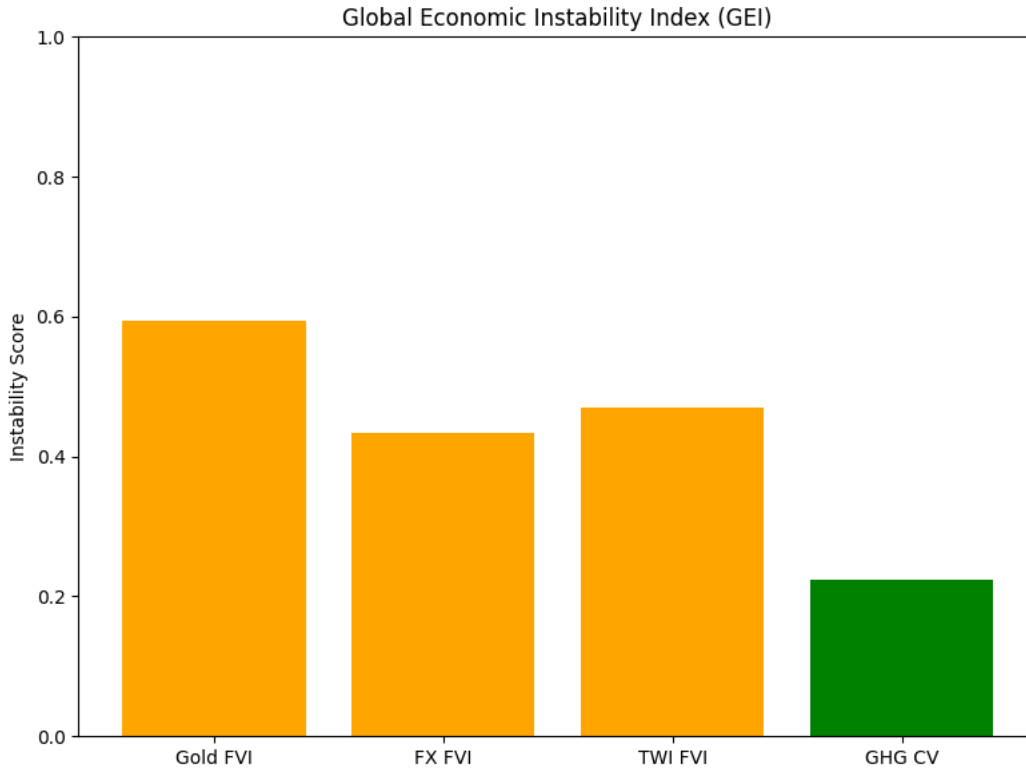


Fractal Volatility Index for JNJ : 0.587. Market Wide FVI:0.478
(0 - 0.33: Stable, 0.33 - 0.66: Moderate Volatility, 0.66 - 1: High Volatility)



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 0.587

Analysis Period: 2021-05-27 to 2026-05-27

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): -0.247

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: 0.587 (Fractal Volatility Index FVI)

DFA Result: 0.5355 (Detrended Fluctuation Analysis)

Lyapunov Exponent: 0.0166 (Measures chaos and predictability)

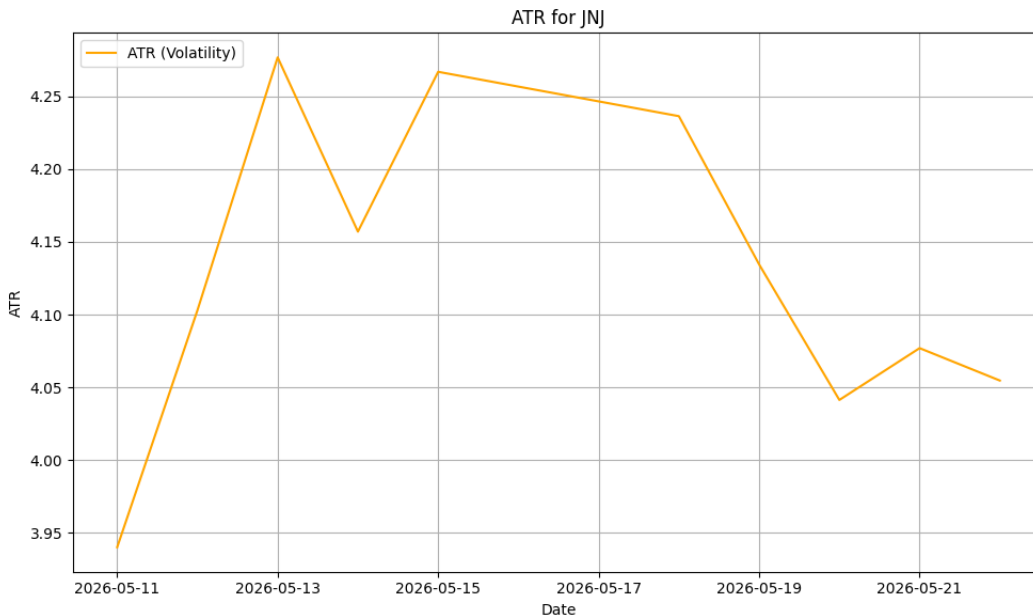
Hurst Exponent: 0.5030 (Indicates trending or mean-reverting behavior)

Breakout & Recent Price Change Analysis

Breakout Statement: Potential positive breakout: The latest closing price of 234.34 is above the Bollinger Upper Band 234.08. This may indicate bullish momentum.

