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sentix Economic Index: Eurozone aggregate climbs to new high

- In June, the sentix economic indices are the bearer of glad tidings. The **sentix Economic Index for the Eurozone climbs to +9.9 points** which marks the highest level since the beginning of 2016. In comparison to May's figures, the **index increases by +3.7 points**.
- Investors' perception brightens with regards to both current situation and expectation values.
- The **June survey surprises positively** as investors' view on **all world regions improves**. The overall index for the **US economy increases by +6.2 points**.

Statistics

Poll running: **02 June - 04 June 2016**

Survey participants: **1074 investors**

(of those are institutional investors: **270**)

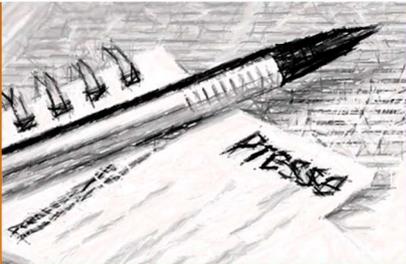
Current economic regimes* of countries /regions in focus:

Region / country	Regime	Region / country	Regime
 Eurozone	slight upturn	 USA	upturn
 Germany	upturn	 Japan	downturn
 Switzerland	upturn	Asia ex-Japan	upturn
 Austria	upturn	Latin America	stabilisation
Eastern Europe	Stabilisation	Global Aggregate	slight 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 Eurozone economy: June 2016

Euro area	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	9.6	6.0	5.5	5.7	6.2	9.9
Headline Index						
- Current situation	13.0	10.5	8.3	6.0	7.0	9.8
- Expectations	6.3	1.5	2.8	5.5	5.5	10.0



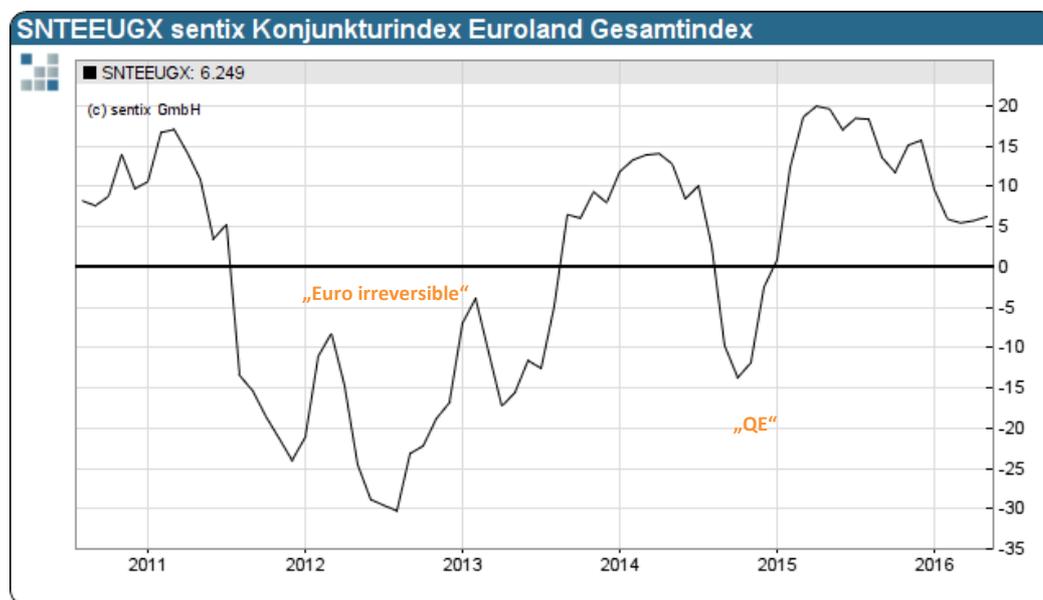
Commentary on the survey results for June 2016

The Eurozone aggregate climbs to new high

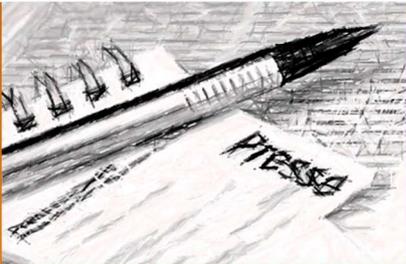
June's economic expectation figures end a sluggish spring quarter. The Eurozone aggregate rises by +3.7 points to the highest value since last December. Besides, investors' expectations over the next six-month soar by +5.5 points to +10 points. The June readings further demonstrate that other world regions can gain along with the development in central Europe. Investors are especially delighted by the progress of the US economy. The overall index climbs +6.2 points. On the US economy's coat-tails is the economy of Asia which signals signs of improvement in comparison the previous quarter. Accordingly, the sentix global aggregate index strengthens by +4.1 points and marks the highest reading since last December.

