



Registration for the press distribution list and further information at [www.sentix.co.uk](http://www.sentix.co.uk)



**Manfred Huebner**

CEFA, Managing Director

[manfred.huebner@sentix.de](mailto:manfred.huebner@sentix.de)

**sentix**   
expertise in behavioral finance

sentix GmbH

Wiesenhüttenstraße 17, 60329 Frankfurt am Main

Tel. +49 (69) 3487 961-0, [info@sentix.de](mailto:info@sentix.de)

## sentix Economic Index: Recovery gains momentum

- **Economic momentum in the Euro area gains further** in November. The overall headline index rises to +13.1 index points and the expectations are the highest since December 2015.
- Also, the current situation index improves significantly with a plus of six points. Within the Euro area, **Germany remains strong** while the countries of the Alps (Austria and Switzerland) weakened.
- **Global backwind continues.** Even for the United States the confidence remains for the time after the presidential election. The Global aggregate index rises to +14.8 points, the **highest numbers since May 2015**.

### Statistics

Poll running: **03-to 05-November-2016**

Survey participants: **1,024 investors**

(of those are institutional investors: **259**)

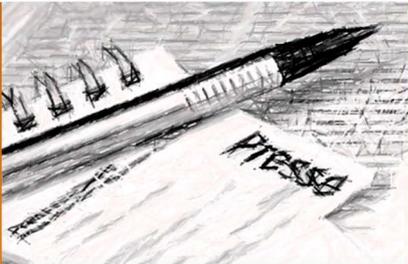
## Current economic regimes\* of countries /regions in focus:

Region / country	Regime	Region / country	Regime
 Eurozone	boom	 USA	upturn
 Germany	boom	 Japan	stabilisation
 Switzerland	upturn	Asia ex-Japan	boom
 Austria	slight upturn	Latin America	upturn
Eastern Europe	stabilisation	Global Aggregate	upturn

\* The regimes – ranging from recession to boom – are derived from the sentix Economic Indices according to the principle of the “economy clock” (see annotation on penultimate page). They reflect investors’ perceptions of different economies. These perceptions are the basis for investors’ behaviour, i.e. their asset allocation, and are thus relevant for financial markets. They are historically close to actual economic activities but need not necessarily be identical.

## Results for the Euro area economy: November 2016

Euro area	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	9.9	1.7	4.2	5.6	8.5	13.1
Headline Index						
- Current situation	9.8	5.5	3.8	4.5	6.3	12.3
- Expectations	10.0	-2.0	4.8	6.8	10.8	14.0



