

Fractal Volatility Index for WMT : 0.566. 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 0.566

Analysis Period: 2021-10-02 to 2026-10-02

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): 0.733

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: 0.566 (Fractal Volatility Index FVI)

DFA Result: 0.5822 (Detrended Fluctuation Analysis)

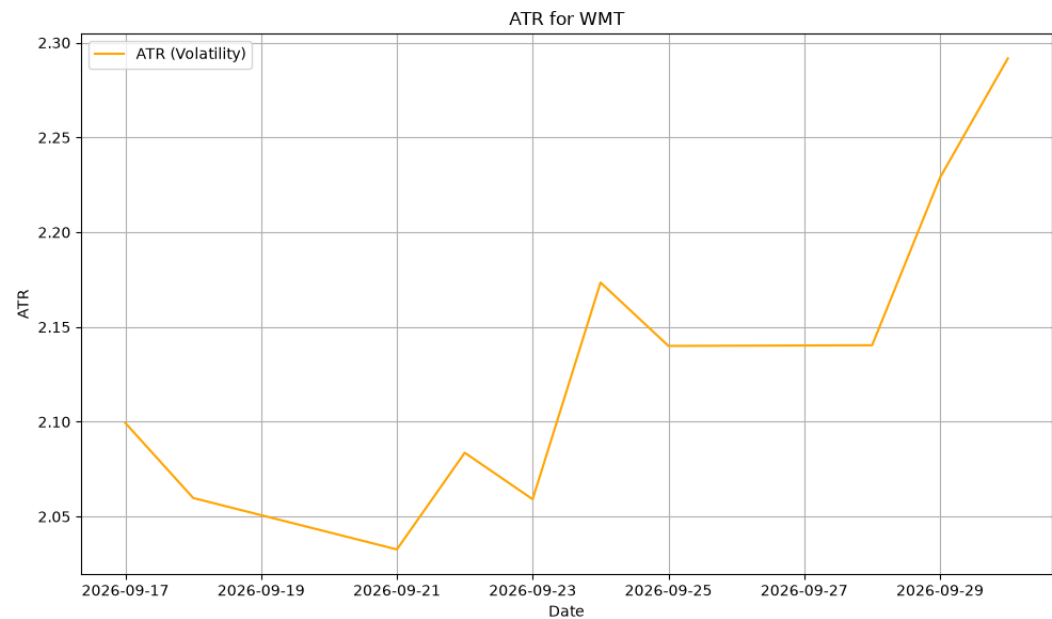
Lyapunov Exponent: 0.0159 (Measures chaos and predictability)

Hurst Exponent: 0.5084 (Indicates trending or mean-reverting behavior)

Breakout & Recent Price Change Analysis

Breakout Statement: Potential negative breakout: The latest closing price of 103.92 is below the Bollinger Lower Band 104.36. This may indicate bearish momentum.
Latest ATR: 2.2917

Average True Range (ATR)



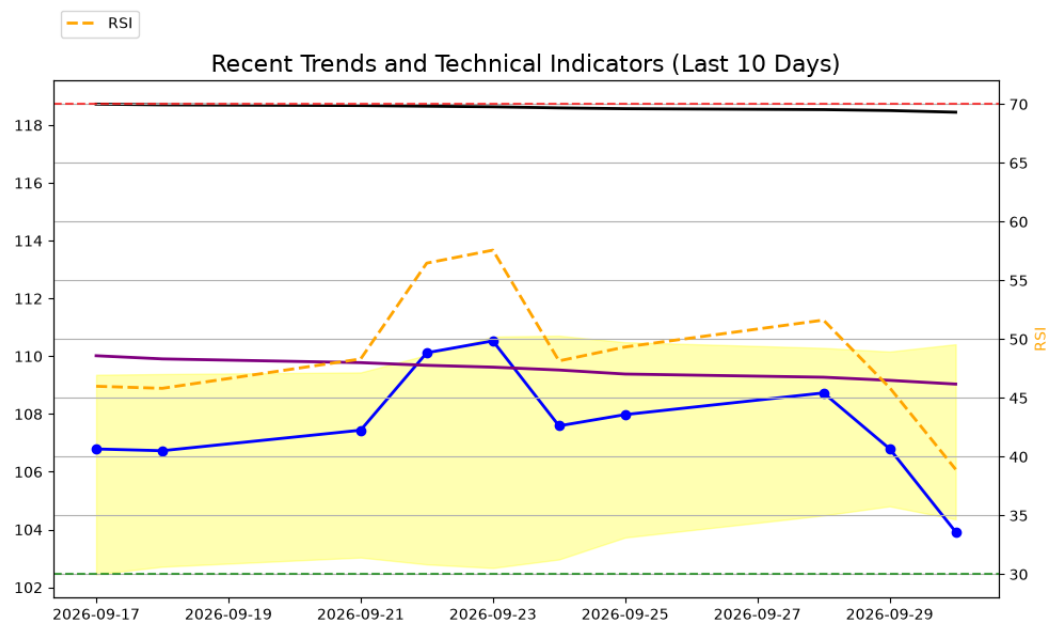
The ATR measures the recent price volatility of a stock, calculating the average range between its high and low prices over a given period (usually 14 days). A higher ATR indicates greater market volatility, and a lower ATR indicates less volatility.

