

Fractal Volatility Index for JNJ : 0.559. Market Wide FVI:0.478
(0 - 0.33: Stable, 0.33 - 0.66: Moderate Volatility, 0.66 - 1: High Volatility)



Global Geopolitical Volatility



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

Verv Stock Analysis Report: Johnson & Johnson JNJ FVI 0.559

Analysis Period: 2021-04-22 to 2026-04-22

Global Geopolitical Fractal Volatility (Gold, Forex, TWI (Tariffs) and GHG Emissions)

FVI_GOLD: 0.593608 => Moderate gold volatility, likely reflecting investor caution

FVI_FX: 0.434301 => Low FX volatility; currency markets stable for now

FVI_TWI: 0.469352 => Moderate TWI volatility; minor export/import fluctuations

GHG CV: 0.223036 => Moderate emissions volatility; sector-level uncertainty exists

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

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 Score (BPS): 1.628

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: 0.559 (Fractal Volatility Index FVI)

DFA Result: 0.5256 (Detrended Fluctuation Analysis)

Lyapunov Exponent: 0.0165 (Measures chaos and predictability)

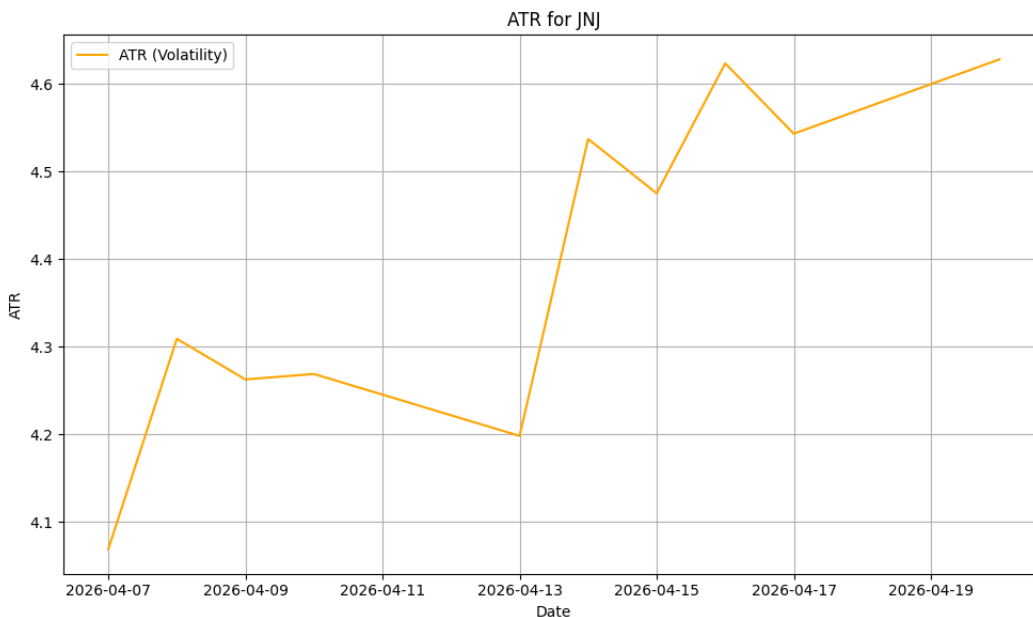
Hurst Exponent: 0.5067 (Indicates trending or mean-reverting behavior)

Breakout & Recent Price Change Analysis

Breakout Statement: Potential negative breakout: The latest closing price of 230.69 is below the Bollinger Lower Band 232.07. This may indicate bearish momentum.

