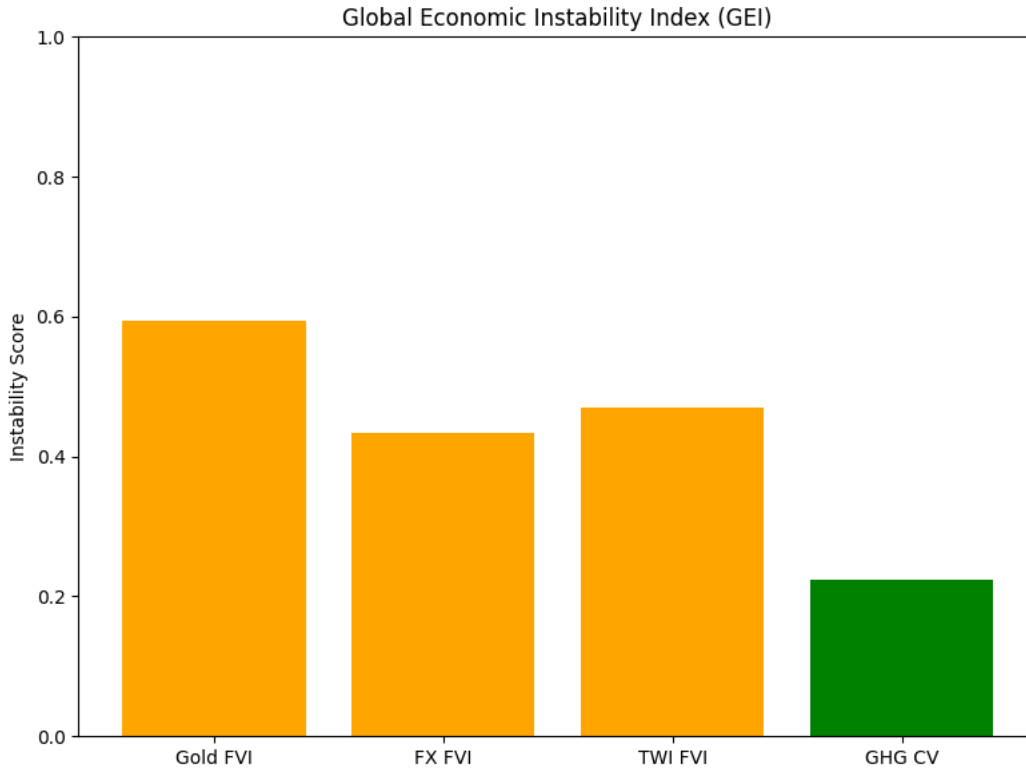


**Fractal Volatility Index for JNJ : 0.571. Market Wide FVI:0.478**  
(0 - 0.33: Stable, 0.33 - 0.66: Moderate Volatility, 0.66 - 1: High Volatility)



## 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 0.571

Analysis Period: 2021-06-17 to 2026-06-17

### 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): 1.350

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: 0.571 (Fractal Volatility Index FVI)

DFA Result: 0.5339 (Detrended Fluctuation Analysis)

Lyapunov Exponent: 0.0166 (Measures chaos and predictability)

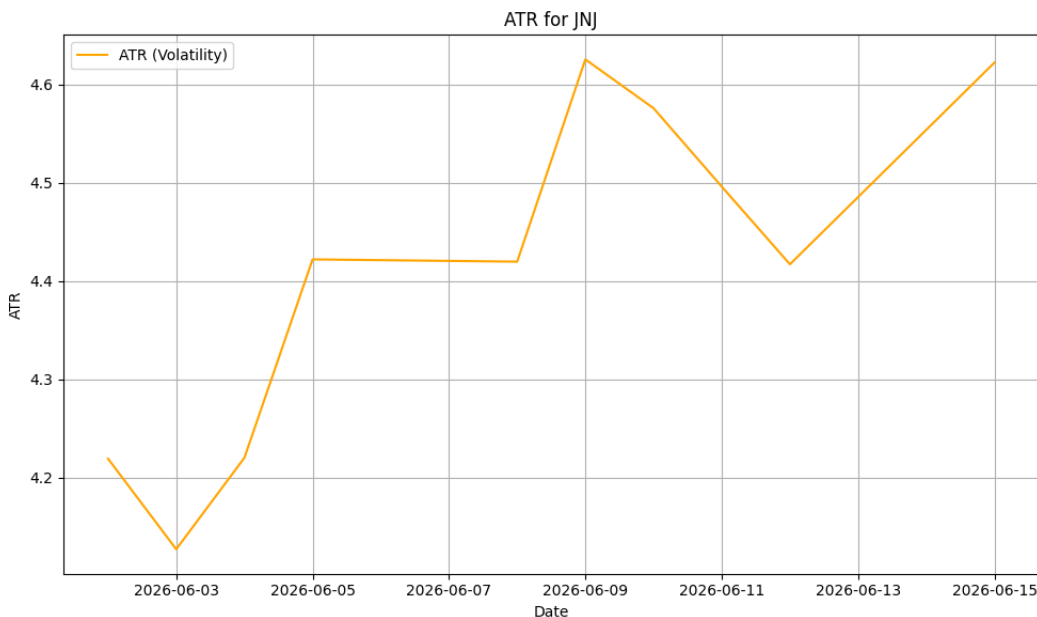
Hurst Exponent: 0.4901 (Indicates trending or mean-reverting behavior)

