



sentix Eco Report Indicators for the Global Economy

05th March 2012

Free of charge for active sentix survey participants / Standard conditions at www.sentix.de



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sentix economic index: recovery, even in Japan!

- The sentix economic index improves again in March and, with that, for the third time in a row, to -8,2 points. Both situational and expectational values were able to improve.
- For Germany the dynamics are less pronounced, which is most probably due to the very high situational values.
- In the USA there is a drop in the expectational component. The strong US Dollar and rising prices in oil seem to leave their mark more and more, here.
- Comeback of two problem children: Japan and Eastern Europe stand out with the strongest rises in the respective total indexes. The weak Yen is an important support for Japan.

Statistics

Survey period: **01.03.-03.03.2012**

Participants: **914**

sentix indications for upcoming market events

At this point we will publish upcoming important market events and the expectations which can be derived from already published sentix data.

sentix – first mover advantage

05.03.2012 - ISM-Non Manufacturing Index - stabile on a high level

12.03.2012 - OECD Leading Indicator - clearly improved

13.03.2012 - ZEW-Index - slightly improved expectations (Euroland), nearly unchanged for Germany

26.03.2012 - ifo Index - sideways on a high level

Table of March results 2012 for Euroland economy

Euro area	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	-18.5	-21.2	-24.0	-21.1	-11.1	-8.2
Headline Index						
- Current situation	-5.8	-11.8	-17.3	-18.8	-15.8	-14.0
- Expectations	-30.5	-30.3	-30.5	-23.5	-6.3	-2.3

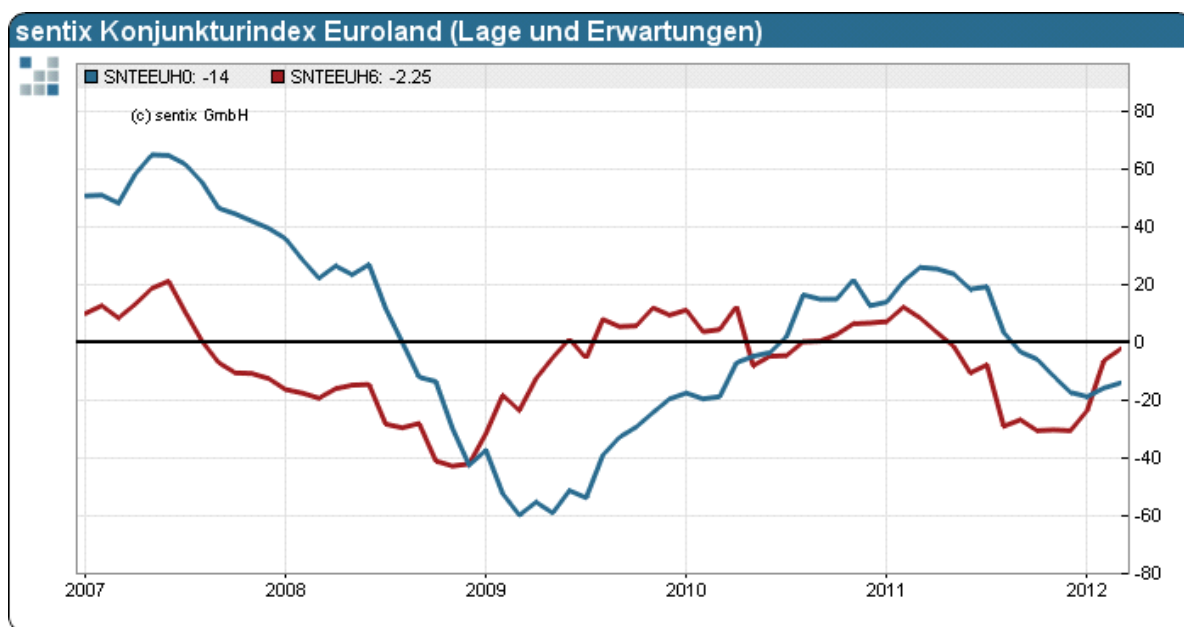


Commentary to the survey results of March 2012

Recovery, even in Japan!

The spring revival in the economic data continues in March. We were able to survey a rise in the respective total indices for all world regions. This leads us to be optimistic for the upcoming publication of the OECD Leading Indicator! Even for the buffeted Euroland-region, the sentix total index rises for the third time in a row. Neither rising oil prices, unrest in the Middle-East nor the latently smoldering Euro-crisis were able to sway sentiment at the moment.

