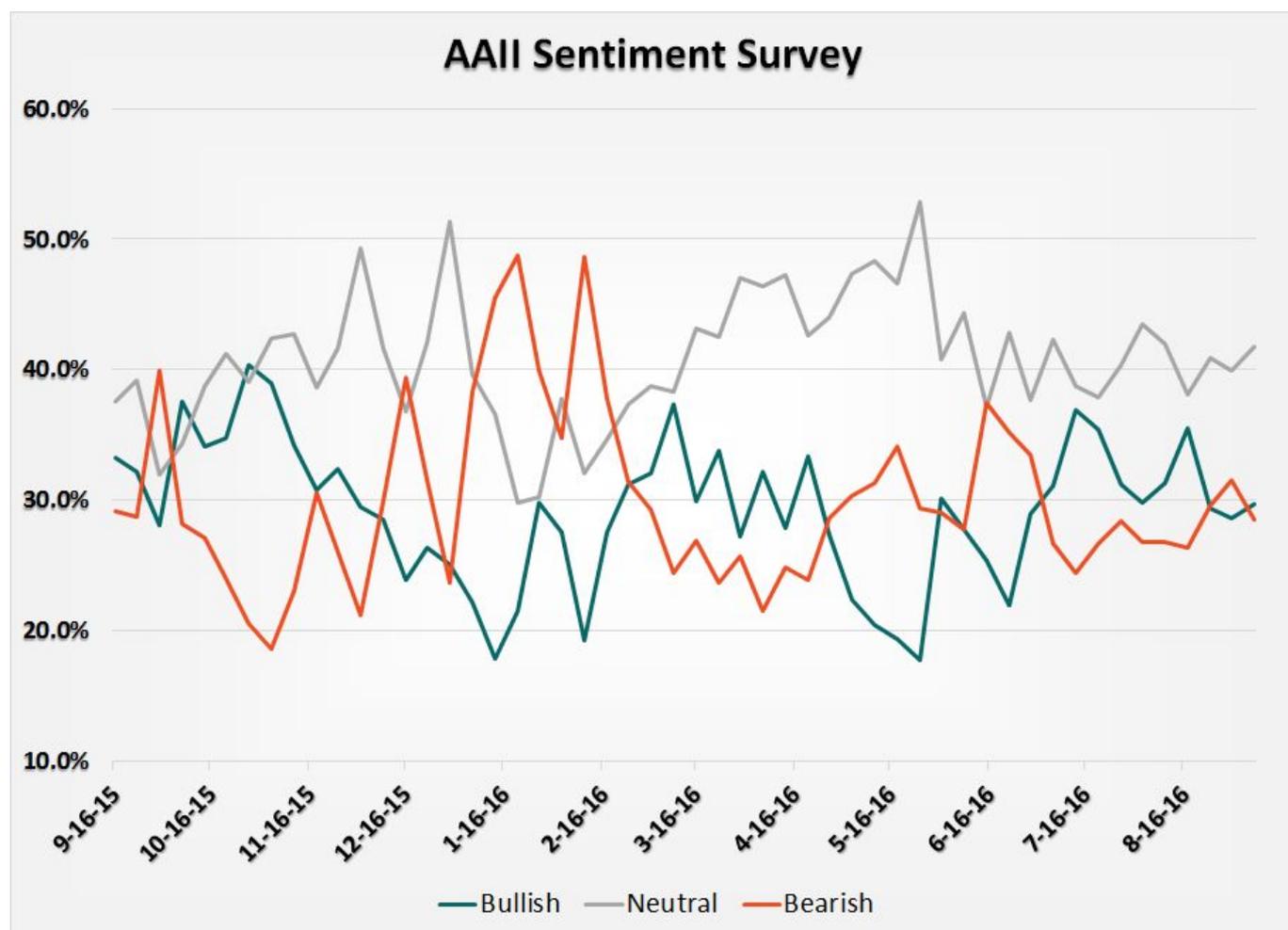


AII Sentiment Survey: Neutral Sentiment Rises to One-Month High



The proportion of individual investors describing their short-term outlook for stocks as “neutral” is at its highest level in a month, according to the latest AII Sentiment Survey. Optimism rebounded, while pessimism fell.

Bullish sentiment, expectations that stock prices will rise over the next six months, rebounded by 1.1 percentage points to 29.7%. This is the third consecutive week that optimism is below 30%. It is also the 77th week out of the past 79 with a bullish sentiment reading below its historical average of 38.5%.

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, rose by 1.9 percentage points to 41.8%. Neutral sentiment was last higher on August 3, 2016 (43.4%). The rise keeps neutral sentiment above its historical average of 31.0% for the 32nd consecutive week.

Bearish sentiment, expectations that stock prices will fall over the next six months, fell by 3.0 percentage points to 28.5%. This week’s decrease puts bearish sentiment back below its historical

average of 30.5% for the ninth time in 10 weeks.

The NASDAQ's record highs did not have a significant impact on individual investor sentiment. One reason why is that the record highs occurred during the latter half of the survey period. Likely playing a bigger role are concerns about valuations and/or the presidential election. Also keeping some individual investors bearish, or at least giving them reason to be cautious, are global economic uncertainty and disappointment with corporate earnings growth. Giving other individual investors reason for optimism are this summer's rise in stock prices, the perceived lack of investment alternatives, corporate earnings and sustained, albeit slow, economic growth.

This week's AAI Sentiment Survey results:

- Bullish: 29.7%, up 1.1 percentage points
- Neutral: 41.8%, up 1.9 percentage points
- Bearish: 28.5%, down 3.0 percentage points

Historical averages:

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

The AAI Sentiment Survey has been conducted weekly since July 1987 and asks AAI members whether they think stock prices will rise, remain essentially flat or fall over the next six months. The survey period runs from Thursday (12:01 a.m.) to Wednesday (11:59 p.m.).

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

<http://www.aai.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 AAI Membership**.