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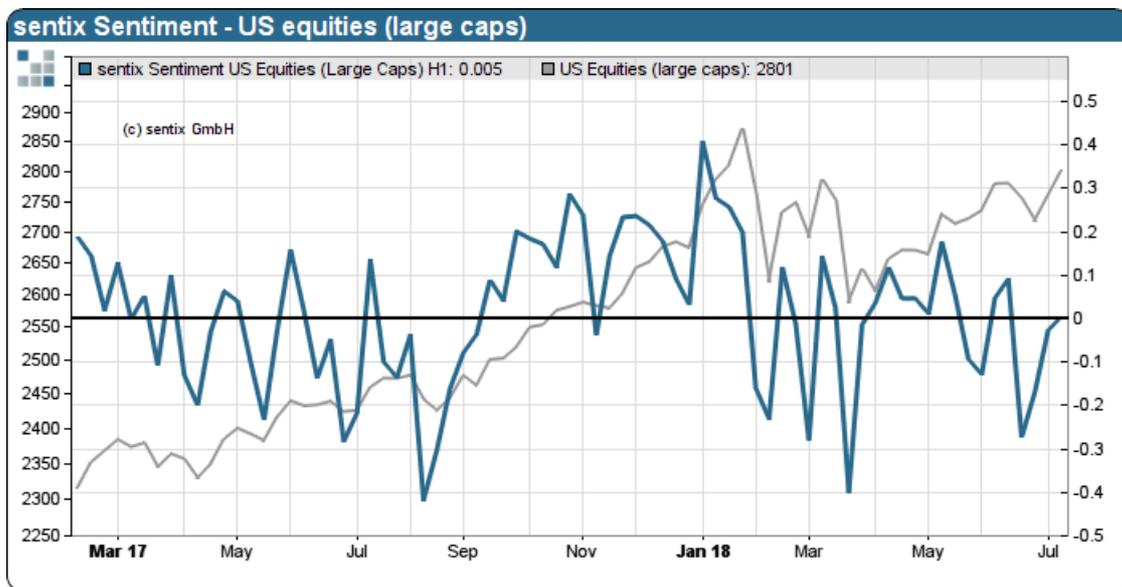
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## Party without atmosphere

We observe a very rare phenomenon at sentix: the US stock markets are going up, the Nasdaq is climbing from one all-time high to the next - only the enthusiasm of investors is missing. The reasons are "fundamental".

Courses and moods regularly move in sync with each other. This basic rule is currently being turned upside down. Looking at the sentiment for US equities reveals that despite the recovery rally, which has once again been stronger in the US than in Europe, there is no euphoria. Rather, the sentiment is just neutral, the trial of strength between bulls and bears is thus completely balanced.



sentix Sentiment US Large Caps and S&P 500

Investors obviously cannot enjoy the rise in equity prices. That's because you don't have the prospects. Tariffs, rising interest rates and now the threat of an economic slowdown. This mix is hard on the shareholders' stomach and spoils the party atmosphere. The tummy rumbling can be observed nicely in the Strategic Bias for US stocks. The indicator measures the basic conviction of investors (not shown) and therefore has a leading characteristic. What is worrying is the weakness that has been apparent there for many weeks. The development of the basic conviction recalls the years 2008 and 2011, in which a similar loss of confidence took place. Many suspect also this year that the current party is a flop. But they keep dancing until they realize too late that the music is already over.



## Background

The sentix Sentiment has been collected weekly via the Internet since 2001. Investors are asked about the most important investment markets. From the results, the mood and fundamental convictions of investors can be determined objectively. The long history enables a comparison of the current data series to earlier market phases. Recurring patterns allow conclusions to be drawn about future market developments.

The current survey was conducted between July 12<sup>th</sup> and July 14<sup>th</sup>, 2018, among more than 1.000 private and institutional investors.

## About sentix

sentix is the pioneer and leading provider of sentiment analyses (behavioural finance) in Europe. Since 2001 sentix surveys on a weekly basis around 5.000 investors from over 20 countries (comprising over 1.000 institutional and almost 4.000 individual investors) about their expectations for financial markets as well as for economic developments and their portfolio actions. The sentix survey results are representative of a broadly diversified group of investors.

sentix surveys offer the rare combination of a vast number of participants, high quality and an outstanding speed with which information is gathered and passed on. All sentix indices are regularly accessible for sentix data clients just about one day after the close of each poll – via the sentix website or Bloomberg. sentix clients thus can use sentix data almost in real time to further improve performance.

sentix GmbH was founded in 2001 and today represents the basis for all the services the sentix group offers to its clients in the field of Behavioural Finance.



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