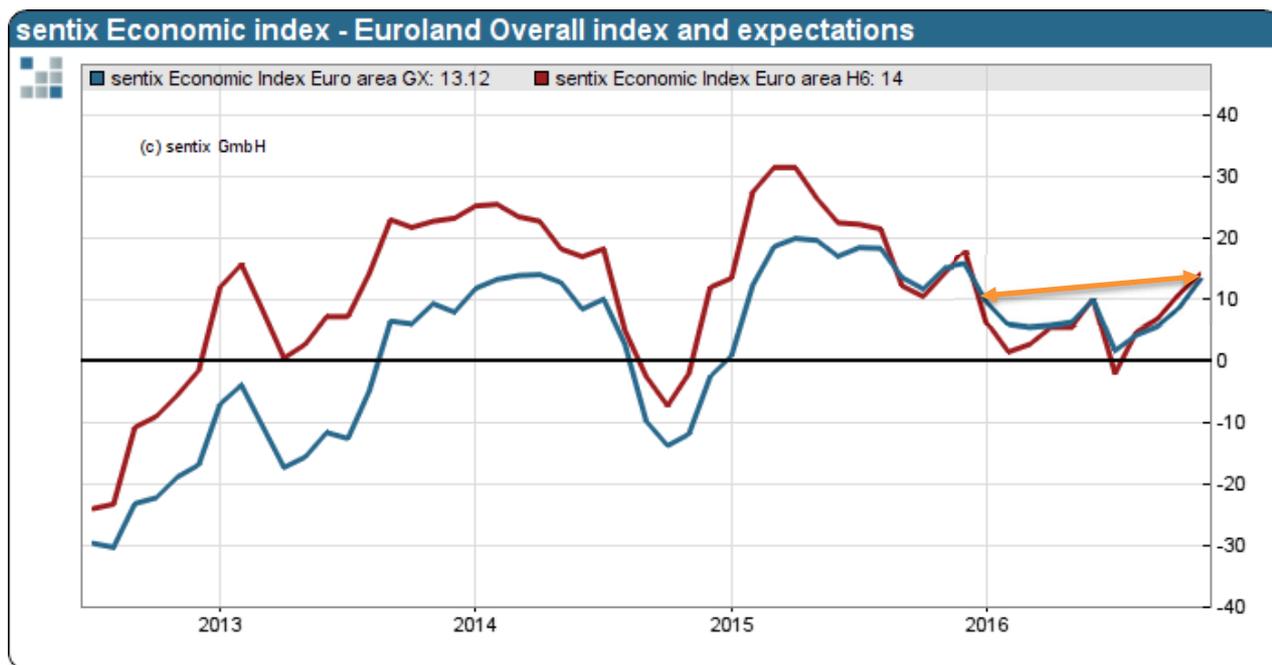
## Commentary on the survey results for November 2016

### Recovery gains momentum

In November, the positive trend in the economic indices continues. The overall index for Euroland is even rising to a new year's high, driven by further rising expectations. But also, the plus of six points in the position assessment sets an exclamation mark. Important is the fact that the economic assessment for the US does not indicate any weakness for the time after the handover. Together with Japan and the emerging markets, the sentix Global Aggregate continues to grow, which points to a solid global economic upturn.

### Euro area – New yearly high

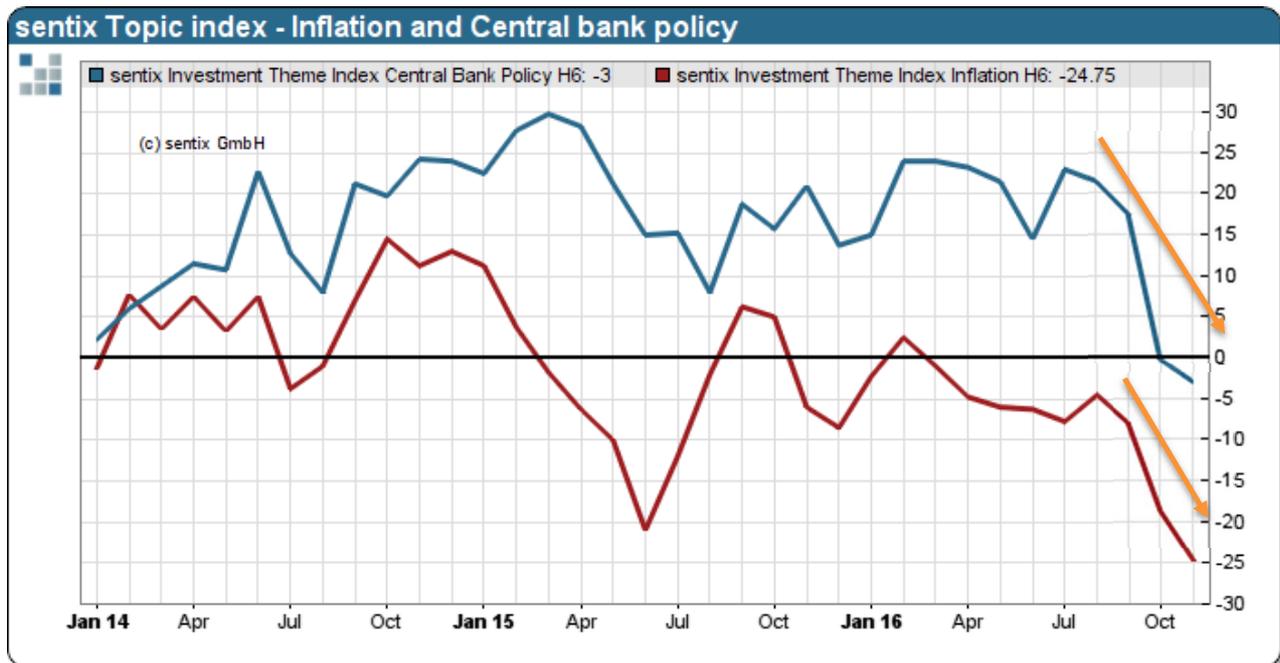
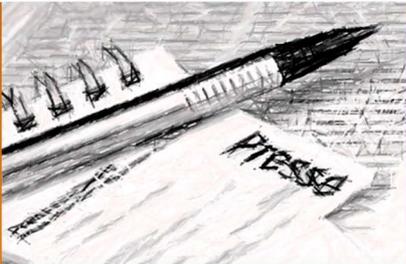
In the Euro area, the signs are still on improvement. In purely numerical terms, the figures even reach the boom quadrant in the sentix economic cycle clock (for explanation, see appendix)! On a positive note, all aggregates are rising: the situation, the expectations and, consequently, the overall index. We are not only recording a one-year high in November 2016, but the dynamism of the increase is particularly impressive. This is expected to pose a positive surprise in the fourth quarter of 2016 on the economic side.



