Fractal Volatility Index for WMT : 0.541. 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: Walmart Inc. WMT FVI 0.541

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): -1.600
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

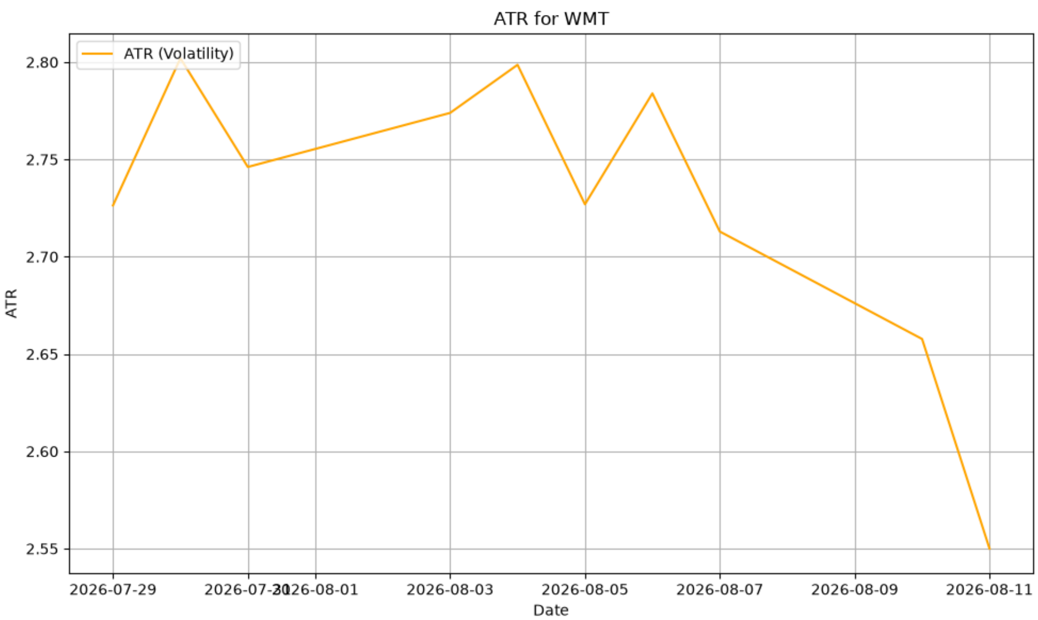
Fractal & Statistical Analysis

FVI Score: 0.541 (Fractal Volatility Index FVI)
DFA Result: 0.5000 (Detrended Fluctuation Analysis)
Lyapunov Exponent: 0.0163 (Measures chaos and predictability)
Hurst Exponent: 0.5213 (Indicates trending or mean-reverting behavior)

Breakout & Recent Price Change Analysis

Breakout Statement: No strong breakout signal detected: The latest closing price of 113.26 is within the Bollinger Bands range (108.57 - 115.17).
Latest ATR: 2.5500

Average True Range (ATR)

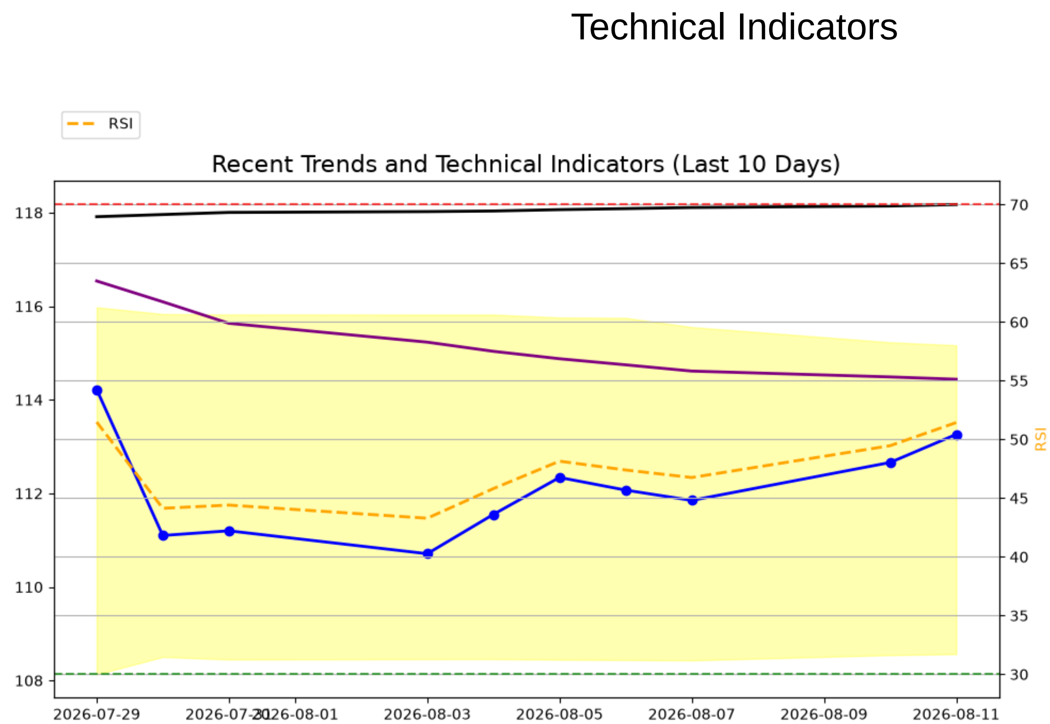


The ATR measures the recent price volatility of a stock, calculating the average range between its high and low prices over a given period (usually 14 days). A higher ATR indicates greater market volatility, and a lower ATR indicates less volatility.

