Fractal Volatility Index for ALL : 0.486. Market Wide FVI:0.478
(0 - 0.33: Stable, 0.33 - 0.66: Moderate Volatility, 0.66 - 1: High Volatility)

Red: High Risk FVI zone,Orange: Medium Risk FVI zone, Green: Low Risk FVI zone

Verv Stock Analysis Report: The Allstate Corporation ALL FVI 0.486

Analysis Period: 2021-08-13 to 2026-08-13

The Fractal Volatility Index (FVI) is scaled between 0 and 1 reflecting the stock's overall volatility. A higher score indicates greater unpredictability and market instability.

Unlike traditional volatility indicators like VIX or Beta, FVI does not track short-term fluctuations—it detects hidden instability before it manifests in price swings.
FVI is a composite score that incorporates Lyapunov Exponent, Hurst Exponent, and Detrended Fluctuation Analysis (DFA).

Breakout Probability

Breakout Probability Score (BPS): 1.398
Breakout Probability Score (BPS) quantifies price momentum likelihood: BPS > 1.5 suggests high breakout potential, while BPS < 0.5 indicates consolidation.
(BPS > 1.5 High breakout potential - Strong momentum, watch for confirmation.)
(BPS 0.5 - 1.5 Moderate breakout likelihood - Possible move, monitor closely.)
(BPS < 0.5 Low breakout probability - Likely consolidation or range-bound.)
Request ID: FVI
Account ID: WeeklyReport

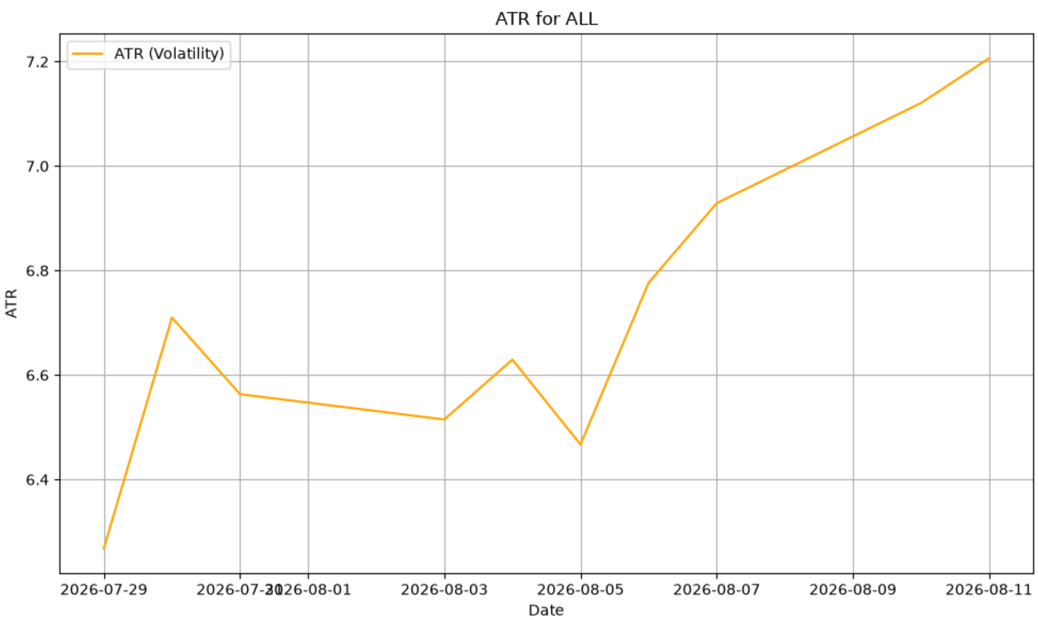
Fractal & Statistical Analysis

FVI Score: 0.486 (Fractal Volatility Index FVI)
DFA Result: 0.4588 (Detrended Fluctuation Analysis)
Lyapunov Exponent: 0.0162 (Measures chaos and predictability)
Hurst Exponent: 0.4398 (Indicates trending or mean-reverting behavior)

Breakout & Recent Price Change Analysis

Breakout Statement: No strong breakout signal detected: The latest closing price of 262.23 is within the Bollinger Bands range (240.86 - 279.58).
Latest ATR: 7.2063

Average True Range (ATR)