The Eurozone economy strikes a coup

The sentix Economic Indices for the Eurozone positively surprise. After being able to stabilise successfully in May, the sentix overall index for the Eurozone manages to increase by +3.7 points in June. Both the growth of expectation as well as the current situation value confirms this month's development. The current situation parameter increases by +2.8 points. Investors' economic expectations over the next six-month increase even more by +4.8 points. As a result, the latest figures raise hope that the downtrend, that has been prevailing since last year, has finally halted. Though rather mixed, investors finally discount last month's economic data. On the other hand, ECB's currently more passive approach to recent economic figures should have boosted confidence among the investment community. A central bank that displays an immediate urge to act on every data release over a longer period does not bolster investors up. The respective country indices for the German, the Swiss as well as the Austrian economy reflect the overall positive development of the Eurozone.



sentix Economic Index for the Eurozone: Overall Index



The positive development of other economic regions provides an additional stimulus for the Eurozone economy. With the successful turnaround of emerging markets and the stabilisation of commodity prices, crude oil, in particular, optimism returns to investors. The positive trend of the global economy continues in June; as even mature economies can contribute positively by striking a successful coup.

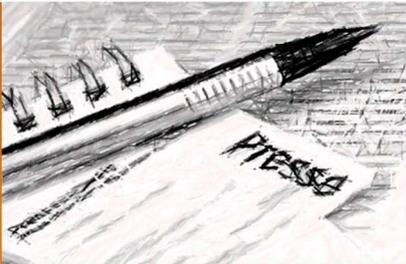
Spotlight on the USA

Expectations for the US economy remarkably increase +6.0 points in June. Since the February trough at -8.8 points, expectations have increased by +15.6 points. The downward spiral of economic expectations, therefore, has come to an end as investors get more optimistic. We register upswings across all sub-indices. However, the latest sentix survey which ran from Thursday 02-June to Saturday 04-June, might not fully incorporate the reactions to the disappointing US labour market figures published on Friday. Whether those data have clouded investors' perception of the US economy is questionable. In the recent weeks, the ADP report, as well as the weekly labour market data, have not shown any sign of significant weakness. As the labour market data is a lagging economic indicator, more emphasis should be put on forward oriented data such as investors' opinion on future economic developments.

USA	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	9.6	3.7	9.5	14.5	10.8	17.0
Headline Index						
- Current situation	26.5	17.0	21.8	26.8	21.3	27.8
- Expectations	-6.0	-8.8	-2.0	3.0	0.8	6.8



sentix Economic Index for the US economy: Headline Index - Expectations



Japan – vital signs

After devastating sentix figures for Japan’s economy in the previous months, investors diagnose vital signs. Until recently, the Japanese economy was on the brink of recession and signs of economic relief were far away. Whereas the latest figures should be consumed with care as they do not represent the final confirmation of renewed economic prosperity, nonetheless the increase of investors’ economic expectations by +8.5 points is a robust signal. Moreover, expectations have reached the highest level since November 2014 as the Bank of Japan declared the willingness to increase monetary stimulus. Investors’ attitude shift towards Japan is remarkable because the development of the exchange rate has hurt the export-driven Japanese economy.