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.

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 Executive Assessment

1. Volatility Structure

Walmart Inc.'s Fractal Volatility Index (FVI) stands at 0.5655, which is above the market-wide FVI of 0.478. This suggests a relatively higher degree of structural instability in the stock compared to the wider market. The Lyapunov Exponent, at 0.0159, indicates a certain level of sensitivity and divergence within the system, while the DFA of 0.5822 suggests a scale-dependent correlation structure. The Hurst Exponent, slightly above 0.5, provides weak evidence of persistence in the measured series.

2. Breakout Evidence

The Breakout Probability Score (BPS) for WMT is 0.7329, indicating a rather strong evidence of a potential breakout. However, the breakout observation suggests a potential negative breakout, with the latest closing price being below the Bollinger Lower Band. The direction of the breakout is not determined by the supplied evidence.

3. Participation and Technical Context

The volume change for WMT has been reported at 23.63%, and the latest Average True Range (ATR) stands at 2.29. These figures provide a factual context but do not indicate any specific investor behavior or predict a price move.

4. Macro and Sector Context

In terms of structural instability, Gold FVI (0.5936) is higher than both FX FVI (0.4343) and TWI FVI (0.4694). The absence of a GHG score for the Consumer Defensive sector and the company-specific GHG sensitivity score limits the analysis of emissions-related variability.

5. Risk Interpretation

The supplied evidence suggests a degree of elevated instability in Walmart's stock, given its higher FVI compared to the market average. The strong BPS and potential negative breakout add to the sense of uncertainty. However, the direction of structural risk cannot be translated into a price direction.

6. Monitoring Implications

Continued observation would be merited for the FVI, given its relative instability, and the BPS, given its strength. The Lyapunov Exponent and the Hurst Exponent would also warrant monitoring due to their implications for system sensitivity and persistence, respectively.

FINAL TAKEAWAY

The strongest supported conclusion from the analysis is that Walmart's stock exhibits a degree of elevated structural instability compared to the market average, coupled with a strong potential for a breakout. The most important uncertainty lies in the direction of the breakout, which the current data does not establish, and should be a key point of focus in ongoing monitoring.

Stock Information

Market Capitalization: 827003568000, Industry: DISCOUNT STORES, Latest Volume: 28152438, Description: Walmart Inc., Sector: CONSUMER DEFENSIVE, Price to Book: 8.93, Trailing PE: 38.78, Forward PE: 38.02, Enterprise to Ebitda: 20.08, Enterprise to Revenue: 1.276, Profit Margins: 0.03

The trading volume has changed by 23.63% 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: 0.59

Beta of 0.59 suggests low volatility compared to the market.

Stock Investment Character Report

Analysis based on supplied stock characteristics and market context.

Investment Character: Steady Operator

Resilience: 62%

Momentum: 45%

Structural Stress: 38%

Narrative Dependence: 25%

Confidence: 61%

Calculated Metrics:

- Price-Volume Divergence: -0.054

- Volatility Dissonance Index: 0.039

Evidence:

- Structural volatility is moderate by the provided FVI scale and slightly above the market-wide FVI; the stock's beta is below 1 and ATR falls in the specified moderate range.

Indicators: FVI=0.566, Market-wide FVI=0.478, Beta=0.595, Latest ATR=2.2917

Supports: Resilience

- A high breakout probability score is accompanied by a stated potential bearish band breach, indicating possible near-term momentum pressure.

Indicators: Breakout Probability Score=0.7329, Breakout statement=Potential negative breakout: price 103.92 below lower band 104.36

Supports: Momentum

- The company is profitable on the supplied metric and is very large by market capitalisation.

Indicators: Profit margin=0.03, Market capitalisation=827003568000

Supports: Resilience

Assessment:

Lower market sensitivity (beta) and moderate recent trading-range volatility support a steadier trading profile, while the FVI points to only moderate structural instability. The cited potential negative breakout raises near-term momentum risk but is not confirmed beyond the supplied statement. Profitability, albeit slim on the provided margin figure, together with scale, aligns with a steady operator characterization rather than momentum- or narrative-led behavior.

Limitations:

- The momentum indication is described as potential and may not represent a confirmed breakout.

- No historical context is provided for valuation ratios, ATR, or margins, limiting strength-of-claim on expensiveness or volatility regime.

- Earnings detail is limited (EPS fields are non-informative in the supplied data), restricting assessment of operating trends.

- No sector or macroeconomic conditions are provided with dated measures, limiting broader context.

Medium-Term Fit:

May align with an independent thesis favoring large consumer defensive retailers for portfolio volatility dampening, accepting moderate structural volatility and occasional momentum-driven drawdowns.