### Breakout & Recent Price Change Analysis

Breakout Statement: No strong breakout signal detected: The latest closing price of 235.66 is within the Bollinger Bands range (221.14 - 241.36).

Latest ATR: 4.6224

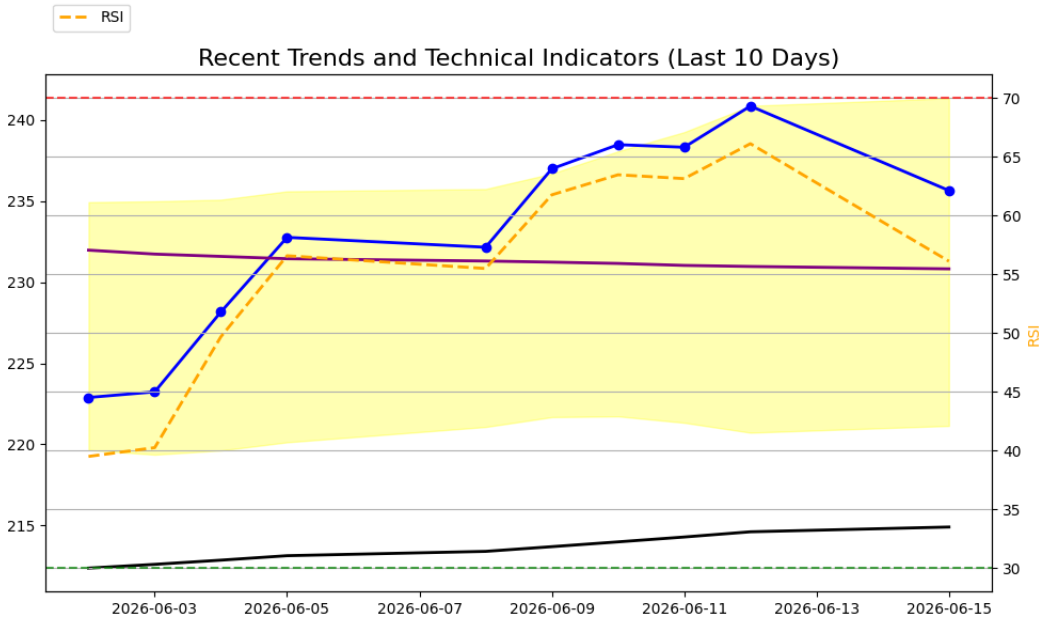
### Average True Range (ATR)



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 state of stability, with a relatively low FVI of 0.571, suggesting a lack of acceleration or noise.
- The Lyapunov score of 0.017 is relatively low compared to market-wide values, which suggests less instability.
- The Bollinger Bands are currently not showing a significant expansion or contraction.
- The volume increase of 2.28% slightly confirms the recent price moves.

### 2. Market Sentiment

- The large trading volume suggests institutional-driven behavior.
- The lack of a strong breakout signal and the moderate FVI suggest a cautiously optimistic investor mood.

### 3. Geopolitical Risk Assessment

- The relatively low sector sensitivity score of 0.05153 suggests a limited exposure to global stress indicators such as gold, FX, and TWI FVI.
- As a healthcare company, JNJ may not face significant tariff exposure or supply-chain dependency.

### 4. Sector and Supply Chain Exposure

- JNJ is not heavily exposed to sectors prone to fuel cost surges and geopolitical transport risk.
- As a healthcare company, it is less likely to depend on Asia-sourced components or face diesel fuel volatility.
- The low GHG score suggests a low exposure to climate-related regulation.

