Stock Market Indicators: Fundamental, Sentiment, & Technical

Yardeni Research, Inc.

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thinking outside the box
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Figure 1. YRI FUNDAMENTAL STOCK MARKET INDICATOR and S&P 500 INDEX

YRI Fundamental Stock Market Indicator*

S&P 500 Index

* Average of Consumer Comfort Index and Boom-Bust Barometer, which is CRB raw industrials spot price index divided by initial unemployment claims, four-week moving average.

Source: Bloomberg, Commodity Research Bureau, Department of Labor, and Standard & Poor’s Corporation.

Figure 2. YRI BOOM-BUST BAROMETER & CONSUMER COMFORT INDEX

Boom-Bust Barometer*

Consumer Comfort Index

* CRB raw industrials spot price index divided by initial unemployment claims, four-week moving average.

Source: Bloomberg, Commodity Research Bureau, Department of Labor.
Figure 3.

S&P 500 INDEX & INDUSTRIAL COMMODITY PRICES

S&P 500 Index

CRB Raw Industrials Spot Index


Figure 4.

S&P 500 INDEX & INITIAL UNEMPLOYMENT CLAIMS

Initial Unemployment Claims (thousands, sa, four-week moving average, inverted scale)

S&P 500 Index

Source: US Department of Labor and Standard & Poor's Corporation.
**Figure 5.**

YRI GLOBAL GROWTH BAROMETER (on S&P 500 basis) & S&P 500

- **YRI Global Growth Barometer** (796.1)
- **S&P 500 Index** (1940.2)

* Average of Brent crude oil and CRB raw industrials spot price index times 2 and divided by 10. Average then multiplied by 10 and 200 added.

Source: Standard & Poor’s Corporation and Commodity Research Bureau.

**Figure 6.**

US STOCK PRICES vs. BRENT CRUDE OIL PRICE

- **S&P 500 Index**
- **Brent Crude Oil Price** (dollars per barrel)

* Nearby futures price.

Source: Financial Times and Standard & Poor’s Corporation.
Figure 7.

S&P 500 INDEX vs. CITIGROUP ECONOMIC SURPRISE INDEX
(percent)


Figure 8.

S&P 500 P/E vs. CITIGROUP ECONOMIC SURPRISE INDEX
(percent)

* Average weekly price divided by 52-week forward consensus expected operating earnings per share.
Source: Standard & Poor’s Corporation, Thomson Reuters I/B/E/S, and Citigroup.
Investors Intelligence Sentiment

Figure 9.

INVESTORS INTELLIGENCE BULLS & BEARS

<table>
<thead>
<tr>
<th>Bull/Bear Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Jan 12 0.80</td>
</tr>
<tr>
<td>Jan 19 0.74</td>
</tr>
<tr>
<td>Jan 26 0.82</td>
</tr>
</tbody>
</table>

Bull/Bear Ratio

Jan 12 28.6 35.7
Jan 19 26.8 36.1
Jan 26 29.2 35.4

Correction

Jan 12 35.7
Jan 19 37.1
Jan 26 35.4

Source: Investors Intelligence.
Bull/Bear Ratio Over 3.0

Figure 10.

S&P 500 INDEX vs. BULL/BEAR RATIO OF 3.0 OR MORE* (ratio scale)

* Red shaded areas indicate Bull/Bear Ratio equal to or greater than 3.0.
Source: Standard & Poor’s Corporation and Investors Intelligence.

Figure 11.

DOW JONES INDEX vs. BULL/BEAR RATIO OF 3.0 OR MORE* (ratio scale)

* Red shaded areas indicate Bull/Bear Ratio equal to or greater than 3.0.
Figure 12.

S&P 500 INDEX vs. BULL/BEAR RATIO OF 1.0 OR LESS*
(ratio scale)

* Green shaded areas indicate Bull/Bear Ratio equal to or less than 1.0.
Source: Standard & Poor’s Corporation and Investors Intelligence.

Figure 13.

DOW JONES INDEX vs. BULL/BEAR RATIO OF 1.0 OR LESS*
(ratio scale)

* Green shaded areas indicate Bull/Bear Ratio equal to or less than 1.0.
Figure 14.  
S&P 500 % FROM 200-DMA vs. BULL/BEAR RATIO OF 3.0 OR MORE*  
* Red shaded areas indicates Bull/Bear Ratio equal to or more than 3.0.  
Source: Standard & Poor’s Corporation.

Figure 15.  
S&P 500 % FROM 200-DMA vs. BULL/BEAR RATIO OF 1.0 OR LESS*  
* Green shaded areas indicates Bull/Bear Ratio equal to or less than 1.0.  
Source: Standard & Poor’s Corporation.
Figure 16.