For the third time in a row, the sentix economic index for Euroland rises to a current level of -8.2 points (from -11.1). Both economic situation and expectations support this improvement. Despite rising oil prices, a continuously smoldering debt-crisis and political uncertainty south of the Alps, we find a renewed improvement in sentiment.



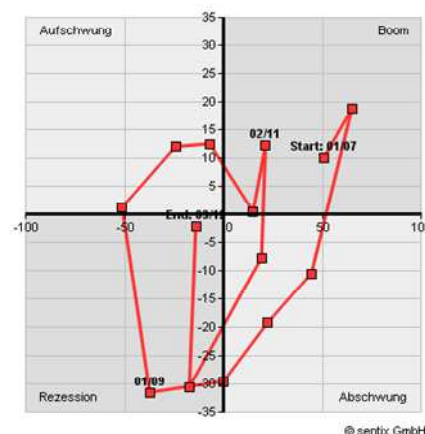
sentix economic index Euroland – Situation and Expectations

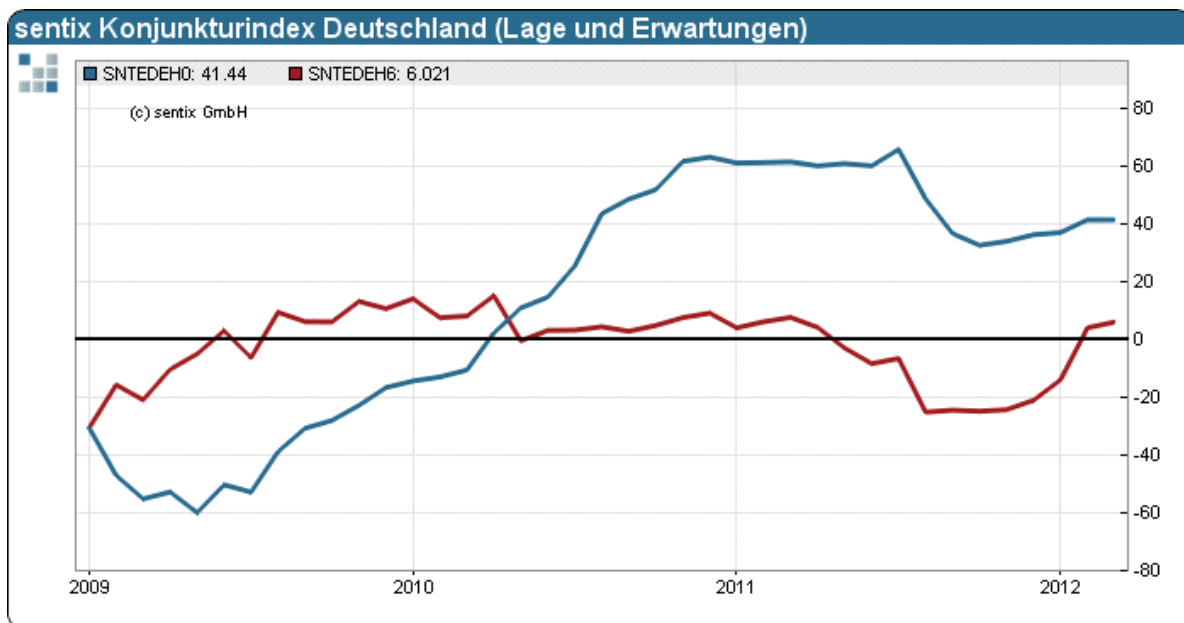
While the trend is on the right track, one should not overlook the fact that both sub-indices are still in the negative. By definition, the sentix economic clock has not yet left the recession quadrant.

For Germany, too, the total index has improved for the fifth time to +23. The rise is slightly less pronounced than the one we find in Euroland. But this is understandable considering the very high situational values at +41.4 (unchanged in comparison to last month).

The German economy remains robust, the recovery has boom-type traits with a dynamic which, however, will be difficult to surpass.