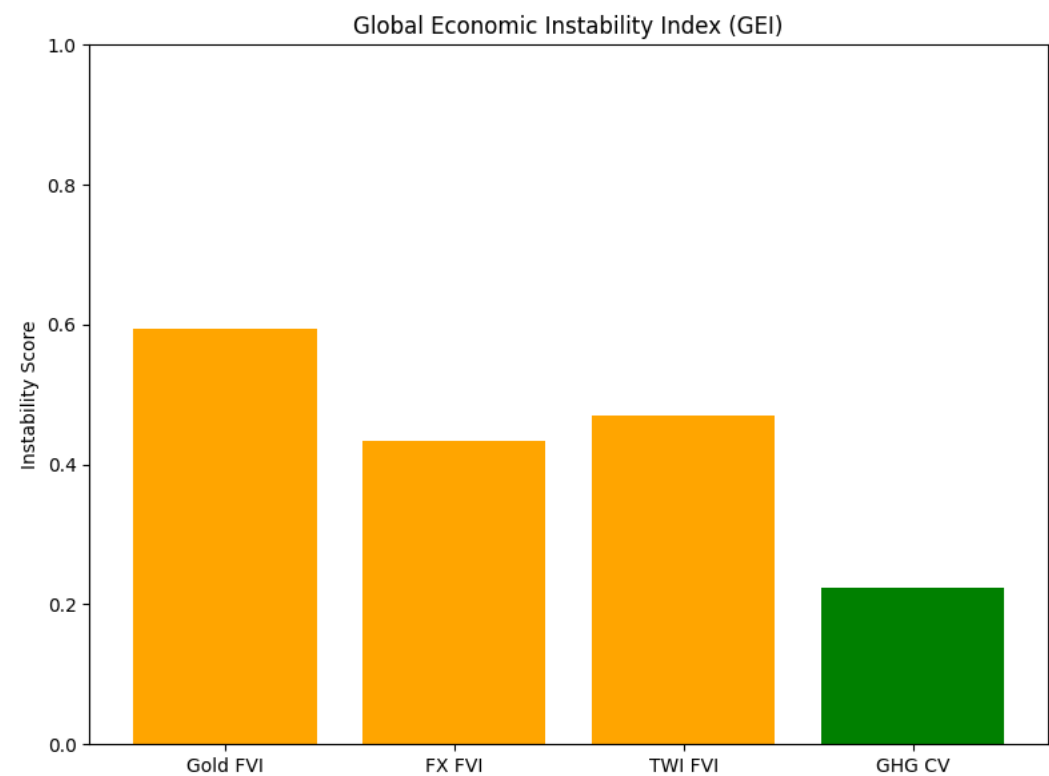
Fractal Volatility Indices

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

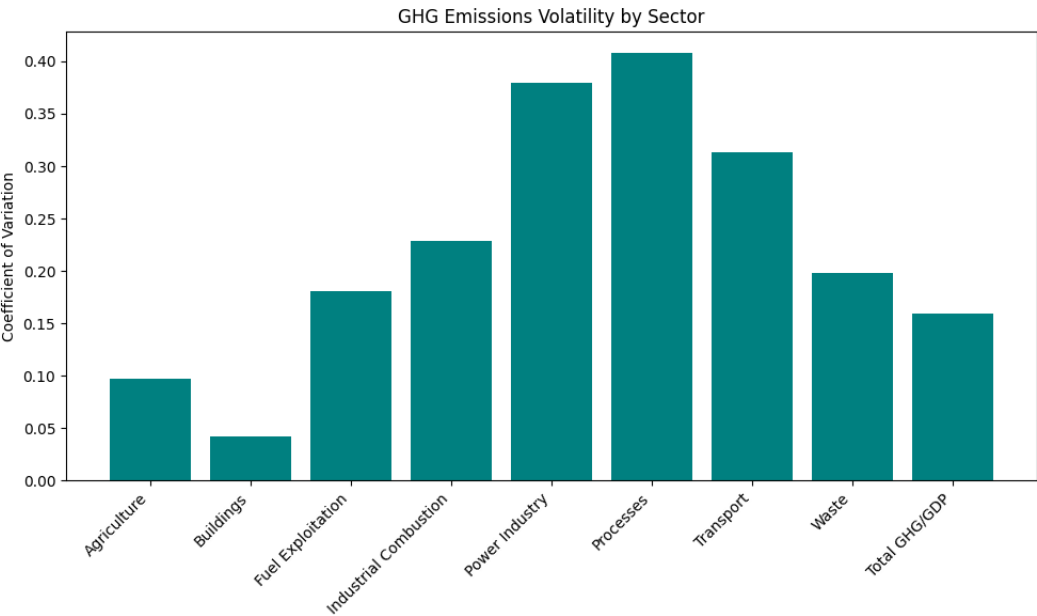
FVI_GOLD: 0.593608 => Moderate gold volatility indicates increased investor caution
FVI_FX: 0.434301 => Moderate FX volatility indicates ongoing currency-market adjustment
FVI_TWI: 0.469352 => Moderate trade-weighted volatility indicates some external-sector adjustment
GHG_CV: 0.223036 => Moderate GHG 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_____