AAII Sentiment

Source: American Association of Individual Investors (AAII).
Bull/Bear Ratio vs. Consumer Confidence

Figure 17.
BULL/BEAR RATIO & CONSUMER CONFIDENCE

Source: New York Board of Trade, Commodity Futures Trading Commission, and the Conference Board.

Figure 18.
BULL/BEAR RATIO & CONSUMER COMFORT INDEX

Source: New York Board of Trade, Commodity Futures Trading Commission, and Bloomberg.
S&P 500 Put Call Ratio

Figure 19.
S&P 500 PUT/CALL
(weekly data)

Average = 1.616
(1996-2010)

Source: Chicago Board of Options Exchange.

Figure 20.
S&P 500 PUT/CALL
(4-week ma)

Average = 1.624
(1996-2010)

Source: Chicago Board of Options Exchange.
Figure 21.

VIX: S&P 500

Source: Chicago Board Options Exchange.

Figure 22.

VIX: NASDAQ 100

Source: Chicago Board Options Exchange.
Figure 23.

NEW YORK STOCK EXCHANGE WEEKLY VOLUME
(billion shares, 4-week moving average)

Dow Theory

Figure 24.
DOW JONES STOCK AVERAGES
(ratio scale)
Industrials (DJIA)
Transportation (DJTA)

Figure 25.
S&P 500 STOCK INDEXES
(ratio scale)
Industrials Composite*
Transportation Composite
* S&P 500 excluding Financials, Transports, and Utilities.
Source: Standard & Poor’s Corporation.
Figure 26.

S&P 500 INDEX: 2008-2015*

(log scale)

<table>
<thead>
<tr>
<th>Year</th>
<th>Decline</th>
<th>Days</th>
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</thead>
<tbody>
<tr>
<td>2008</td>
<td>-56.8%</td>
<td>510</td>
</tr>
<tr>
<td>2009</td>
<td>-16.0%</td>
<td>69</td>
</tr>
<tr>
<td>2010</td>
<td>-19.4%</td>
<td>154</td>
</tr>
<tr>
<td>2011</td>
<td>-9.9%</td>
<td>59</td>
</tr>
<tr>
<td>2012</td>
<td>-7.7%</td>
<td>61</td>
</tr>
<tr>
<td>2013</td>
<td>-7.4%</td>
<td>27</td>
</tr>
<tr>
<td>2014</td>
<td>-12.4%</td>
<td>94</td>
</tr>
</tbody>
</table>

* Dips are declines of less than 10%. Corrections are declines of 10% to 20%. Bear markets are declines of 20% or more. Number of days in parentheses.

Source: Standard & Poor’s Corporation.

Figure 27.

S&P 500 INDEX

(as a percent of 200-day moving average)

Source: Standard & Poor’s Corporation.
Figure 28.

S&P 500 INDEX*

Latest price: 1940.24
50-dma: 2007.65
200-dma: 2045.52

(-) Latest price is -3.5% below the 50-dma.
(-) Latest price is -5.4% below the 200-dma.

* Ratio Scale
Source: Standard & Poor’s Corporation.

Figure 29.

S&P 500 INDEX TECHNICALS
THE DEATH CROSS & THE GOLDEN CROSS
(50-dma relative to 200-dma, percent, weekly)

Source: Haver Analytics and Standard & Poor’s Corporation.
Figure 30.

CONSUMER DISCRETIONARY* (S&P 500 sector price indexes)

INDUSTRIALS

CONSUMER STAPLES

INFORMATION TECHNOLOGY

ENERGY

MATERIALS

FINANCIALS

TELECOMMUNICATION SERVICES

HEALTH CARE

UTILITIES

— 200-day moving average

* S&P 500 sector price indexes on ratio scales.

Source: Haver Analytics and Standard & Poor’s Corporation.
Figure 31. S&P 500 Sectors Stock Price Index Minus 200-dma

CONSUMER DISCRETIONARY (% from 200-day moving average)

INDUSTRIALS

CONSUMER STAPLES

INFORMATION TECHNOLOGY

ENERGY

MATERIALS

FINANCIALS

TELECOMMUNICATION SERVICES

HEALTH CARE

UTILITIES

Source: Haver Analytics and Standard & Poor’s Corporation.
Figure 32.

CONSUMER DISCRETIONARY (as a ratio of S&P 500 Index)

INDUSTRIALS

CONSUMER STAPLES

INFORMATION TECHNOLOGY

ENERGY

MATERIALS

FINANCIALS

TELECOMMUNICATION SERVICES

HEALTH CARE

UTILITIES

Source: Haver Analytics and Standard & Poor’s Corporation.
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