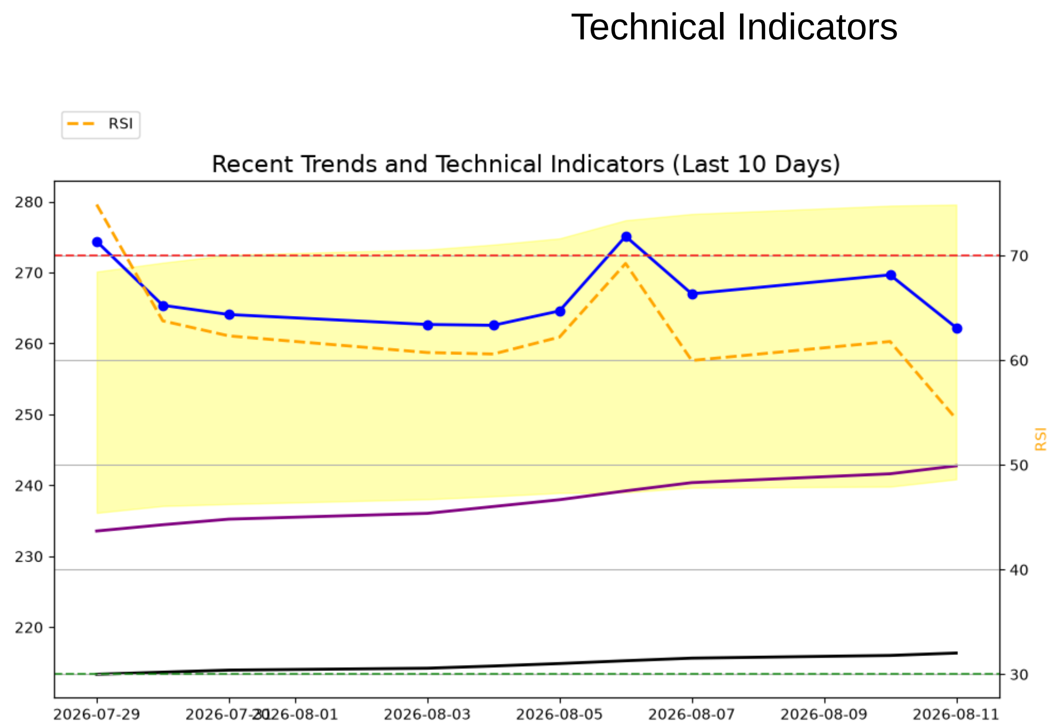


The ATR measures the recent price volatility of a stock, calculating the average range between its high and low prices over a given period (usually 14 days). A higher ATR indicates greater market volatility, and a lower ATR indicates less volatility.

Low ATR (below 2): Stable stock, Moderate ATR (2-5): Mild volatility, High ATR (above 5): Highly volatile stock

Technical Indicators

Technical indicators are based on historical price and volume data used in technical analysis to forecast financial market direction. They help identify trends, momentum, volatility, and potential entry and exit points in the market.



Left y axis - Stock Price. Right y axis - RSI range values (30 - 70)

Close Price(blue line with circles) - Key indicator of the stock's price action and is often used to identify trends or patterns. A rising close price generally indicates an upward trend, while a falling close price shows a downward trend.

SMA_50 and SMA_200 - (purple line SMA_50, black line SMA_200) Simple Moving Averages (SMA) calculated over 50 and 200 periods. Helps identify the direction of stock price trend.

Bollinger Bands - (shaded in yellow): Bollinger Bands consists of upper, middle and lower prices. The middle line is the moving average. Price reaching the upper band can indicate an overbought condition, suggesting the stock might be due for a pullback. Price touching the lower band could indicate an oversold condition, suggesting a potential buying opportunity. When the price moves outside the bands, it may indicate extreme conditions.

Relative Strength Index RSI - (orange dotted line): The RSI is a momentum oscillator that measures the speed and change of price movements. An RSI above 70 suggests the stock is overbought and might be due for a pullback. An RSI below 30 suggests the stock is oversold and might be due for a rebound.An RSI in between indicates a more neutral market condition.

AI Executive Assessment

Investment Report:

--- INVESTMENT REPORT ---

1. Volatility & Breakout Potential
- The stock seems to be in a regime of relative stability with a moderate FVI of 0.486. This suggests a steady trend rather than chaotic volatility.
- The Lyapunov value of 0.016, being lower than the market-wide values, indicates less instability.
- The Bollinger Bands are not showing a strong breakout signal, suggesting a potential consolidation phase.
- The significant volume change of 48.04% could be confirming the price moves, indicating strong investor interest.

2. Market Sentiment
- The stock appears to be influenced by institutional-driven behavior.
- The absence of strong breakout signals and moderate volatility suggests a cautious investor mood.

3. Geopolitical Risk Assessment
- The stock's sector, financial services, does not have a GHG score, making it difficult to assess its exposure to energy price shocks or supply-side inflation risk.
- The high global FVI indicators, particularly for Gold and TWI, indicate a potential for global stress, which could impact the stock.

