

# STOCK MARKET INDICATOR

by Phil Steele

Metrics, Metrics, Metrics. In 2012, I produced my first Stock Market Indicator article and it has delivered solid results each year. In 2012, Ohio St had a Stock Market Indicator (SMI) of +5.5, which would be a Bull Market. The +5.5 was calculated by taking their average win total from 2009-2010, which was 11.5 (11-2 in '09, 12-1 in '10), then subtracting their wins from '11 (just 6) which produced the +5.5. The Buckeyes clearly underperformed in '11 and were poised for a big bounce back the next year (Bull Market). My Stock Market Indicator proved to be spot on as the Buckeyes were the Most Improved Team in the country going 12-0 in '12! In '13, Auburn was coming off a 3-9 season following two years of going a combined 22-5. That earned them a +8 in my Stock Market Indicator and they got to the National Title game! In 2014, TCU was +5 in the Bull Market and went from 4-8 to 12-1 as the Most Improved Team in the country! In 2016, UCF was an amazing +10.5 in the Bull Market and improved from 0-12 to earning a bowl bid. The last five years 66 teams have made the Bull Market box and 54 (82%) have improved their record!

The Bear Market has also been a very accurate indicator. In 2019, 2021 and 2022, 25 teams were in the Bear Market box and 24 (96%) had weaker records. Over the last 6 years 54 teams have made the Bear Market box and only 10 have managed to improve their record. The last 2 years there were 22 teams in the Bull Market box and 18 improved. There were 16 in the Bear Market and 15 were weaker, 33-2-3 overall!



**THE BULL MARKET:** I mention in the top how the FBS teams have done over a longer period. I plugged all the teams of the FCS into my analysis and went from 2014-2022 for my FCS analysis and was very pleased that the results were almost identical. First of all to do a "Stock Market" report you need three previous year. I added the 2014 and 2015 years and divided by two then factored in how the team did in 2016 to see if a team was Bull or Bear in 2017. Naturally 2020 complicated matters with some teams playing full schedules and others playing two or three games in the Fall 2020/Spring 2021 seasons or not at all. What I did in that case is just take 2017 and 2018 and divide by two then factor in 2019 and use that to predict the 2021 season skipping over the 2020 mess.

Here is the Bear Market Chart for the five years of research that I was able to do on the FCS. In those five years there were just seven teams that rated a +5 Bull Grade or higher and I am pleased to report a 100% success rate for those teams with zero teams having a weaker record. Only one category had a dip and that was the +3 with 10 of the 18 teams having a weaker record (strange but

RECORDS BY INDIVIDUAL CATEGORIES	RECORDS BY RUNNING TOTAL					
	Total	Stronger or Same	Stronger or Same %	Stronger	Same	Weaker
+7.5 or more	1	1	100.0%	1	0	0
+7 games	0	0	0.0%	0	0	0
+6.5 games	1	1	100.0%	1	0	0
+6 games	3	3	100.0%	3	0	0
+5.5 games	2	2	100.0%	1	1	0
+5 games	7	7	100.0%	6	1	0
+4.5 games	18	15	83.3%	14	1	3
+4 games	11	10	90.9%	10	0	1
+3.5 games	11	9	81.8%	7	2	2
+3 games	18	8	44.4%	8	0	10
+2.5 games	38	25	65.7%	20	5	13
+2 games	44	33	75.0%	30	3	11
+1.5 games	37	24	64.8%	19	5	13
+1 games	44	26	59.1%	22	4	18
+0.5 games	45	30	66.7%	26	4	15

happens sometimes in statistics). Teams that were +3.5 or higher in the Bull market had a 89% success rate with only 6 of 54 teams having a weaker record the next year. This chart even had a 74% success rate at +2 on the Bull Market and 69.3 for teams at +.5 or above.