sentix Economic Index for the Eurozone: **current situation** and **expectations**

The ECB should take benevolently note of this. After all, she had practiced restraint in further stimulating measures to make the previous, on the way, work. Thus, no further acute need for action should be expected from the monetary authorities. Investors are taking advantage of the decline in the influence of central bank policy, which is reflected in the sentix topic index "Central bank policy".

Background: Sentix monthly raises these data parallel to the economic assessments for the following topics: business cycle, inflation, central bank policy, fiscal policy and exchange rates.



sentix Investment Theme Indices: **Central bank policy** and **Inflation**

This is likely to have a direct impact on the interest rate landscape, as the previous support argument over the ongoing purchase of government bonds loses strength. In addition, the topic index "inflation" is experiencing a further pointing. Due to the improved economic environment, investors are experiencing increased risks of inflation. This should also have a recouping effect on further interest rate developments.

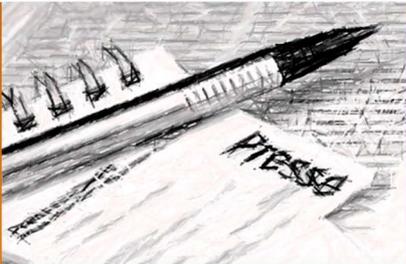
### Germany – The boom continues

For Germany, the signs are still on "boom". Although the positive signs do not develop quite as dynamically as for the Euro area, the improvement must be judged as very positive because of the already high level. The expectation component increased by 0.7 points, the situation improved by 2.3 points, which corresponds to the highest level since April 2015.

Germany	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	
Overall Index	20.7	18.4	19.8	19.5	27.7	29.2	Highest level since 05.2015
<b>Headline Index</b>							
- Current situation	34.4	35.2	33.4	34.3	45.5	47.8	Highest level since 03.2015
- Expectations	7.9	2.7	7.0	5.7	11.3	12.0	Highest level since 08.2015

### United States – Confidence after handing over the office

At present, all attention for the US is focused on the presidential election. Investors do not see any confusion for the economy because of the event. Economic expectations are rising, if only by one point to 7.3. Certainly, the choice of the outcome will have consequences on the extent of the expectations. A few days before the decision, there is no abrupt shock for the time after this on the agenda.