4. Sector and Supply Chain Exposure
- As a financial services stock, it may not have direct exposure to energy, logistics, or agricultural sectors. However, it could be indirectly affected by disruptions in these sectors.
- The stock could be vulnerable to macroeconomic instability, trade war signals, and global volatility.

Strategy Recommendation
- Given the stock's moderate FVI, Lyapunov, and Hurst values, and the absence of a strong breakout signal, a cautious approach may be warranted.
- The strategy could involve a mix of trend-following and hedging, with a focus on downside risk management.

--- FINAL TAKEAWAY ---
Despite the stock's stability and institutional-driven behavior, the high global volatility and potential for geopolitical stress warrant a cautious investment approach. The strategy should focus on managing downside risk and considering hedging options. The absence of a strong breakout signal suggests the stock is in a consolidation phase, and investors should be wary of false breakouts.

Stock Information

Market Capitalization: 66306945000, Industry: INSURANCE - PROPERTY & CASUALTY, Latest Volume: 2859970, Description: The Allstate Corporation, Sector: FINANCIAL SERVICES, Price to Book: 2.151, Trailing PE: 5.25, Forward PE: 10.66, Enterprise to Revenue: 1.108, Profit Margins: 0.19

The trading volume has changed by 48.04% over the past week, indicating potential shifts in market sentiment. Please factor this into the volatility and risk analysis.

Beta measures stock volatility relative to the overall market: 0.16
Beta of 0.16 suggests low volatility compared to the market.

Stock Investment Character Report

Analysis in view of stock characteristics and current global macroeconomic information.

Investment Character: Steady Operator

Resilience: 66%
Momentum: 28%
Structural Stress: 18%
Narrative Dependence: 12%
Confidence: 60%

Calculated Metrics:
- Price-Volume Divergence: 0.000
- Volatility Dissonance Index: -0.719

Evidence:
- Low beta (0.156) with moderate ATR (7.2063) and small Lyapunov exponent (0.01625) indicate relatively contained, stable price behavior
- Profit margin 0.19 and EV/Revenue 1.108 alongside Trailing P/E 5.25 and Forward P/E 10.66 suggest profitability with moderate valuation
- No strong breakout signal: price 262.23 within Bollinger Bands (240.86 - 279.58) despite a 48.04% increase in recent volume; FVI 0.486 near market FVI 0.478; Hurst 0.4398 indicates anti-persistent, mean-reverting tendencies

Assessment:
ALL currently presents as a steady, low-beta insurer with evidence of operating profitability and restrained volatility. The absence of a breakout and anti-persistent dynamics point to consolidation rather than momentum-driven behavior. Some key fundamentals (e.g., EPS/EV multiples) show gaps or inconsistencies, so conclusions lean on observed profitability and stability rather than growth assumptions.

Medium-Term Fit:

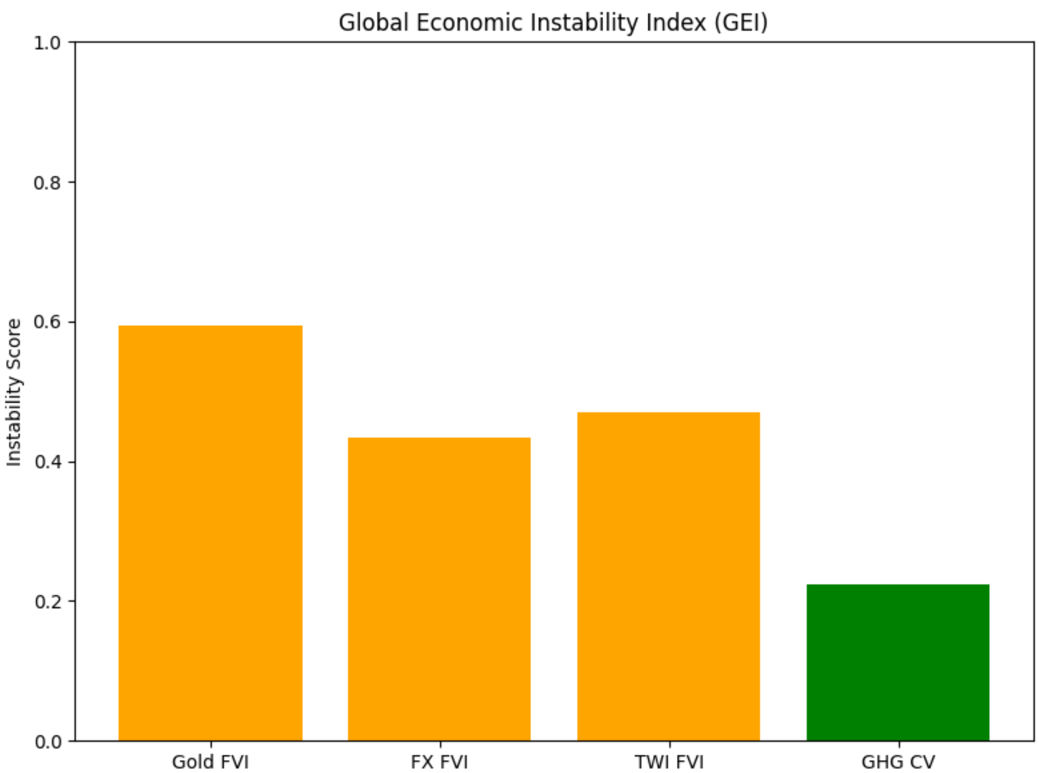
May suit an independent thesis seeking low-beta, profitable property & casualty exposure where consolidation and operational resilience are prioritized over near-term breakout momentum..

