

# TimingResearch Crowd Forecast Newsletter (Beta)

## Week 101 – 08/30/15 Report

Open-ended responses for Questions #1, #4, and #5 start on page 3.

**Question #2. Based on any technical or fundamental indicators you want to use, would you predict that the S&P 500 index will move higher or lower from Monday's open to Friday's close (August 31st to September 4th)?**

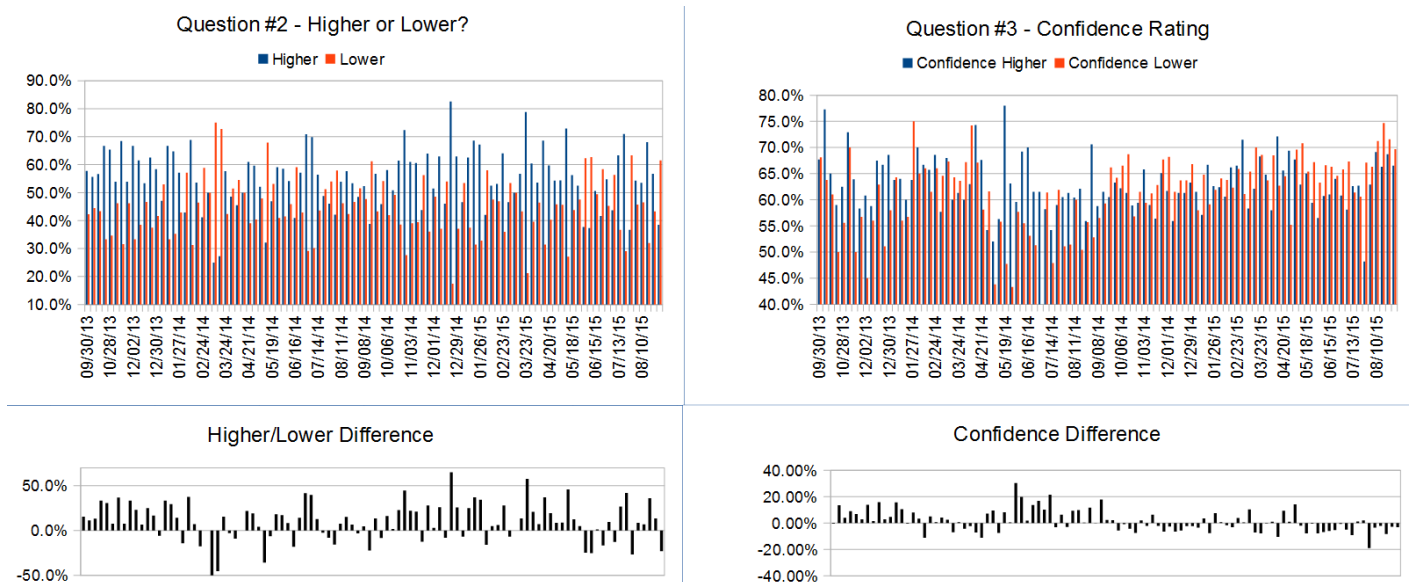
Higher: 38.5%  
Lower: 61.5%

**Question #3. Rate your confidence in your answer to Question #2 by estimating the probability you have correctly predicted next week's market move.**

Average of All Responses: 68.5%  
Average For "Higher" Responses: 66.5%  
Average For "Lower" Responses: 69.7%

### Responses Submitted This Week: 54

**Brief Analysis:** Last week overall sentiment was wrong and the higher confident bears were correct as the S&P500 dropped again for the week, 2.22% this time. This week the sentiment is strongly bearish with the higher average confidence staying with those predicting a drop for the coming week.



Raw Data Page (raw data files include full history spreadsheet and the above charts):  
[TimingResearch.com/rawdata](http://TimingResearch.com/rawdata).



*NOTE: The following open-ended answers are solely the opinions of the anonymous responders to this survey. Responses are mostly unedited, but some have been reformatted slightly for to make them easier to read and are listed in order of submission. Some useless/irrelevant responses (e.g. "none") have been omitted. All responses for each week, unedited, are available in the raw data spreadsheets at [TimingResearch.com/rawdata](http://TimingResearch.com/rawdata).*

**Question #1. What developing events (technical or fundamental) will you be watching out for the week of August 31st to September 4th that might have a positive or negative impact on the S&P 500 and other US markets?**