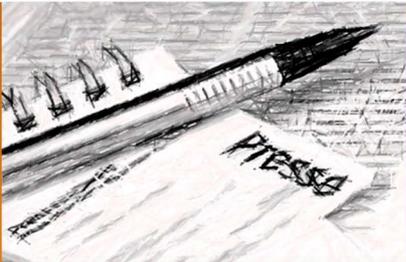


USA	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	
Overall Index	17.0	14.3	17.6	16.5	17.8	19.6	Highest level since 12.2015
<b>Headline Index</b>							
- Current situation	27.8	27.0	29.3	29.3	30.0	32.8	Highest level since 01.2016
- Expectations	6.8	2.3	6.5	4.5	6.3	7.3	Highest level since 09.2015

### Global backwind persists

Almost all of the global regions show positive monthly changes in the sentix economic indices (with the exception of the Alpine countries). It is therefore also not surprising that the sentix Global Aggregate Index is expanding its positive trend in recent months. With 14.8 points it still reaches the highest level since June 2015 - thanks in particular to the emerging markets!

Global Aggregate	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	
Overall Index	6.7	4.3	7.9	9.1	11.6	14.8	Highest value since 06.2015
<b>Headline Index</b>							
- Current situation	6.1	6.2	8.4	10.3	12.5	16.8	Highest value since 05.2015
- Expectations	7.3	2.4	7.4	7.9	10.7	12.9	Highest value since 07.2015



## More tables

Switzerland	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	7.7	-0.9	3.7	10.8	18.7	13.6

Austria	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	11.1	4.1	9.4	3.4	6.2	3.3

Japan	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	-6.2	-8.6	-6.2	-4.8	-1.3	1.3
Headline Index						
- Current situation	-12.3	-13.0	-12.8	-10.3	-6.8	-3.0
- Expectations	0.0	-4.0	0.5	0.8	4.3	5.8

Asia ex Japan	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	9.0	8.2	14.1	16.4	19.7	22.4
Headline Index						
- Current situation	7.5	9.5	15.0	18.0	21.5	25.5
- Expectations	10.5	7.0	13.3	14.8	18.0	19.3

Eastern Europe	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	-5.5	-7.3	-5.0	-2.9	-1.6	2.2
Headline Index						
- Current situation	-14.3	-14.3	-12.8	-10.0	-8.5	-4.8
- Expectations	3.8	0.0	3.0	4.5	5.5	9.5

Latin America	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Overall Index	-18.0	-13.7	-12.5	-9.1	-6.0	0.8
Headline Index						
- Current situation	-36.8	-30.3	-29.3	-23.8	-21.5	-13.3
- Expectations	3.0	4.5	6.0	6.8	10.8	16.0



## Data availability

**Bloomberg**

**FACTSET**

 THOMSON REUTERS

 **CEIC**  
A Euromoney  
Institutional  
Investor Company

**Macrobond**

 **IHS GLOBAL  
INSIGHT**

**HAVER ANALYTICS®**

**sentix**   
expertise in behavioral finance

## About sentix

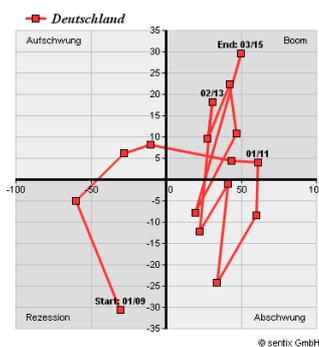
The sentix GmbH is an independent research institute based in Frankfurt/Main, Germany. Founded in 2001, sentix provides analysts and investors, as well as the media and officials, with information about investors' preferences and their estimates and expectations about markets and economic trends.

Sentix is recognised in the industry as one of the leading experts in market sentiment and Behavioral Finance data. Among our clients are big fund managements groups as well as banks and independent fiduciaries. The data products are derived from the sentix Global Investor survey, to which more than 5.000 investors from 20+ countries contribute.