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
- WMT appears to be in a regime of stability, with a relatively moderate FVI of 0.541 indicating minor fluctuations rather than extreme volatility.
- The Lyapunov value of 0.016 is low, suggesting a low degree of chaos and instability in the stock's price movements compared to the market-wide values.
- The Bollinger Bands for WMT are currently not expanding significantly, indicating a lack of strong price volatility.
- The decrease in stock volume by -42.59% does not confirm recent price movements, indicating potential market uncertainty.

2. Market Sentiment
- The institutional-driven behavior suggests a cautious approach by large investors, which could be a sign of uncertainty in the market.
- The absence of a strong breakout signal indicates a lack of bullish sentiment among investors.

3. Geopolitical Risk Assessment
- The elevated market-wide FVI indicators, including the Gold, FX, and TWI FVI, suggest increased geopolitical tension and potential disruptions in global trade.
- As a multinational retail corporation, WMT may face tariff exposure and supply chain disruptions due to its global operations.

4. Sector and Supply Chain Exposure
- WMT, being a part of the consumer defensive sector, may face risks associated with energy price shocks and supply-side inflation due to its dependence on global supply chains.
- The company's reliance on logistics for its operations exposes it to potential diesel fuel volatility and tariff-sensitive port disruptions.

4. Strategy Recommendation
- Given the current market signals and geopolitical risks, a defensive strategy might be optimal for WMT.
- The lack of strong breakout signals and the decreased volume suggest that the stock may be in a consolidation phase.

--- FINAL TAKEAWAY ---
Given the moderate volatility, lack of strong breakout signals, and the potential geopolitical and supply chain risks, a cautious approach is recommended for WMT. While the stock shows stability, the broader market uncertainty and potential risk factors warrant a defensive position.

Stock Information

Market Capitalization: 901332074000, Industry: DISCOUNT STORES, Latest Volume: 17005849, Description: Walmart Inc., Sector: CONSUMER DEFENSIVE, Price to Book: 9.5, Trailing PE: 39.88, Forward PE: 38.61, Enterprise to Ebitda: 19.94, Enterprise to Revenue: 1.324, Profit Margins: 0.0314

The trading volume has changed by -42.59% 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: 0.60
Beta of 0.60 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: 72%
Momentum: 18%
Structural Stress: 20%
Narrative Dependence: 35%
Confidence: 64%

Calculated Metrics:
- Price-Volume Divergence: 0.000
- Volatility Dissonance Index: 0.047

Evidence:
- Sector: CONSUMER DEFENSIVE; Industry: DISCOUNT STORES
- Beta: 0.605 (lower market sensitivity)
- Fractal Volatility Index: 0.541 vs market-wide FVI: 0.478; Latest ATR: 2.55 (moderate volatility)
- Breakout Probability Score: -1.6003; No strong breakout signal; price within Bollinger Bands (108.57 - 115.17) at 113.26 (consolidation)
- Hurst Exponent: 0.5213; DFA: 0.49995; Lyapunov Exponent: 0.01633 (weak persistence, near-random walk, low chaos)
- Profit margin: 0.0314 (positive but thin)
- Valuation: Trailing P/E 39.88; Forward P/E 38.61; EV/EBITDA 19.94; P/B 9.5 (premium multiples)
- Recent volume change: -42.59% (cooling trading activity)

Assessment:
WMT exhibits low beta and moderate volatility with no current breakout, indicating stable, consolidation-phase behavior typical of a large consumer defensive operator. Operating profitability is positive though thin, and quantitative stability metrics suggest controlled dynamics. Elevated valuation implies some expectation premium,

but price action appears grounded in steady operations rather than speculative surges.

