A Snapshot of Moving Averages

View from the Observation Deck

1. In today’s post, we are showing the percentage of stocks in a number of major U.S. stock indices that are trading above their respective 50-Day and 200-Day moving averages.
2. Moving averages tend to smooth out day-to-day price fluctuations and can be a useful tool for traders to identify both positive trends and reversals, in our opinion.
3. On 5/9/18, the S&P 500 and S&P MidCap 400 Indices closed 6.09% and 3.58% below their respective all-time highs set on 1/26/18, according to Bloomberg. The S&P SmallCap 600 Index closed at its all-time high on 5/9/18.
4. The percentage of stocks in the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices trading above their 50-Day moving averages were 44%, 54% and 59%, respectively.
5. The percentage of stocks in the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices trading above their 200-Day moving averages were 51%, 53% and 56%, respectively.
6. The percentage of stocks trading above their 50-Day moving average by sector ranged from 18% (Consumer Staples) to 97% (Energy).
7. The percentage of stocks trading above their 200-Day moving average by sector ranged from 21% (Utilities) to 75% (Information Technology).