

NAME

penny-commodities - tracking multiple commodities with Penny

INTRODUCTION

Using **penny** is easy if you only want to track one commodity--most likely your home country's currency. Things get a little more complicated if you want to track more than one commodity, such as stocks, bonds, real estate, or depreciable assets like vehicles. You probably want to keep track of how much the commodity cost and the ultimate capital gain or loss.

This man page will tell you how to make entries in your ledger file for commodity purchases, and how you can use **penny** to gather the information you need. You will also want to examine the *stocks.pny* file, which is in the *examples* directory of the *penny-bin* tarball. It contains many examples.

ALL TRANSACTIONS MUST BE BALANCED

This means that the sum of all debits of a given commodity must equal the sum of all credits of the same commodity. So, what if you want to buy a commodity, like a stock? You could not record a transaction like the following one, because it is not balanced:

```
# 2012-01-01 Purchase stock
#      Assets:Brokerage           < 100 LUV
#      Assets:Checking            > $1000.00
```

The transaction above is not balanced. Penny will never allow you to create unbalanced transactions. Here is how I recommend solving this problem:

```
2012-01-01 Purchase stock
      Assets:Brokerage           < 100 LUV
      Assets:Checking            > $1000.00
      Basis:LUV:2012-01-01      > 100 LUV
      Basis:LUV:2012-01-01      < $1000.00
```

This transaction is balanced. You will also find it helpful to record a price:

```
@ 2012-01-01 LUV $10.00
```

This tells **penny** that on that date, one share of LUV was worth \$10.00. **penny** will only know this if you tell it so; it will not infer this information from the transactions you enter. Currently prices are only used by the *convert* report, as we will see shortly.

GAINS AND LOSSES BEFORE SALE

You have bought shares of YHOO at various times and you have entered prices for them in your ledger file:

```
2012-09-17 Buy stock
      Assets:Brokerage           < 100 YHOO
      Basis:YHOO:2012-09-17      > 100 YHOO
      Assets:Checking            > $1568.00
      Basis:YHOO:2012-09-17      < $1568.00
```

```
@ 2012-09-17 YHOO $15.68
```

```
2012-11-16 Buy stock
      Assets:Brokerage           < 100 YHOO
      Basis:YHOO:2012-11-16      > 100 YHOO
```

```

Assets:Checking          > $1786.00
Basis:YHOO:2012-11-16   < $1786.00

@ 2012-11-16 YHOO $17.86

2012-12-18 Buy stock
Assets:Brokerage         < 100 YHOO
Basis:YHOO:2012-12-18   > 100 YHOO
Assets:Checking          > $1982.00
Basis:YHOO:2012-12-18   < $1982.00

@ 2012-12-18 YHOO $19.82

@ 2012-12-20 YHOO $19.69

```

You want to see how your investment is doing. Run the following command:

```
penny -a Basis:YHOO convert stocks.pny
```

This shows you the current gain or loss on each purchase transaction. A credit indicates that your investment has gained value; a debit indicates a loss in value.

GAINS AND LOSSES AFTER SALE

When you sell your commodity, record debits and credits against the same *Basis* account that you used when purchasing the commodity.

```

2012-01-03 Buy stock
Assets:Brokerage         < 100 UNP
Assets:Checking          > $10800.00
Basis:UNP:2012-01-03    > 100 UNP
Basis:UNP:2012-01-03    < $10800.00

2012-12-28 Sell stock
Assets:Brokerage         > 100 UNP
Assets:Checking          < $12354.00
Basis:UNP:2012-01-03    < 100 UNP
Basis:UNP:2012-01-03    > $12354.00

```

Then you can see the profit or loss on the sale by using the *balance* report:

```
penny -a Basis:UNP bal stocks.pny
```

This shows a credit balance, indicating a capital gain.

Alternatively, if you don't want to figure out which *Basis* account to use when selling your commodity, simply use a *Proceeds* account, and then let **penny-selloff(1)** calculate the gain or loss for you:

```

2012-01-03 Buy stock
Assets:Brokerage         < 100 C
Assets:Checking          > $3072.00
Basis:C:2012-01-03      > 100 C
Basis:C:2012-01-03      < $3072.00

2012-12-03 Sell stock

```

```
Assets:Brokerage      > 100 C
Assets:Checking       < $3901.00
Proceeds:C:2012-12-03 < 100 C
Proceeds:C:2012-12-03 > $3901.00
```

And then run **penny-selloff**:

```
penny-selloff Proceeds:C:2012-12-03 stocks.pny
```

It will create a transaction for you which will show you the total capital gain or loss.

TRACKING CAPITAL ASSETS

You could also use Penny to track a capital asset such as your home. This example will get you started:

```
2012-12-31 Buy a house
  {Assets:Real Estate}    < HouseA 1
  Liabilities:Mortgage    > $ 80000.00
  Assets:Savings         > $ 20000.00
    'Down payment
  Basis:House1:2012-12-31 > HouseA 1
  Basis:House1:2012-12-31 < $ 100000.00
```

```
@ 2012-12-31 HouseA $100000.00
```

BUGS

Report any bugs in the programs or documentation to Omari Norman <omari@smileystation.com>

SEE ALSO

penny-suite(1)