used to transfer data to tax preparation software. In Capital Gainz, you can build a TXF file when generating the Tax Schedule Report. Refer to your tax preparation program's user manual for information on how to import the TXF file. The capabilities of such programs vary, so if you have an exceptional situation, such as multiple Schedule B's, then the tax program may not process the complete import file.

Interacting with Tax Software

A Tax Exempt (IRA) local security is skipped when the tax forms are generated. This designation should only be used for securities held in IRAs or 401K plans.

For tax form treatment of specific distributions, such as tax free dividends/interest, use the values in the security type. Tax free interest and dividends are subtracted out as non-taxable amounts on the Tax Schedule Report. Interest and dividends from Tax Exempt local securities don't appear on the Tax Schedule Report at all.

Tax-Exempt Retirement Accounts

The Capital Gainz Temporary Directory, set to the Windows temporary directory and installation and changed with the System Configuration form, defines where Capital Gainz creates temporary files during execution. This will normall be C:\TMP or C:\TEMP.

The Ticker Symbol is just another name for the global security Exchange Symbol
.

Total Return is a figure often used by mutual funds to show the performance of a fund over time. Total return includes reinvested distributions and price changes, mirroring a buy-and-hold strategy.

An Unrealized Gain/Loss is a gain or loss based on the purchase amount and current value. This is also frequently referred to as a 'paper' gain or loss.

When you delete sell shares, you are given the option to Unsell the shares. This means that the buy information is added back to the Buy Shares Table, effectively reversing the sale.

A URL, or Uniform Resource Locator, is text that points to a file on the Internet, specifying the communications protocol to use. For instance, http://www.alleycatsw.com/index.htm is the main page for the AlleyCat Software Web site.

The current Value of a security's holdings is the number of shares multiplied by the last recorded price.

For uncovered short sales, the displayed Value will be negative.

The Volume recorded with a price is the volume in hundreds of shares traded on that date.

Wash Sales occur when you sell shares of a security at a loss, and have similar purchases within 30 days prior to or after the sale. The loss should be eliminated or reduced by adjusting the basis of the shares sold, and adding the amount back to the remaining purchases. Capital Gainz can automatically adjust for wash sales when generating the Tax Schedules Report.

Taxes and Wash Sales

Yield is the expected annual payout rate of a security, based on the last dividend or interest payment, the number of times dividends/interest are paid out per year, and the last price. Yield can also be calculated based on average cost.