



Fear & Greed Index

Thursday, April 20, 2017

The **Fear & Greed Index** readings for **April 20** are shown on the following pages. The overall current score is: **35 – Fear**. (**Wednesday: 30 – Fear**)

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>
15-Mar-17	Neutral	N-53	G-62	G-72	G-73
16-Mar-17	Neutral	N-51	G-65	EG-80	EG-78
17-Mar-17	Neutral	N-45	G-65	EG-80	EG-78
20-Mar-17	Fear	F-42	G-64	EG-78	EG-79
21-Mar-17	Fear	F-36	N-51	EG-78	EG-78
22-Mar-17	Fear	F-32	N-53	EG-78	EG-78
23-Mar-17	Fear	F-30	N-51	EG-83	EG-70
24-Mar-17	Fear	F-30	N-45	EG-80	G-66
27-Mar-17	Fear	F-29	F-42	G-69	G-64
28-Mar-17	Fear	F-34	F-36	G-69	G-64
29-Mar-17	Fear	F-34	F-32	G-70	G-68
30-Mar-17	Fear	F-43	F-30	G-64	G-70
31-Mar-17	Neutral	N-47	F-30	EG-80	G-73
3-Apr-17	Neutral	N-46	F-29	G-74	EG-77
4-Apr-17	Neutral	N-46	F-34	G-74	G-74
5-Apr-17	Fear	F-43	F-34	G-69	G-69
6-Apr-17	Fear	F-43	F-43	G-70	EG-76
7-Apr-17	Fear	F-40	N-47	G-62	G-68
10-Apr-17	Fear	F-36	N-46	G-65	G-68
17-Apr-17	Fear	F-31	F-36	N-53	G-71
18-Apr-17	Fear	F-30	F-31	N-45	G-74
19-Apr-17	Fear	F-30	F-28	F-36	EG-75
20-Apr-17	Fear	F-35	EF-25	F-36	EG-75

<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>
15-Mar-17	Ext. Greed	Neutral	Fear	Greed	Ext. Fear	Neutral	Neutral
16-Mar-17	Ext. Greed	Neutral	Fear	Greed	Ext. Fear	Neutral	Neutral
17-Mar-17	Ext. Greed	Neutral	Fear	Greed	Ext. Fear	Neutral	Ext. Fear
20-Mar-17	Ext. Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Neutral	Fear
21-Mar-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Neutral	Ext. Fear
22-Mar-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
23-Mar-17	Greed	Ext. Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
24-Mar-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
27-Mar-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
28-Mar-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
29-Mar-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Fear
30-Mar-17	Greed	Neutral	Ext. Fear	Greed	Ext. Fear	Fear	Greed
31-Mar-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Greed
3-Apr-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Greed
4-Apr-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Greed
5-Apr-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Greed
6-Apr-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Greed
7-Apr-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Greed
10-Apr-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Greed
17-Apr-17	Greed	Fear	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
18-Apr-17	Neutral	Fear	Ext. Fear	Fear	Ext. Fear	Fear	Ext. Fear
19-Apr-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear
20-Apr-17	Greed	Neutral	Ext. Fear	Neutral	Ext. Fear	Fear	Ext. Fear

Indicators:

Market Momentum: **Greed**

The S&P 500 is 3.50% above its 125-day average. This is further above the average than has been typical during the last two years and indicates greed on the part of investors.

Market Volatility: **Neutral**

The CBOE Volatility Index (VIX) is at 14.15. This is a neutral reading and indicates that market risks appear low.

Safe Haven Demand: **Extreme Fear**

Stocks and bonds have provided similar returns during the last 20 trading days. However, this has been among the weakest periods for stocks relative to bonds in the past two years and indicates investors are fleeing risky stocks for the safety of bonds.



Junk Bond Demand: Neutral

Investors in low quality junk bonds are accepting 1.90 percentage points in additional yield over safer investment grade corporate bonds. While this spread is historically high, it is in-line with recent price history and indicates that investors are not showing significant fear or greed in the corporate bond market.

Stock Price Breadth: Extreme Fear

The McClellan Volume Summation Index measures advancing and declining volume on the NYSE. During the last month, approximately 1.12% more of each day's volume has traded in declining issues than in advancing issues, pushing this indicator towards the lower end of its range for the last two years.

Stock Price Strength: Fear

The number of stocks hitting 52-week highs exceeds the number hitting lows but is at the lower end of its range, indicating fear.

Put and Call Options: Extreme Fear

During the last five trading days, volume in put options has lagged volume in call options by 30.71% as investors make bullish bets in their portfolios. However, this is still among the highest levels of put buying seen during the last two years, indicating extreme fear on the part of investors.