Latest ATR: 4.0547

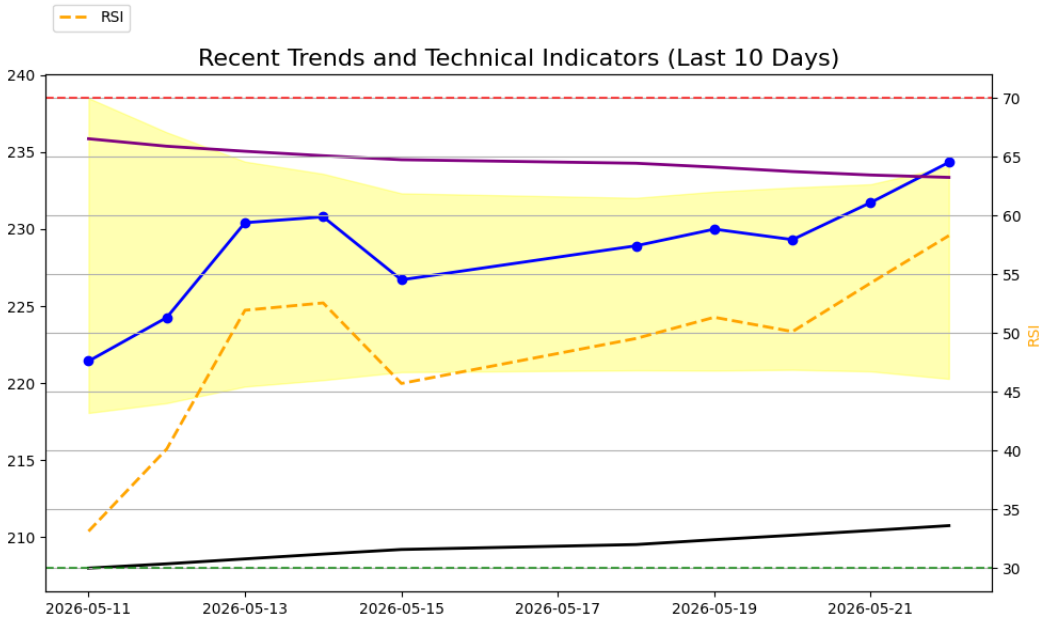
Average True Range (ATR)



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 appears to be in a regime of relative stability with a Lyapunov score of 0.017, which is below the market-wide average, indicating less systemic chaos and instability.
- The Fractal Volatility Index (FVI) of 0.587 suggests some level of acceleration, but not excessive noise.
- The Bollinger Bands seem to be expanding with the latest closing price of 234.34 above the Bollinger Upper Band 234.08, indicating potential bullish momentum.
- However, the decline in stock volume by -55.09% does not confirm this price move, suggesting caution is needed.

2. Market Sentiment

- The institutional-driven behavior suggested by the 564107215000 figure, alongside the potential positive breakout, indicates a cautiously optimistic investor mood, tempered by the declining volume.

3. Geopolitical Risk Assessment

- The elevated market-wide volatility indicators suggest that JNJ, as a part of the healthcare sector, could be exposed to global stress. However, the low GHG impact of 0.052 for the healthcare sector indicates a lower sectoral emissions risk exposure.
- As a global company, JNJ may have some tariff exposure and supply-chain dependencies, which need to be considered in light of current trade tensions and disruptions.

4. Sector and Supply Chain Exposure

- While JNJ operates in the healthcare sector, which is less directly exposed to fuel cost surges and geopolitical transport risk, it may have indirect exposure through its global supply chains.
- Without detailed supply chain data, it's hard to determine the exact risk, but the current market-wide volatility regime suggests caution.

--- STRATEGY RECOMMENDATION ---

Given the current market conditions, a defensive position seems optimal. While there are signs of potential bullish momentum, the decline in volume and the current geopolitical climate suggest caution. The strategy should focus on hedging against potential downside risks, given the potential for false breakouts and geopolitical drag effects on momentum.

--- FINAL TAKEAWAY ---

Despite showing signs of potential bullish momentum, JNJ's declining volume and the current geopolitical climate suggest caution. With a relatively stable volatility profile but potential exposure to global stress indicators, a defensive position is recommended. "Stability amidst market-wide volatility—

position defensively."