## Background, methodology and more

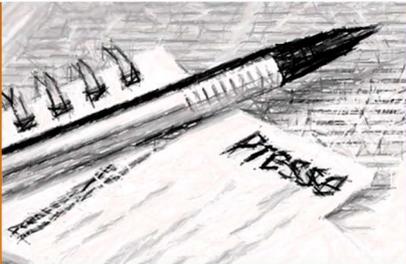
See <http://economics.sentix.de>

*sentix -DE- Economy Clock*



## The idea of the „economy clock“

The sentix economy clock shows the assessment of the current situation and investors' 6-month expectations in an x-y diagram. The evaluation of the current situation is displayed on the x-axis and 6-month expectations on the y-axis. An upturn, for instance, is characterised by still negative readings for the assessment of the current situation but already positive values for investors' expectations. This is why the upturn area lies in the upper left part of the clock. The graph on the left-hand side shows Germany starting in 2009 from a recession ending in 03/15 in a boom.



## Disclaimer

### **Important information concerning liability, compliance, protection of investors and copyright**

This information is meant only for distribution in countries in which law permits this.

This analysis is for information purposes only and (i) does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any financial, money market or investment instrument or any security, (ii) is neither intended as such an offer for sale or subscription of or solicitation of an offer to buy or subscribe for any financial, money market or investment instrument or any security nor (iii) as an advertisement thereof. The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. The investments discussed may fluctuate in price or value. Investors may get back less than they invested.

Changes in rates of exchange may hurt the value of investments. Furthermore, past performance is not necessarily indicative of future results. In particular, the risks associated with an investment in the financial, money market or investment instrument or security under discussion are not explained in their entirety.

We assume no liability for the information contained in this analysis. The analysis is no substitute for personal investment consultation. Even by the depicted opportunities and risks, investors must individually assess – by their personal investment strategies, the financial, legal and fiscal situation - whether an investment in the financial instruments depicted here is sensible for them. As this document is in no way a direct investment recommendation, this document or parts of it should not be used as the basis for any conclusion of the contract or any commitment to obligations of any kind. Investors are asked to contact the investment analysts of their banks for individual investment advice and other individual explanations and advice.

Neither the sentix GmbH nor any of its managing directors, employees or other persons assumes liability for losses or damages caused in connection with the use of this document or its contents.

The sentiment analysis is made available via the internet to those sentix participants of which is assumed that they do not base their investment decisions inappropriately by this analysis.

Statements or conclusions made through data or services do not include warrants or guarantees for the future market- or price changes. The opinions and assessments expressed therein can change without prior notice.

The sentix GmbH explicitly points out that both the sentix GmbH, its legal agents as well as their employees (in the following: the Involved) regularly conduct transactions in equity and other financial instruments which the data and services refer to. They do this both in their names and for their accounts as well as in the name and accounts of third parties. Should the Involved have been involved in an emission of instruments for the finance markets in the past 12 months, this is separately indicated at the corresponding place.

All rights of use for this analysis, its data and services are the property of the sentix GmbH and are copyrighted. The sentix GmbH reserves its right to inflict penalties for the unauthorised usage of data and services, especially unauthorised commercial use. Reproduction or subsequent processing of website elements, analyses, data or services in electronic, written or another form is prohibited without prior consent by the sentix GmbH. Analyses that are only available in the secure customer area may be quoted, neither in full nor in part. An exception to this are analyses, data or services which have been posted by the sentix GmbH via the press mailing list or which have been presented in another form for public propagation.

This analysis may not – either in full or in part, regardless of underlying intent – be forwarded, reproduced or published.

„sentix“ is a registered trademark of sentix Holding GmbH.

DAX, TecDAX, Xetra und Eurex have registered trademarks of the Deutsche Börse AG. Dow Jones EURO STOXX 50 is a registered trademark of the STOXX Limited. Other names of products and companies which may be mentioned on this site could also be protected or be registered trademarks of other companies.

### **ANALYST DECLARATION**

Neither in the past, present or future is the remuneration of the author linked – either directly or indirectly – to his or her recommendations or views expressed in this context.