- China Devaluation
- oil sand p china fed
- No
- same as usual.. vol profile, European/Asian markets, technical support/resistance levels, FED announcements (unfortunately)
- Cycles, September is historically the worse month for the market, currency wars, earnings, IV, extended market trading, mutual fund redemptions
- jobs data on Friday.  
break of the 40 week moving average  
commodity rally  
money flow into/from mutual funds  
china news
- china
- sanp 2060
- GOLD and VIX.
- china, fed
- China is going down and there is nothing that can be done about it.
- 50% retrace should come down
- Friday's Employment
- Always watching FED reports, any change in interest rates, news out of oil producing regions and any news on terrorists activities that may cause even short term market moves.
- China, oil
- Heard mentality is heading down (pessimism). It's as simple as that. This will drive the stock markets lower, below the last low we saw on Monday.
- The short term action right now is up. What happens when it slams into resistance ~2060 is the issue.
- Jackson Hole get together comments.
- Employment numbers  
China news
- China
- Price action.
- China Syndrome
- Greece, china, oil
- Rate hike talk
- volume and interest rates
- china and Fed meeting
- Payrolls, jobless claims, MBA, factory orders. XIV move and hold above 30
- VIX

- performance of the Asian markets  
oil prices (hoping for a continued upward trajectory)
- China, Crude Oil, Non Farm Payroll
- China
- Post-bounce (VIX may be going up again)  
China  
Any Fed Governors speaking
- Technical: Retracement zones this week for SP/YM/NQ/RUT contracts for shorts. This week we will finish a wave 4 (up) correction, and a wave 5 thrust down should occur soon. Fundamentals: Interest rates hikes, China, and anything else that spooks the Mkts.

**Question #4. The VIX made one of its largest jumps in history over the last week. Do you use the VIX as a factor in your trading? Why do you use it or why not?**

**Parsed responses...**

**Answered Yes: 71%**

**Answered No: 29%**

- No Not as reliable as it once was
- no
- No
- yes; it can be a useful indicator of where things are going, although it's helpful to have expert advice in interpreting the vol spreads & curve
- I only use the vix when it hits an extreme level;and only with other indicators.
- Yes, because of the impact on option premiums.
- I've found the vix is only useful when it spikes above 20.
- Yes, while it seems to be a lagging indicator for price action, it does give me a feel for trader sentiment.
- yes it is an indicator of how strong the market buying/selling is
- do not use for day to day trading, only long term option
- completely unreliable now as what happened this week
- All the time. I use it to compare with the other VIX products(9 day, 90 day, etc.) in order to determine to go bullish or bearish.
- I do use VIX plus others which are leading indicators.
- No, VIX is not leading indicator
- Yes - I check it every day - it really identifies the trend.
- Yes
- no
- yes
- Yes, we expect a move when the VIX returns to the low "resting heart rate" that is so common with this product. It is always just a matter of time til something pops when the VIX returns to very low levels.
- I don't, but I have taken more interest in it this past week.
- The vix is a symptom of the condition, not a cause.
- no
- Don't use it anymore. Algo trading runs the stops so fast minor fluctuations in VIX no longer foreshadow subsequent moves.
- yes. evaluate moves
- I use it. When it is low, I but vix to hedge my long portfolio
- Yes. Volatility predicts the market direction.
- No, a lagging indicator; short ERF's show precise willingness.
- do not trade on spx if vix is higher 25
- yes, need to change tactics from two weeks ago
- Yes.
- minor factor, chiefly to decide whether to buy or sell options
- Yes, if it is high I look for puts and low looking for calls
- Yes, like many indicators it is widely followed. Good to know how the "crowd" is reacting.
- Yes, to capture premium

- VIX is useful for me in evaluating when to take a harder look at options premiums. High VIX might indicate a time to play with new options strategies
- Use as a market internal but don't trade it.
- Yes
- Minimal sets the stage though
- Yes, as a measure of fear and uncertainty in the market
- Yes occasionally
- Yes, when the VIX falls back into the upper 2 standard deviation Bollinger Band boundary after a break above it, is usually a counter reaction buy. We have that now. When the VIX gets very low, under 12, it is a complacent sign that markets are top heavy and about to turn for the worse. Portfolio protection can be bought cheaply .

## Question #5: Comments/Questions/Suggestions?

Thank you for all the feedback, feel free to [contact us](#) at any time with any other questions or comments.

- Stay 50%+ in cash. Ken
- it is govt's stock market not capital market. Game is rigged forever.
- It's possible for Friday to be higher than Monday every week in a bear market. Your survey doesn't capture the underlying trends. Your survey should focus on long term, intermediate and short term trends.
- Events can act as triggers for moves, but the moves up or down are foundationally based in mass optimism or pessimism.
- There are times when I have little confidence on any direction in the market, but your question is up or down, so allow us to have less than 50% confidence
- what is R-squared of your crowdsourcing data with SPX?  
***TimingResearch response: Not sure, haven't tried to calculate that yet. However, if you'd like to raw data to calculate this for yourself or if you'd like to help me calculate it, please [contact me](#). Now that I have well over a year of data I'm planning on doing more in-depth analysis of it soon.***
- The biggest question seems to be whether the Fed is driving the market or that is just an excuse for all of the other macroeconomic factors driving the volatility.