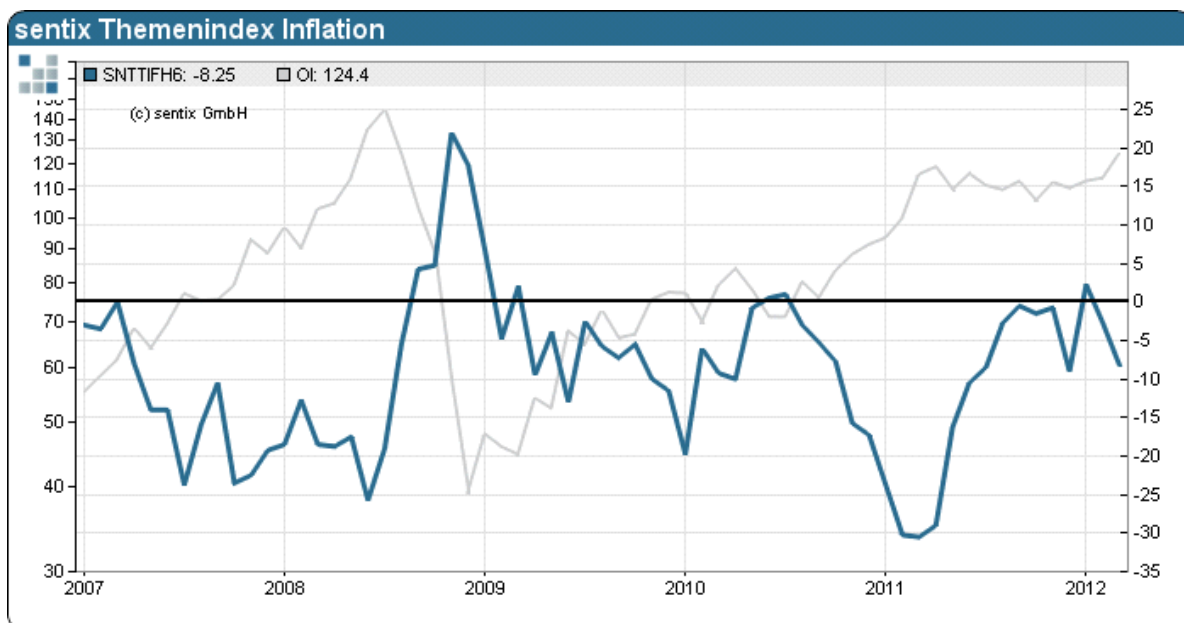
sentix -EU- Economy Clock





sentix economic index Germany – Situation and Expectations

The provision of liquidity by the ECB, the beginning process of debt restructuring for Greece and, in its wake, the rise of the equity markets have been rewarded by investors. Even the unexpectedly strong increase in oil prices is not able to hurt this positive sentiment, especially since the investors have, until now, not derived any immediate inflation dangers from this. In the second half of 2010, for example, this was very different, with rising oil prices effecting inflation expectations very quickly and strongly.



sentix topic index inflation (headline index) and Brent crude oil prices (USD/barrel)



International Context

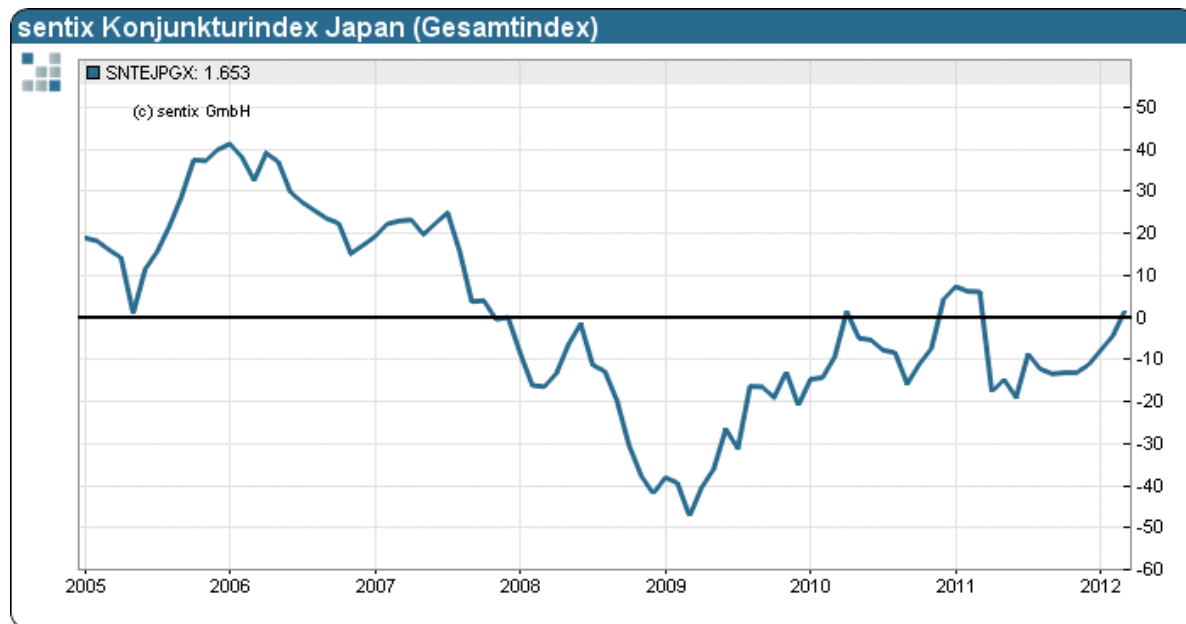
For the USA, the sentiment picture is rather dampened after a number of good months. As we had seen in the last month we have probably already left the best phase behind us. The economic situation has improved once more, just as the total index, the economic expectations, however, have given way slightly:

USA	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	-20.4	-13.9	-6.4	5.6	11.1	13.7
Headline Index						
- Current situation	-21.0	-13.5	-3.8	8.5	12.0	17.8
- Expectations	-19.8	-14.3	-9.0	2.8	10.3	9.8

sentix economic index USA - data table

This drop should, however, not be over-interpreted, as the situational improvement with +5.8 points shows us the picture of an economy on the rise.

The most prominent improvements for this month were surveyed in Japan and Eastern Europe. The Japanese economy very obviously profits from the latest weakness of the Japanese Yen which, after the Bank of Japan also increased its loosening-up exercises, should also continue in the coming weeks and months.



sentix economic index Japan (total index)

Eastern Europe on the other hand – and here, above all, Russia – profits heavily from the rise in oil prices and the expected calming on the political front after the end of the presidential elections this weekend.

Latin America and Asia (ex Japan) also show improvements.

The global picture is rather positive and lets us look forward to the next publication of the OECD Leading Indicator.



sentix Eco Report

Indicators for the Global Economy

05th March 2012

Global aggregate	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	-6.7	-3.7	-7.3	1.8	10.3	13.8
Headline Index						
- Current situation	4.6	7.3	-1.8	9.2	13.3	17.8
- Expectations	-17.4	-14.1	-12.6	-5.3	7.4	9.9

sentix economic index Global Aggregate - data table

Further data and charts

Japan	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	-13.1	-13.1	-11.3	-7.8	-4.4	1.7
Headline Index						
- Current situation	-15.0	-15.0	-11.8	-11.8	-11.0	-4.5
- Expectations	-11.3	-11.3	-10.8	-3.8	2.5	8.0

Asia ex Japan	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	9.2	13.1	11.8	14.4	25.7	28.8
Headline Index						
- Current situation	31.0	35.3	31.3	30.8	37.5	41.0
- Expectations	-10.5	-7.0	-6.0	-0.8	14.5	17.3

Eastern Europe	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	-3.1	-0.6	-6.5	-7.8	1.6	8.2
Headline Index						
- Current situation	11.5	13.5	4.5	-2.5	1.3	9.5
- Expectations	-16.8	-13.8	-17.0	-13.0	2.0	7.0

Latin America	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Overall Index	4.4	9.2	8.9	12.2	20.6	23.8
Headline Index						
- Current situation	23.8	27.3	25.5	26.5	29.0	33.3
- Expectations	-13.3	-7.5	-6.5	-1.3	12.5	14.8



Data availability

Bloomberg

FACTSET



sentix 
expertise in behavioral finance



About sentix

On a weekly basis, more than 3.200 registered investors (of which more than 700 are institutionals) supply us with their market assessment. Out of this data, sentix calculates sentiment indexes, which mirror the sentiment of equity markets (DAX, EuroSTOXX 50, Nikkei 225, S&P 500), bond markets (Bund-Future, US-Treasury-Future) and currencies (EUR/USD, USD/YEN). These sentiment indexes are setting the standard, held in high regard by many renowned financial players and are used by investment professionals in their analyses and investment processes. A history of more than seven years and the simple access to data via reputable data providers as well as a website document the outstanding position of sentix as the leading independent sentiment data base.

Background and methodology

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



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