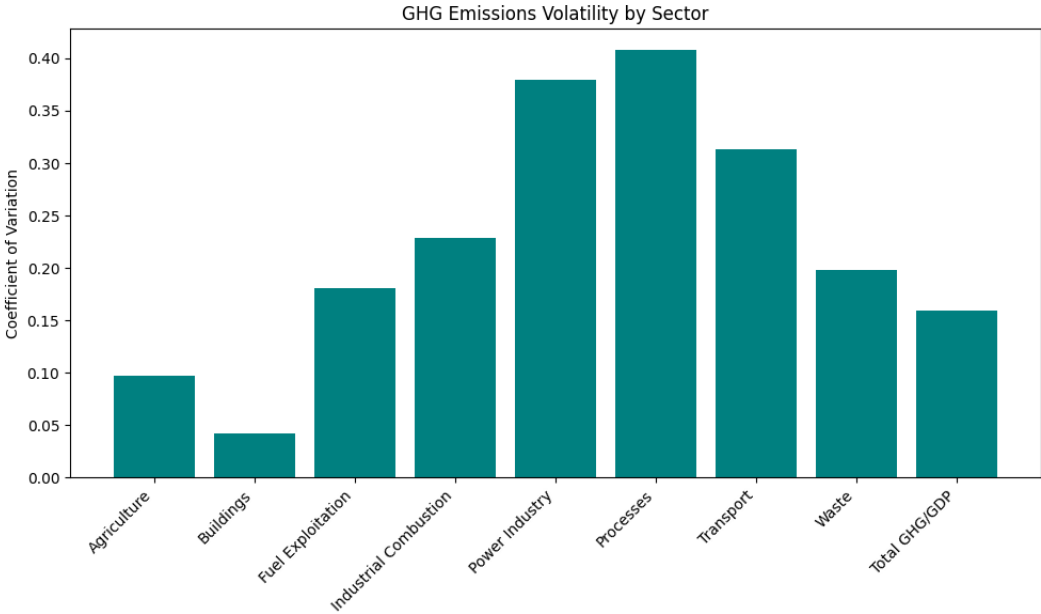
Market Capitalization: 564107215000, Industry: DRUG MANUFACTURERS - GENERAL, Latest Volume: 5464729, Description: Johnson & Johnson, Sector: HEALTHCARE, Price to Book: 6.95, Trailing PE: 27.19, Forward PE: 20.24, Enterprise to Ebitda: 17.71, Enterprise to Revenue: 6.2, Profit Margins: 0.218

The trading volume has changed by -55.09% 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: 0.26

Beta of 0.26 suggests low volatility compared to the market.

Volatility Indicators of GHG Emissions by Industry and GDP



Low GHG impact (0.052) for theHealthcare 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": 0.544,  
  "Price_Volume_Divergence": 0.412,  
  "Volatility_Dissonance_Index": -0.014,  
  "Deception_Risk": 0.846,  
  "Trumpery_Alert": true,  
  "Summary": "It's not inflation—it's patriotic price liberation."  
}
```

Based on the current global and U.S. financial landscape, there is indeed a significant disconnect between economic narratives and underlying fiscal, monetary, and geopolitical realities.

The rising U.S. debt and deficit levels are a cause for concern. Despite the narrative that the economy is healthy and robust, the increasing debt levels suggest otherwise.

Changes in U.S. Treasury bond yields and issuance indicate a shift in investor sentiment. Lower yields suggest that investors are seeking safer assets, which contradicts the narrative of a strong economy.

Reports of declining foreign demand for U.S. bonds further highlight the disconnect. If the U.S. economy was as strong as suggested, foreign demand for U.S. bonds would be high.

Central bank interventions, such as rate cuts and quantitative easing, are typically used in times of economic distress, not prosperity.

The use of tariffs and sanctions as economic tools has been controversial and has led to uncertainty in the global economy.

Inflation vs. official interest rate policy also shows a disconnect. Despite low inflation, interest rates have been kept low, suggesting that the economy may not be as strong as suggested.

BRICS+ influence and de-dollarization trends indicate a shift away from the U.S. dollar as the global reserve currency.

Finally, gold volatility and geopolitical hedging suggest that investors are seeking safe havens, which contradicts the narrative of a strong economy.

Based on these indicators, the NRD I would be 0.8, indicating a significant disconnect between economic narratives and underlying realities.

There is also evidence of manipulative or performative policymaking, thus setting the Trumpery_Alert to true.

```
{
```

"NRDI": 0.8,

"Trumperry_Alert": true,

"Satirical_Summary": "If you believe this is market forces, we've got a bridge to sell you."

}

.

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

_____ **END OF REPORT** _____