Latest ATR: 4.6278

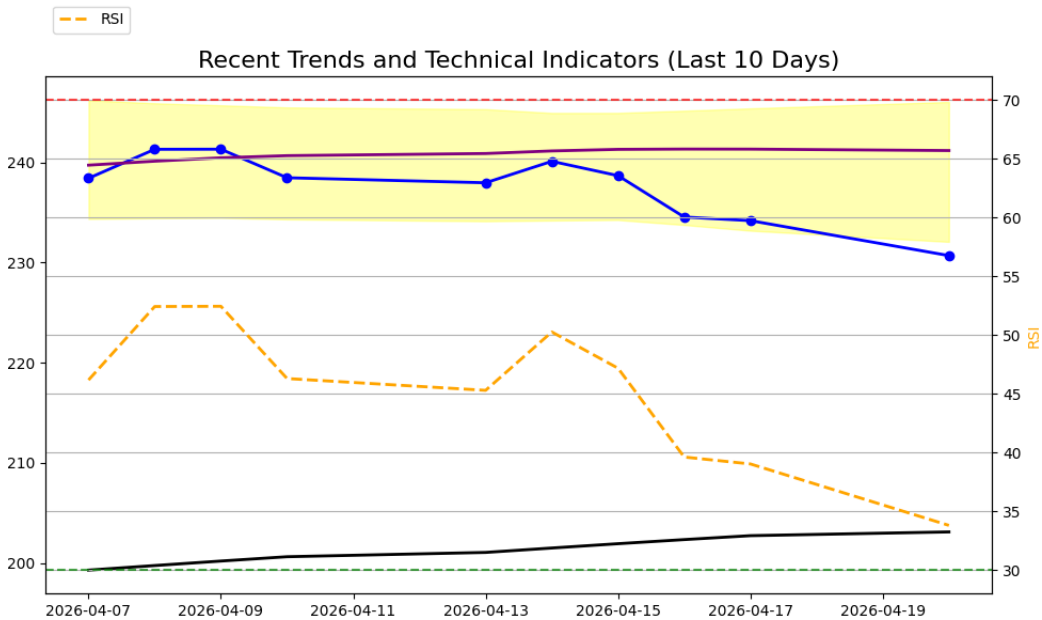
Average True Range (ATR)



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



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-Generated Market Insights

Investment Report:

--- INVESTMENT REPORT ---

1. Volatility & Breakout Potential:

JNJ's FVI of 0.559 suggests moderate volatility, with the stock experiencing periods of both chaos and stability. The Lyapunov score of 0.016 indicates relatively low system instability compared to market-wide values. However, the Hurst score of 0.507 slightly leans towards a trend-following behavior, which may suggest potential for price acceleration. The Bollinger Bands are currently contracting, indicating a decrease in volatility and a potential setup for a breakout. However, the recent closing price below the Bollinger Lower Band suggests bearish momentum. Volume change of 1.92% does not significantly confirm price moves.

2. Market Sentiment:

The large score of 555939594000 suggests institutional-driven behavior. Given the bearish breakout signal and moderate volatility, investor sentiment may be cautious.

3. Geopolitical Risk Assessment:

The elevated market-wide Gold FVI indicates increased hedge demand due to geopolitical tension. The FX and TWI FVI scores suggest potential for currency volatility and global trade disruptions, respectively. JNJ, being a healthcare sector company, has a low GHG impact, indicating lower sectoral emissions risk exposure. However, as a globalized company, it may have tariff exposure.

4. Sector and Supply Chain Exposure:

JNJ, as a healthcare company, may not be directly exposed to energy price shocks, but could be indirectly affected through increased operational costs. Its dependency on global supply chains could expose it to risks associated with trade disruptions.

--- STRATEGY RECOMMENDATION ---

Given the current market conditions and JNJ's metrics, the stock appears to be in a consolidation phase. The optimal strategy would be a cautious trend-following approach, keeping an eye on potential breakouts. However, due to the bearish signal and moderate volatility, there may be a risk of a false breakout.

--- FINAL TAKEAWAY ---

Given the stock's moderate volatility, bearish breakout signal, and potential exposure to geopolitical risks and trade disruptions, investors should tread carefully. The phrase "Moderate volatility with geopolitical pressure—position defensively" captures the current scenario.

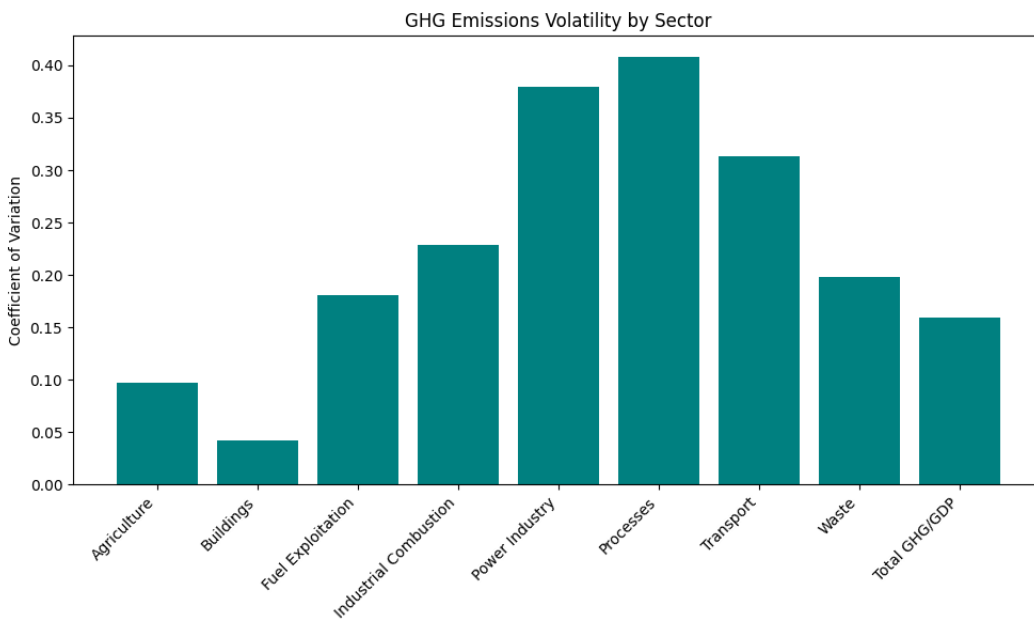
Market Capitalization: 555939594000, Industry: DRUG MANUFACTURERS - GENERAL, Latest Volume: 7810471, Description: Johnson & Johnson, Sector: HEALTHCARE, Price to Book: 6.81, Trailing PE: 20.91, Forward PE: 20, Enterprise to Ebitda: 14.21, Enterprise to Revenue: 6.19, Profit Margins: 0.218

