

# AAII Sentiment Survey: Neutral Sentiment Rises to a Six-Month High

The percentage of individual investors describing their short-term outlook for stock prices as “neutral” is at a six-month high, according to the latest AAI Sentiment Survey. Optimism pulled back this week, while pessimism rose slightly.

Bullish sentiment, expectations that stock prices will rise over the next six months, fell 5.3 percentage points to 32.7%. The drop keeps optimism below its historical average of 38.5% for 16 out of the last 17 weeks.

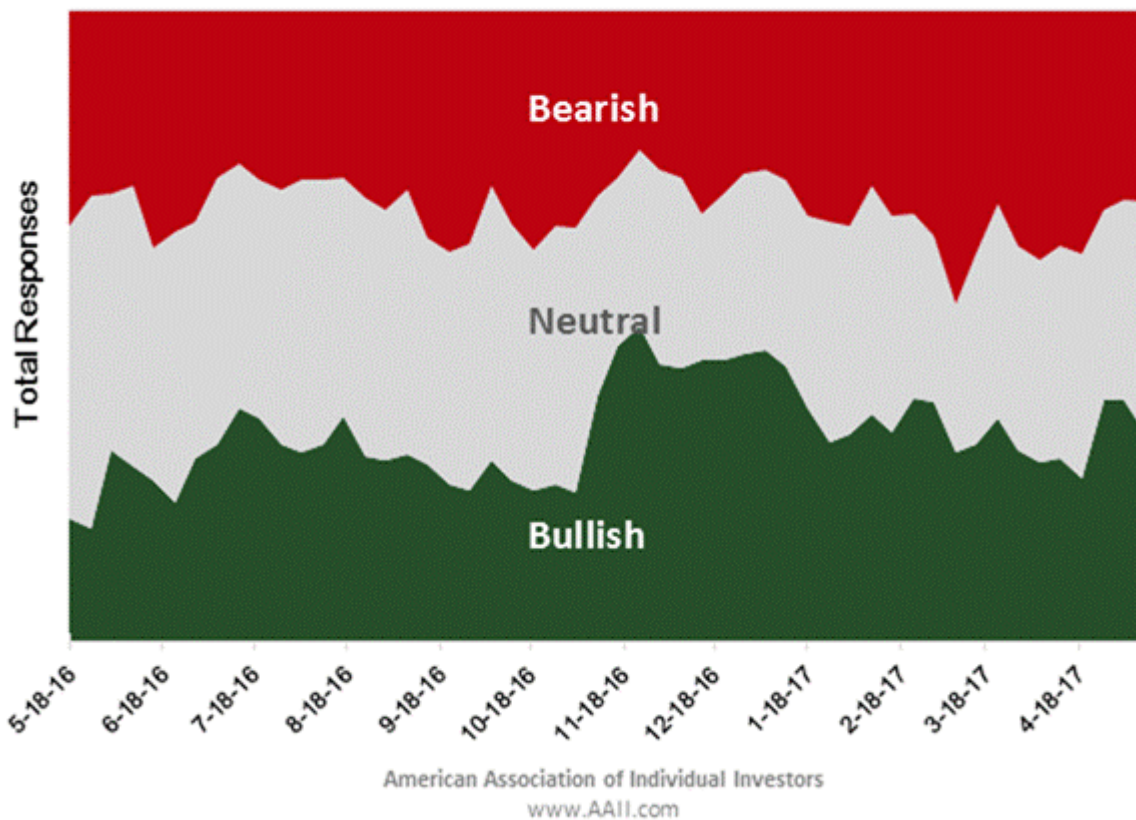
Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, rose 5.1 percentage points to 37.1%. Neutral sentiment was last higher on November 2, 2016 (42.0%). The rise keeps neutral sentiment above its historical average of 31% for the seventh time in eight weeks.

Bearish sentiment, expectations that stock prices will fall over the next six months, is 0.3 percentage points higher at 30.2%. The historical average is 30.5%.

At current levels, all three sentiment indicators are within their typical historical ranges.

AAII members, in aggregate, are not significantly altering their market outlooks in reaction to the ongoing record highs for stocks prices. While some view the gains favorably, others fret about rising valuations. We continue to see President Trump and the potential impact of his administration’s policies brought up in response to our weekly special questions—even when the questions have nothing to do with Washington politics. Also playing a role is the lack of volatility and concerns about the potential for a forthcoming drop in stock prices.

## AII Sentiment Survey



This week's AAI Sentiment Survey results:

- Bullish: 32.7%, down 5.3 percentage points
- Neutral: 37.1%, up 5.1 percentage points
- Bearish: 30.2%, up 0.3 percentage points

Historical averages:

- Bullish: 38.5%
- Neutral: 31.0%
- Bearish: 30.5%

Want to weigh in? Take the survey yourself and see results online at

<http://www.aaii.com/sentimentsurvey>.

*If you want to become an effective manager of your own assets and achieve your financial goals, consider a **risk-free 30-day Trial AII Membership**.*