



Fear & Greed Index

Thursday, February 23, 2017

The **Fear & Greed Index** readings for **February 23** are shown on the following pages.
The overall current score is: **75** – **Extreme Greed**. (**Wednesday: 80** – **Extreme Greed**)

eResearch Corporation is pleased to provide a reading of CNNMoney's Fear & Greed Index.

Investors are driven by two emotions: fear and greed. Too much fear can sink stocks well below where they should be. When investors get greedy, they can bid up stock prices way too far.

So, what emotion is driving the market now? CNNMoney's Fear & Greed index gives the answer.

CNNMoney looks at 7 Indicators:

- **Market Momentum:** The S&P 500 (**SPX**) versus its 125-day moving average
- **Market Volatility:** The VIX (**VIX**), which measures volatility
- **Safe Haven Demand:** The difference in returns for stocks versus Treasuries
- **Junk Bond Demand:** The spread between yields on investment grade bonds and junk bonds
- **Stock Price Breadth:** The volume of shares trading in stocks on the rise versus those declining
- **Stock Price Strength:** The number of stocks hitting 52-week highs and lows on the New York Stock Exchange
- **Put and Call Options:** The put/call ratio, which compares the trading volume of bullish call options relative to the trading volume of bearish put options

Each Indicator is analyzed to see how far it has veered from its average relative to how far it normally veers. Each Indicator is rated on a scale from 0 - 100. The higher the reading, the greedier investors are being; 50 is neutral.

Then all the Indicators are put together, equally weighted, for a final index reading.

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Fear & Greed Index

Key:

<u>Status</u>	<u>Reading</u>
Extreme Fear	0-25
Fear	26-44
Neutral	45-55
Greed	56-74
Extreme Greed	75-100

Readings: Index

<u>Date</u>	<u>Status</u>	<u>Reading</u>	<u>Week Ago</u>	<u>Month Ago</u>	<u>Year Ago</u>
9-Jan-17	Greed	G-66	G-59	EG-86	EF-18
10-Jan-17	Greed	G-62	G-71	EG-86	EF-18
11-Jan-17	Greed	G-61	G-71	EG-87	EF-17
12-Jan-17	Neutral	N-55	G-71	EG-88	EF-14
13-Jan-17	Greed	G-57	G-68	EG-86	EF-17
17-Jan-17	Greed	G-57	G-62	EG-84	EF-10
18-Jan-17	Greed	G-56	G-61	EG-82	EF-11
19-Jan-17	Neutral	N-53	N-55	EG-79	EF-9
20-Jan-17	Neutral	N-54	N-57	G-74	EF-13
23-Jan-17	Neutral	N-49	N-57	G-66	EF-13
24-Jan-17	Neutral	N-54	N-57	G-66	EF-15
25-Jan-17	Greed	G-59	G-56	G-66	EF-17
26-Jan-17	Greed	G-57	N-53	G-70	EF-19
27-Jan-17	Greed	G-59	N-54	G-67	EF-20
2-Feb-17	Neutral	N-51	G-58	G-70	EF-25
3-Feb-17	Greed	G-60	G-59	G-70	EF-25
6-Feb-17	Greed	G-56	N-55	G-68	EF-19
15-Feb-17	Extreme Greed	EG-80	G-65	G-56	F-40
16-Feb-17	Extreme Greed	EG-78	G-66	G-58	F-43
17-Feb-17	Extreme Greed	EG-77	G-68	N-55	N-48
21-Feb-17	Extreme Greed	EG-83	EG-78	N-54	N-51
22-Feb-17	Extreme Greed	EG-80	EG-80	N-50	N-51
23-Feb-17	Extreme Greed	EG-75	EG-78	N-52	N-48

<continued>



Readings: Indicators

<u>Date</u>	<u>Market Momentum</u>	<u>Market Volatility</u>	<u>Safe Haven Demand</u>	<u>Junk Bond Demand</u>	<u>Stock Price Breadth</u>	<u>Stock Price Strength</u>	<u>Put & Call Options</u>
9-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Ext. Greed
10-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Greed
11-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Greed
12-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Fear
13-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Fear
17-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Greed
18-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Fear
19-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Fear	Fear
20-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Fear	Fear	Fear
23-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Fear	Fear	Ext. Fear
24-Jan-17	Ext. Greed	Neutral	Fear	Ext. Greed	Fear	Neutral	Ext. Fear
25-Jan-17	Ext. Greed	Neutral	Fear	Ext. Greed	Fear	Neutral	Fear
26-Jan-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Neutral	Neutral	Fear
27-Jan-17	Ext. Greed	Neutral	Fear	Ext. Greed	Fear	Neutral	Fear
2-Feb-17	Ext. Greed	Neutral	Fear	Ext. Greed	Fear	Neutral	Ext. Fear
3-Feb-17	Ext. Greed	Neutral	Greed	Ext. Greed	Fear	Neutral	Fear
6-Feb-17	Ext. Greed	Neutral	Ext. Fear	Ext. Greed	Fear	Neutral	Greed
15-Feb-17	Ext. Greed	Neutral	Ext. Greed	Ext. Greed	Neutral	Ext. Greed	Ext. Greed
16-Feb-17	Ext. Greed	Neutral	Greed	Greed	Neutral	Ext. Greed	Ext. Greed
17-Feb-17	Ext. Greed	Neutral	Greed	Greed	Neutral	Ext. Greed	Ext. Greed
21-Feb-17	Ext. Greed	Neutral	Ext. Greed	Ext. Greed	Neutral	Ext. Greed	Ext. Greed
22-Feb-17	Ext. Greed	Neutral	Greed	Greed	Greed	Ext. Greed	Ext. Greed
23-Feb-17	Ext. Greed	Neutral	Neutral	Greed	Greed	Ext. Greed	Ext. Greed

Indicators:

Market Momentum: **Extreme Greed**

The S&P 500 is 6.86% above its 125-day average. This is further above the average than has been typical during the last two years and rapid increases like this often indicate extreme greed.

Market Volatility: **Neutral**

The CBOE Volatility Index (VIX) is at 11.71. This is a neutral reading and indicates that market risks appear low.

Safe Haven Demand: **Neutral**

Stocks have outperformed bonds by 1.85 percentage points during the last 20 trading days. This performance is in-line with what has been typical for the last two years and does not indicate either fear or greed.



Junk Bond Demand: Greed

Investors in low quality junk bonds are accepting 1.87 percentage points in additional yield over safer investment grade corporate bonds. While this spread is historically high, it is low compared to recent history and suggests that investors are pursuing higher risk strategies.

Stock Price Breadth: Greed

The McClellan Volume Summation Index measures advancing and declining volume on the NYSE. During the last month, approximately 6.61% more of each day's volume has traded in advancing issues than in declining issues, pushing this indicator towards the upper end of its range for the last two years.

Stock Price Strength: Extreme Greed

The number of stocks hitting 52-week highs exceeds the number hitting lows and is at the upper end of its range.

Put and Call Options: Extreme Greed

During the last five trading days, volume in put options has lagged volume in call options by 38.29% as investors make bullish bets in their portfolios. This is among the lowest levels of put buying seen during the last two years, indicating extreme greed on the part of investors.