The trading volume has changed by 1.92% 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: 0.33

Beta of 0.33 suggests low volatility compared to the market.

Volatility Indicators of GHG Emissions by Industry and GDP



Low GHG impact (0.052) for the Healthcare 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.

Stock Market Price Credibility Report

Analysis based on current global macroeconomic and geopolitical information.

Market_Price_Credibility_Analysis:

```
{  
  "Final_Score": 0.383,  
  "Price_Volume_Divergence": 0.004,  
  "Volatility_Dissonance_Index": -0.112,  
  "Deception_Risk": 0.808,  
  "Trumpery_Alert": true,  
  "Summary": "New export: Confidence! Made fresh daily from hot air."  
}
```

Reasoning:

The rising U.S. debt and deficit levels are being downplayed in economic narratives, creating a significant disconnect with the fiscal reality. This is exacerbated by the changes in U.S. Treasury bond yields and issuance, with yields decreasing despite the increasing debt levels.

Reports of declining foreign demand for U.S. bonds further complicate the situation, as they suggest a decrease in confidence in the U.S. economy and its ability to service its debt. Central bank interventions, such as rate cuts and QE, are being used to stimulate the economy, but these measures could be masking underlying economic weaknesses.

The use of tariffs and sanctions as economic tools is a geopolitical reality that is often not fully reflected in economic narratives. These measures can have significant economic impacts, but their effects are often downplayed or ignored.

Inflation vs. official interest rate policy is another area of disconnect. Despite low official interest rates, inflation is rising, suggesting that the monetary policy is not effectively controlling inflation.

The influence of BRICS+ and trends towards de-dollarization are changing the global economic landscape, but these changes are often not fully reflected in economic narratives. The volatility of gold and its use as a geopolitical hedge further complicates the situation, as it suggests a lack of confidence in the stability of the global financial system.

Overall, there is a significant disconnect between economic narratives and underlying fiscal, monetary, and geopolitical realities, leading to a high NRD score. The Trumpery Alert is triggered due to the apparent manipulation and performance of policymaking. The satirical summary encapsulates the situation with a witty remark about the credibility of market forces in the current economic landscape.

Deception Risk:

Between 0 and .2, markets appear fundamentally sound, no price distortion.

Between .2 and .4 there may be some irrationality or manipulation. Caution is advised.

Between .4 and .6 there are signals of disconnect between narratives and reality.

Between .6 and .8 distortions mean possible financial gaslighting.

Between .8 and 1 signals a confidence scam - you are being sold a bridge.

What Price Credibility Sell You a Bridge Index captures:

Price to Volume Divergence PVD.' When price rises while volume drops is suspicious behavior.

A Narrative Reality Dislocation Index NRDIndex is an AI score for disconnect between corporate statements and underlying fundamentals.

A Volatility Persistence Score VPI. When volatility indicators stay low despite geopolitical/economic chaos.

The Macro Score includes Tariff Impact Denial. High tariffs plus high exposure plus rising stock. This may be a trumperey illusion alert.

Treasury Detector TFD Liquidity Masking Metric. Fed/Treasury injections may be affecting retail activity or debt spreads.

The Media Sentiment Mismatch is included. This is where news tone is contrary to actual market data (e.g. bullish despite bond collapse).

Note: Trumperey derives from a French word meaning to deceive, in many dictionaries showy but worthless.

_____ **END OF REPORT** _____