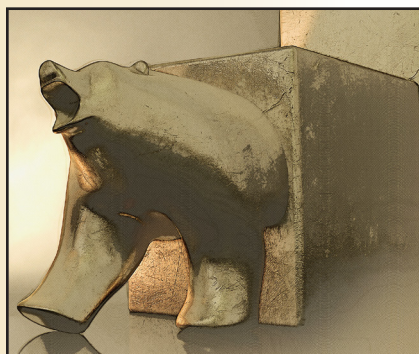
A couple of examples from the five years of research. Western Carolina was 2-9 in 2016 but rated a +5 on my SMI in 2017 and went 7-5! SEMissouri St was 4-8 in 2021 but rated a +5.0 on my SMI and rebounded to go 9-3 last year!

This years top teams are list in the Bull Market box to the right.

The complete list is available on Phil Steele Plus

## BULL MARKET TEAMS for 2023

Kennesaw St	+6.0
Dartmouth	+6.0
E. Washington	+5.5
Cent Conn St	+5.5
Robert Morris	+5.5
S. Carolina St	+4.5
VMI	+4.5
Nicholls	+4.5
Monmouth	+4.0
Maine	+4.0
Morehead St	+4.0
East Tenn St	+4.0



**THE BEAR MARKET:** Like all of my systems I put in my magazine, there is a two-way street to this Stock Market Indicator (SMI). I also have reviewed the numbers since 1990 on the Bear side of the market, analyzing teams with a negative indicator, indicating that a team had likely overachieved the prior season, and the numbers were similar to the Bull side.

In the Bull writeup I chronicled that in my study from 2014 to 2022, I was able to cull five years of Stock Market research (read above).

In the five year study of the FCS teams there were 23 teams that rated a -5 or lower in the Stock Market Indicator and only two of those teams managed to improve their record the next year which is a 91.3% success rate! The chart remained at a strong 80.2% success rate for teams that were -3.5 or lower and by success I mean those teams had a weaker or the same record the next year with 19.8% improving their record. Any team that earned a minus rating (-.5 or lower) had a 68.4% success rate.

Let me give you a couple of examples from my research. In 2018 UC Davis was 10-3 but in 2019 my SMI said they were headed down as they graded a -6.0 and indeed they finished just 5-7

RECORDS BY INDIVIDUAL CATEGORIES	RECORDS BY RUNNING TOTAL					
	Total	Weaker or Same	Weaker or Same %	Weaker	Same	Stronger
-7.5 or lower	1	1	100.0%	1	0	0
-7 games	0	0	0.0%	0	0	0
-6.5 games	1	0	0.0%	0	0	1
-6 games	3	3	100.0%	2	1	0
-5.5 games	7	7	100.0%	7	0	0
-5 games	11	10	90.9%	9	1	1
-4.5 games	14	9	64.2%	9	0	5
-4 games	17	10	58.8%	10	0	7
-3.5 games	13	8	61.5%	8	0	5
-3 games	22	17	77.2%	12	5	5
-2.5 games	24	18	75.0%	16	2	6
-2 games	24	17	70.8%	17	0	7
-1.5 games	39	21	53.8%	20	1	18
-1 games	45	32	71.1%	26	6	13
-0.5 games	61	40	65.5%	30	10	21

in 2019. In 2021 East Tennessee St had a super season at 11-2. While Buccaneer fans were pumped up for 2022 my Stock Market Indicator said pump the brakes as they graded a -5.5 and indeed the Bear Market forecast saw them finish just 3-8 in 2022. In 2019 Albany was 9-5 after season of just two and four wins the previous two years. My Stock Market Indicator had them at -5.5 and the Great Danes plummeted to 2-9 in 2021.

Here is this years Going Down box for the SMI.

The complete list of Stock Market grades is available right now on Phil Steele Plus.

## BEAR MARKET TEAMS for 2023

Samford	-6.5
William & Mary	-5.5
NCCentral	-5.0
Jackson St	-4.5
Incarnate Word	-4.5
South Dakota St	-4.5
New Hampshire	-4.5
Texas Southern	-4.0
Butler	-4.0
Fordham	-4.0
Penn	-4.0