



## Fear & Greed Index

April 28, 2015

**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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The Fear & Greed Index readings for **April 28** are shown on the following page. The overall current score is: **61** – **Greedy**.



## Fear & Greed Index

### Key:

<u>Status</u>	<u>Reading</u>
<b>Extreme Fear</b>	0-25
<b>Fear</b>	26-44
<b>Neutral</b>	45-55
<b>Greed</b>	56-74
<b>Extreme Greed</b>	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>
26-Mar-15	<b>Fear</b>	38	39	75	40
27-Mar-15	<b>Fear</b>	35	48	77	34
30-Mar-15	<b>Fear</b>	39	49	74	36
31-Mar-15	<b>Fear</b>	34	46	74	47
1-Apr-15	<b>Fear</b>	32	39	74	51
2-Apr-15	<b>Fear</b>	38	38	71	59
6-Apr-15	<b>Neutral</b>	45	39	58	46
7-Apr-15	<b>Neutral</b>	46	34	58	35
8-Apr-15	<b>Neutral</b>	53	35	58	35
9-Apr-15	<b>Greed</b>	59	38	47	43
10-Apr-15	<b>Greed</b>	62	38	42	29
13-Apr-15	<b>Greed</b>	60	45	40	20
14-Apr-15	<b>Greed</b>	57	46	40	21
15-Apr-15	<b>Greed</b>	64	53	42	21
16-Apr-15	<b>Greed</b>	62	58	37	24
17-Apr-15	<b>Neutral</b>	49	62	42	29
20-Apr-15	<b>Greed</b>	57	60	48	29
21-Apr-15	<b>Neutral</b>	55	57	48	37
22-Apr-15	<b>Greed</b>	61	63	49	41
23-Apr-15	<b>Greed</b>	64	62	46	39
24-Apr-15	<b>Greed</b>	66	49	39	43
27-Apr-15	<b>Greed</b>	60	55	36	35
28-Apr-15	<b>Greed</b>	61	54	36	34

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## 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 &amp; Call Options</u>
26-Mar-15	Ext. Fear	Neutral	Ext. Fear	Greed	Fear	Greed	Fear
27-Mar-15	Ext. Fear	Neutral	Fear	Neutral	Fear	Neutral	Fear
30-Mar-15	Ext. Fear	Neutral	Fear	Neutral	Fear	Neutral	Fear
31-Mar-15	Ext. Fear	Neutral	Ext. Fear	Neutral	Fear	Neutral	Fear
1-Apr-15	Ext. Fear	Neutral	Ext. Fear	Fear	Fear	Neutral	Fear
2-Apr-15	Ext. Fear	Neutral	Fear	Greed	Fear	Neutral	Fear
6-Apr-15	Ext. Fear	Neutral	Fear	Greed	Neutral	Greed	Neutral
7-Apr-15	Ext. Fear	Neutral	Fear	Greed	Neutral	Greed	Neutral
8-Apr-15	Ext. Fear	Neutral	Neutral	Greed	Neutral	Greed	Greed
9-Apr-15	Ext. Fear	Neutral	Greed	Ext. Greed	Greed	Greed	Greed
10-Apr-15	Fear	Neutral	Neutral	Ext. Greed	Greed	Greed	Ext. Greed
13-Apr-15	Ext. Fear	Neutral	Neutral	Greed	Greed	Greed	Ext. Greed
14-Apr-15	Fear	Neutral	Fear	Greed	Greed	Greed	Greed
15-Apr-15	Fear	Neutral	Neutral	Ext. Greed	Ext. Greed	Greed	Greed
16-Apr-15	Fear	Neutral	Neutral	Greed	Ext. Greed	Greed	Greed
17-Apr-15	Ext. Fear	Neutral	Fear	Neutral	Ext. Greed	Greed	Neutral
20-Apr-15	Fear	Neutral	Neutral	Greed	Ext. Greed	Greed	Neutral
21-Apr-15	Fear	Neutral	Fear	Greed	Ext. Greed	Greed	Neutral
22-Apr-15	Fear	Neutral	Greed	Greed	Ext. Greed	Neutral	Neutral
23-Apr-15	Neutral	Neutral	Greed	Greed	Ext. Greed	Neutral	Neutral
24-Apr-15	Greed	Neutral	Greed	Greed	Ext. Greed	Greed	Greed
27-Apr-15	Neutral	Neutral	Greed	Greed	Ext. Greed	Greed	Fear
28-Apr-15	Greed	Neutral	Greed	Greed	Ext. Greed	Neutral	Neutral

## Indicators:

### Market Momentum: Neutral

The S&P 500 is 2.57% 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 12.41. This is a neutral reading and indicates that market risks appear low.

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**Safe Haven Demand: Greed**

Stocks have outperformed bonds by 1.50 percentage points during the last 20 trading days. This is close to the strongest performance for stocks relative to bonds in the past two years and indicates investors are rotating into stocks from the relative safety of bonds.

**Junk Bond Demand: Greed**

Investors in low quality junk bonds are demanding 2.05 percentage points in additional yield over safer investment grade corporate bonds. This spread is lower than what has been typical during the last two years and indicates that investors are pursuing higher risk strategies.

**Stock Price Breadth: Extreme Greed**

The McClellan Volume Summation Index measures advancing and declining volume on the NYSE. During the last month, approximately 6.41% 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: Neutral**

The number of stocks hitting 52-week highs exceeds the number hitting lows but is in the middle of its two-year range and is neutral.

**Put and Call Options: Neutral**

During the last five trading days, volume in put options has lagged volume in call options by 38.30% as investors make bullish bets in their portfolios. This is a lower level of put buying than has been the norm during the last two years and is a neutral indication.

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