Stock Market Indicators: Fundamental, Sentiment, & Technical

Yardeni Research, Inc.

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Dr. Edward Yardeni
516-972-7683
eyardeni@yardeni.com

Joe Abbott
732-497-5306
jabott@yardeni.com

Debbie Johnson
480-664-1333
djohnson@yardeni.com

Mali Quintana
480-664-1333
aquintana@yardeni.com

Please visit our sites at
www.yardeni.com
blog.yardeni.com

thinking outside the box
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**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.

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**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


Figure 4.

S&P 500 INDEX & INITIAL UNEMPLOYMENT CLAIMS

Source: US Department of Labor and Standard & Poor’s.
Global Growth Barometer

Figure 5.

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

- YRI Global Growth Barometer* (1008.1)
- S&P 500 Index (2591.1)

* 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*

* Nearby futures price.

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

**S&P 500 INDEX vs. CITIGROUP ECONOMIC SURPRISE INDEX**

(percent)

S&P 500 minus its 200 day-moving average

Economic Surprise Index


Figure 8.

**S&P 500 P/E vs. CITIGROUP ECONOMIC SURPRISE INDEX**

(percentage)

S&P 500 Forward P/E*

Economic Surprise Index

*Average weekly price divided by 52-week forward consensus expected operating earnings per share.

Source: Standard & Poor’s, Thomson Reuters I/B/E/S, and Citigroup.
Investors Intelligence Sentiment

Figure 9.

INVESTORS INTELLIGENCE BULLS & BEARS

Ratio

- Bull/Bear Ratio

<table>
<thead>
<tr>
<th>Date</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 17</td>
<td>3.95</td>
</tr>
<tr>
<td>Oct 24</td>
<td>4.13</td>
</tr>
<tr>
<td>Oct 31</td>
<td>4.41</td>
</tr>
</tbody>
</table>

Percentage

- Bulls
- Bears

<table>
<thead>
<tr>
<th>Date</th>
<th>Bulls</th>
<th>Bears</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 17</td>
<td>60.0</td>
<td>15.2</td>
</tr>
<tr>
<td>Oct 24</td>
<td>62.3</td>
<td>15.1</td>
</tr>
<tr>
<td>Oct 31</td>
<td>63.5</td>
<td>14.4</td>
</tr>
</tbody>
</table>

Correction

- Correction Camp

<table>
<thead>
<tr>
<th>Date</th>
<th>Correction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 17</td>
<td>24.8</td>
</tr>
<tr>
<td>Oct 24</td>
<td>22.6</td>
</tr>
<tr>
<td>Oct 31</td>
<td>22.1</td>
</tr>
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Source: Investors Intelligence.
**Bull/Bear Ratio Over 3.0**

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

Source: Standard & Poor’s and Investors Intelligence.

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*Red shaded areas indicates Bull/Bear Ratio equal to or greater than 3.0.*

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

* Green shaded areas indicates 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 INDEX FOR STOCKS

AAII Bull Ratio*

0 25 50 75 100
0 25 50 75 100
11/1

AAII Bull/Bear Ratio

0 1 2 3 4 5
0 1 2 3 4 5
11/1

Latest Readings
Bulls Bears
Oct 25 39.6 33.0
Nov 1 45.1 28.6

* AAII Bull Ratio is the percent of bulls over the percent of bulls plus percent of bears.
Source: American Association of Individual Investors (AAII).
Bull/Bear Ratio vs. Consumer Confidence

Figure 17.
BULL/BEAR RATIO & CONSUMER CONFIDENCE

Bull/Bear Ratio (4-week average)
Consumer Confidence Expectations Index

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

Figure 18.
BULL/BEAR RATIO & CONSUMER COMFORT INDEX

Bull/Bear Ratio (4-week average)
Consumer Comfort Index

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

S&P 500 PUT/CALL
(weekly data)

Average = 1.616
(1996-2010)

Source: Chicago Board of Options Exchange.

Figure 19.

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

Average = 1.624
(1996-2010)

Source: Chicago Board of Options Exchange.

Figure 20.
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)

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

Source: Standard & Poor’s.

* S&P 500 excluding Financials, Transports, and Utilities.
S&P 500 Moving Averages

Figure 26.

S&P 500 INDEX: 2008-2017*
(log scale)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
<th>Days</th>
</tr>
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<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>-9.8%</td>
<td>27</td>
</tr>
<tr>
<td>2012</td>
<td>-9.9%</td>
<td>59</td>
</tr>
<tr>
<td>2013</td>
<td>-7.7%</td>
<td>61</td>
</tr>
<tr>
<td>2014</td>
<td>-7.4%</td>
<td>27</td>
</tr>
<tr>
<td>2015</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)

<table>
<thead>
<tr>
<th>Year</th>
<th>% from 200-day moving average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>-6.5</td>
</tr>
</tbody>
</table>

Source: Standard & Poor’s.
Figure 28.

S&P 500 INDEX*

Latest price: 2587.84
50-dma: 2523.08
200-dma: 2428.86

(+) Latest price is 2.5% above the 50-dma.
(+) Latest price is 6.1% above the 200-dma.

Source: Standard & Poor’s.

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.

S&P 500* (price indexes)

INDUSTRIALS

CONSUMER DISCRETIONARY*

INFORMATION TECHNOLOGY

CONSUMER STAPLES

MATERIALS

ENERGY

REAL ESTATE

FINANCIALS

TELECOMMUNICATION SERVICES

HEALTH CARE

UTILITIES

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

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

Figure 31.

S&P 500
(price index as percentage of 200-dma)

% from 200-dma (6.5)

INDUSTRIALS

(5.0)

CONSUMER DISCRETIONARY

(2.8)

INFORMATION TECHNOLOGY

(15.6)

CONSUMER STAPLES

(-3.0)

MATERIALS

(8.5)

ENERGY

(2.4)

REAL ESTATE

(2.0)

FINANCIALS

Includes Real Estate through September 2016

(9.0)

TELECOMMUNICATION SERVICES

(-8.8)

HEALTH CARE

(5.0)

UTILITIES

(5.0)

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