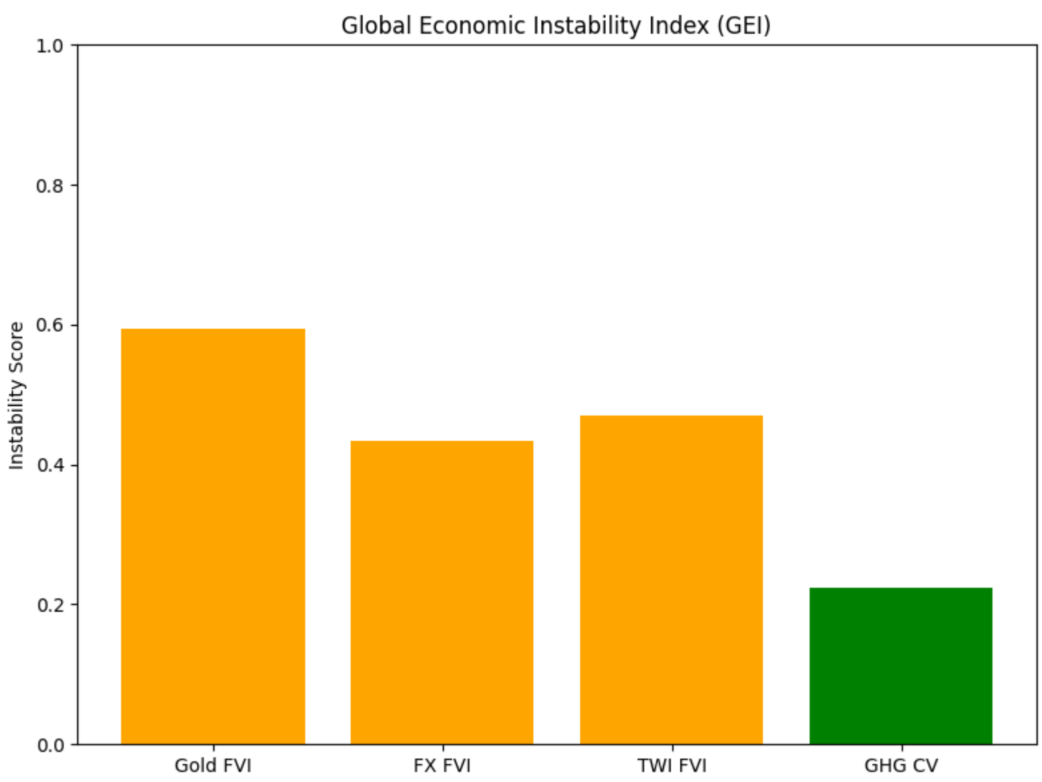
Medium-Term Fit:
May suit an independent thesis seeking defensive, large-cap retail exposure that could provide operational steadiness during periods of macro uncertainty (e.g., shifting Treasury yields, policy interventions, tariffs or sanctions risk, or inflation-policy mismatches), while accepting a valuation premium and limited near-term momentum..

Fractal Volatility Indices

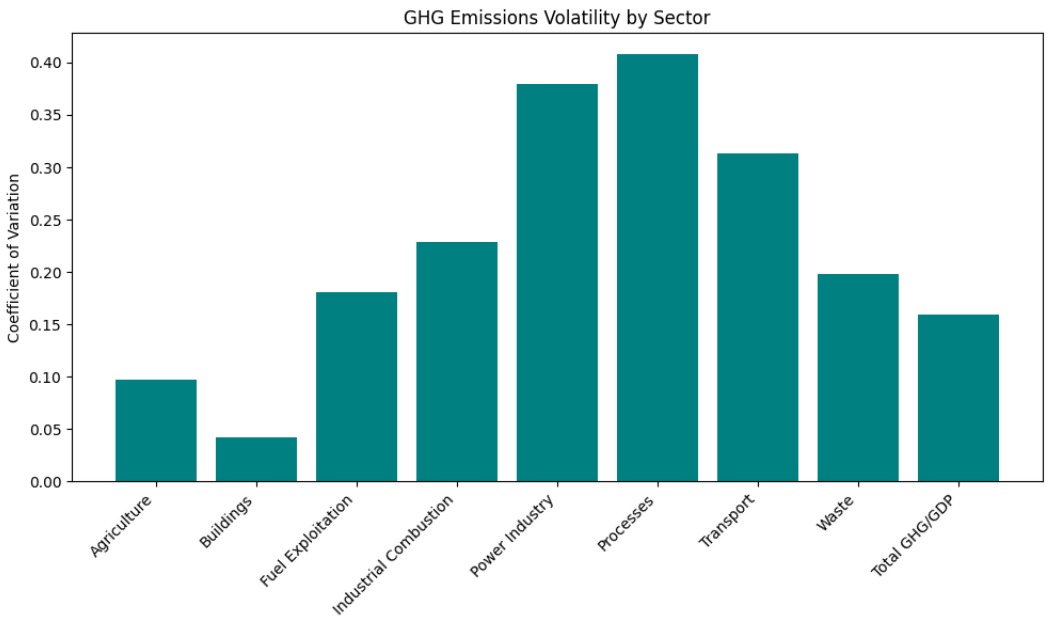
Global Geopolitical Fractal Volatility (Gold, Forex, TWI (Tariffs) and GHG Emissions)
FVI_GOLD: 0.593608 => Moderate gold volatility indicates increased investor caution
FVI_FX: 0.434301 => Low FX volatility indicates relatively stable currency markets
FVI_TWI: 0.469352 => Moderate trade-weighted volatility 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 Consumer defensive 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__________