Japan	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	-3.0	-6.9	-6.3	-10.1	-13.8	-6.2
Headline Index						
- Current situation	-0.3	-6.5	-8.3	-14.5	-19.0	-12.3
- Expectations	-5.8	-7.3	-4.3	-5.5	-8.5	0.0

The strongest value since November

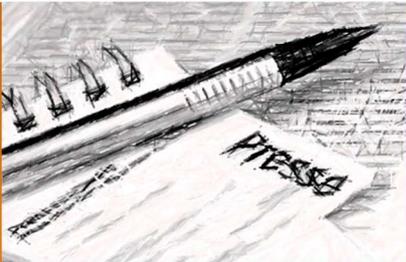
Asia ex. Japan raise hopes – Latin America disappoints

Investors sense improvement for the Asia ex. Japan region. The latest data reveals that investors expect economic improvements, in particular for the Chinese economy, which, in turn, should give a boost to the global economy. The sentix global aggregate index increases by +4.1 points. A promising development for more surprise potential in the months to come. The overall positive assessment, however, is not without a flaw. While all other world regions benefit in June, Latin America cannot make any progress. The sentix overall index for Latin America’s economy even falls by -2.3 points. The dynamic of the global economy is merely affected, though.

Asia ex Japan	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	-7.6	-4.3	1.5	5.0	5.4	9.0
Headline Index						
- Current situation	-6.8	-3.8	1.3	4.3	4.8	7.5
- Expectations	-8.5	-4.8	1.8	5.8	6.0	10.5

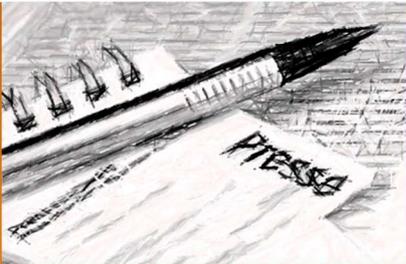
Global Aggregate	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	-1.6	-3.6	0.5	3.5	2.6	6.7
Headline Index						
- Current situation	1.9	-1.2	1.6	3.7	2.7	6.1
- Expectations	-5.0	-5.9	-0.5	3.2	2.6	7.3

Latin America	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	-26.6	-28.8	-23.4	-18.2	-15.7	-18.0
Headline Index						
- Current situation	-42.8	-45.3	-41.8	-36.0	-32.8	-36.8
- Expectations	-8.8	-10.5	-3.0	1.5	3.0	3.0



More tables

Germany	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	18.1	14.5	16.9	17.6	18.3	20.7
Headline Index						
- Current situation	35.6	33.0	33.3	32.7	34.1	34.4
- Expectations	1.8	-2.6	1.7	3.4	3.5	7.9
Switzerland	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	1.4	5.0	5.4	7.9	1.0	7.7
Headline Index						
- Current situation	-0.3	8.3	2.4	10.8	3.0	5.3
- Expectations	3.1	1.8	8.3	5.1	-1.1	10.1
Austria	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	2.1	6.2	13.1	7.1	-5.3	11.1
Headline Index						
- Current situation	4.3	-0.7	7.9	2.1	-1.4	6.6
- Expectations	0.0	13.3	18.6	12.1	-9.1	15.8
Eastern Europe	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16
Overall Index	-14.7	-17.3	-12.8	-8.7	-7.8	-5.5
Headline Index						
- Current situation	-20.8	-24.3	-20.8	-17.5	-15.3	-14.3
- Expectations	-8.5	-10.0	-4.5	0.5	0.0	3.8



Data availability

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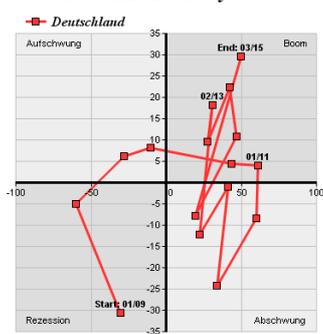
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Sentix is recognized in the industry as one of the leading experts in market sentiment and Behavioral Finance data. Among our clients are big fund managements groups as well as banks and independent fiduciaries. The data products are derived from the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

Background, methodology and more

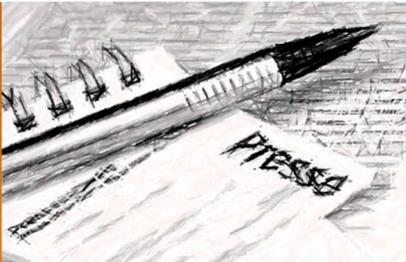
See <http://economics.sentix.de>

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 assessment 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.



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