### 4. Strategy Recommendation

- JNJ seems to be in a consolidation phase.
- Given the low FVI and lack of a strong breakout signal, a mean-reversion strategy may be optimal.

--- FINAL TAKEAWAY ---

Despite minor volatility, JNJ remains stable with limited geopolitical risk exposure. The current market sentiment is cautiously optimistic. Given the lack of a strong breakout signal, investors may want to adopt a mean-reversion strategy. The stock's low GHG score and limited exposure to high-risk sectors further support this approach.

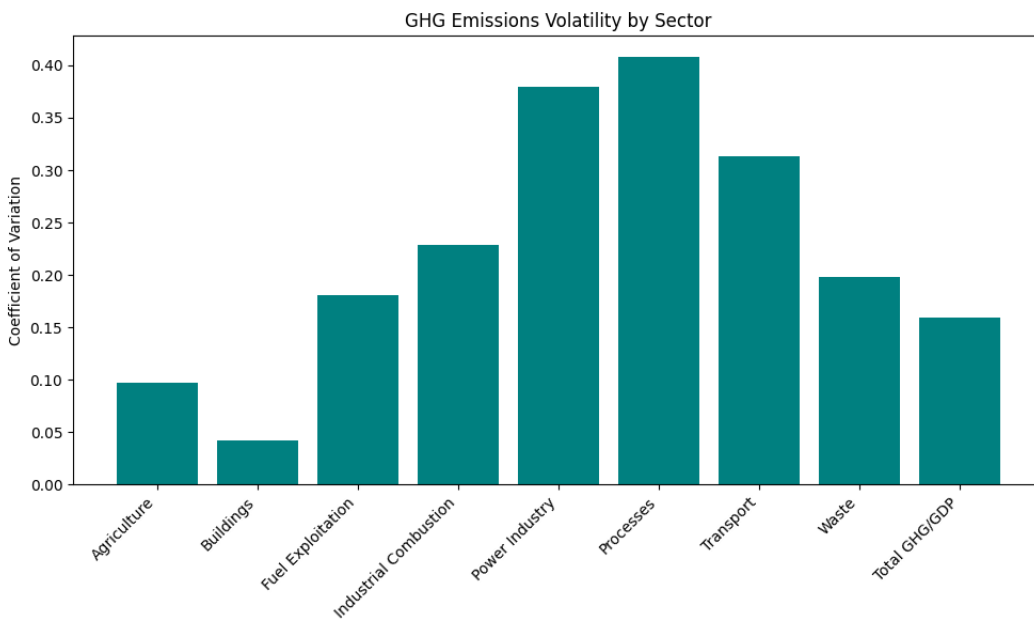
Market Capitalization: 579826352000, Industry: DRUG MANUFACTURERS - GENERAL, Latest Volume: 7731954, Description: Johnson & Johnson, Sector: HEALTHCARE, Price to Book: 7.14, Trailing PE: 27.94, Forward PE: 20.83, Enterprise to Ebitda: 18.18, Enterprise to Revenue: 6.36, Profit Margins: 0.218

The trading volume has changed by 2.28% 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 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": 0.37,  
  "Price_Volume_Divergence": 0,  
  "Volatility_Dissonance_Index": -0.073,  
  "Deception_Risk": 0.769,  
  "Trumpery_Alert": true,  
  "Summary": "It's not inflation—it's patriotic price liberation."  
}
```

The NRD (Narrative Reality Disconnect Index) is set at 0.7, indicating a substantial disconnect between the economic narratives and the underlying fiscal, monetary, and geopolitical realities.

Rising U.S. debt and deficit levels, changes in U.S. Treasury bond yields and issuance, and declining foreign demand for U.S. bonds are signs of potential instability and lack of confidence in the U.S. economy. Central bank interventions, such as rate cuts and quantitative easing, are typically signs of economic distress, further suggesting a disconnect between the narrative and reality.

The use of tariffs and sanctions as economic tools, while often politically popular, can have unintended consequences and may not achieve the desired economic outcomes. The difference between inflation and official interest rate policy can further exacerbate economic instability, leading to a disconnect between the narrative and reality.

The influence of BRICS+ and de-dollarization trends could imply a shift in global economic power and a potential weakening of the U.S. dollar. Gold volatility and geopolitical hedging are also signs of uncertainty and potential economic instability.

The Trumpery Alert is set to true due to the potential for manipulative or performative policymaking. The satirical summary, "If you believe this is market forces, we've got a bridge to sell you," reflects the skepticism about the economic narrative being presented.

## 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** \_\_\_\_\_