Fractal Volatility Indices

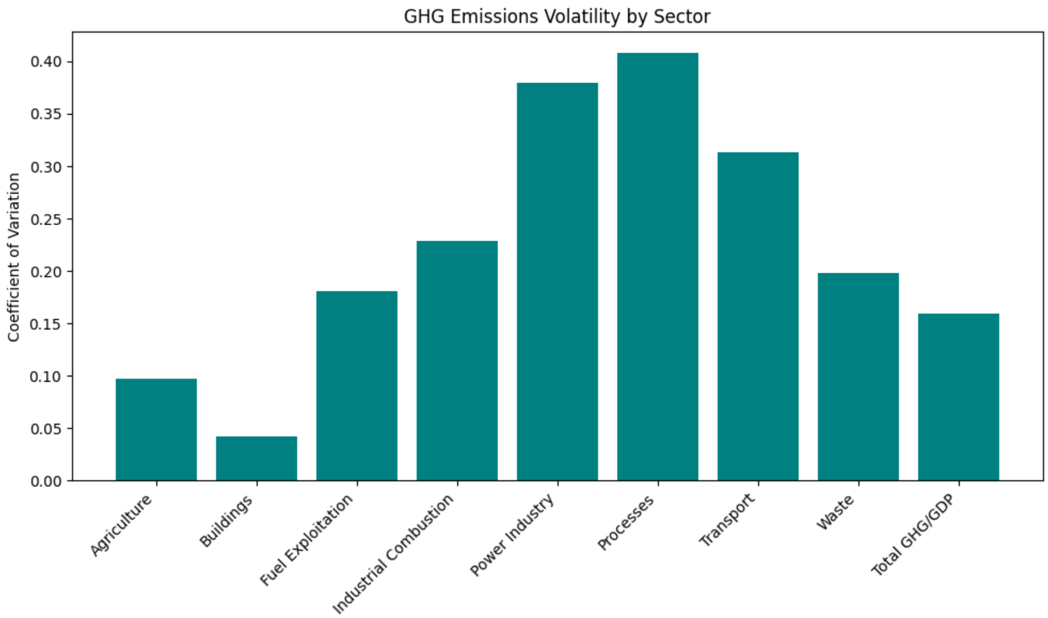
Global Geopolitical Fractal Volatility (Gold, Forex, TWI (Tariffs) and GHG Emissions)
FVI_GOLD: 0.593608 => Moderate gold volatility indicates increased investor caution
FVI_FX: 0.434301 => Low FX volatility indicates relatively stable currency markets
FVI_TWI: 0.469352 => Moderate trade-weighted volatility indicates some external-sector adjustment
GHG_CV: 0.223036 => Moderate GHG sector variability indicates some sector-level carbon-risk dispersion

Primary Risk Driver: Gold volatility is a good proxy for global geopolitical risk. 0.593608.

Global Geopolitical Volatility



Volatility Indicators of GHG Emissions by Industry and GDP



No GHG score available for Financial services sector.

Disclaimer: The Fractal Volatility Index (FVI) measures structural market instability, not short-term price direction. High FVI (red dot) does not necessarily indicate a price breakout—rather, it signals unpredictable price behavior and potential structural shifts. While market instability can precede significant moves in either direction, Verv Stock Reports do not predict price trends but offer insight into underlying volatility patterns. Investors should interpret FVI alongside fundamental and technical analysis before making decisions.

__________END OF REPORT__________