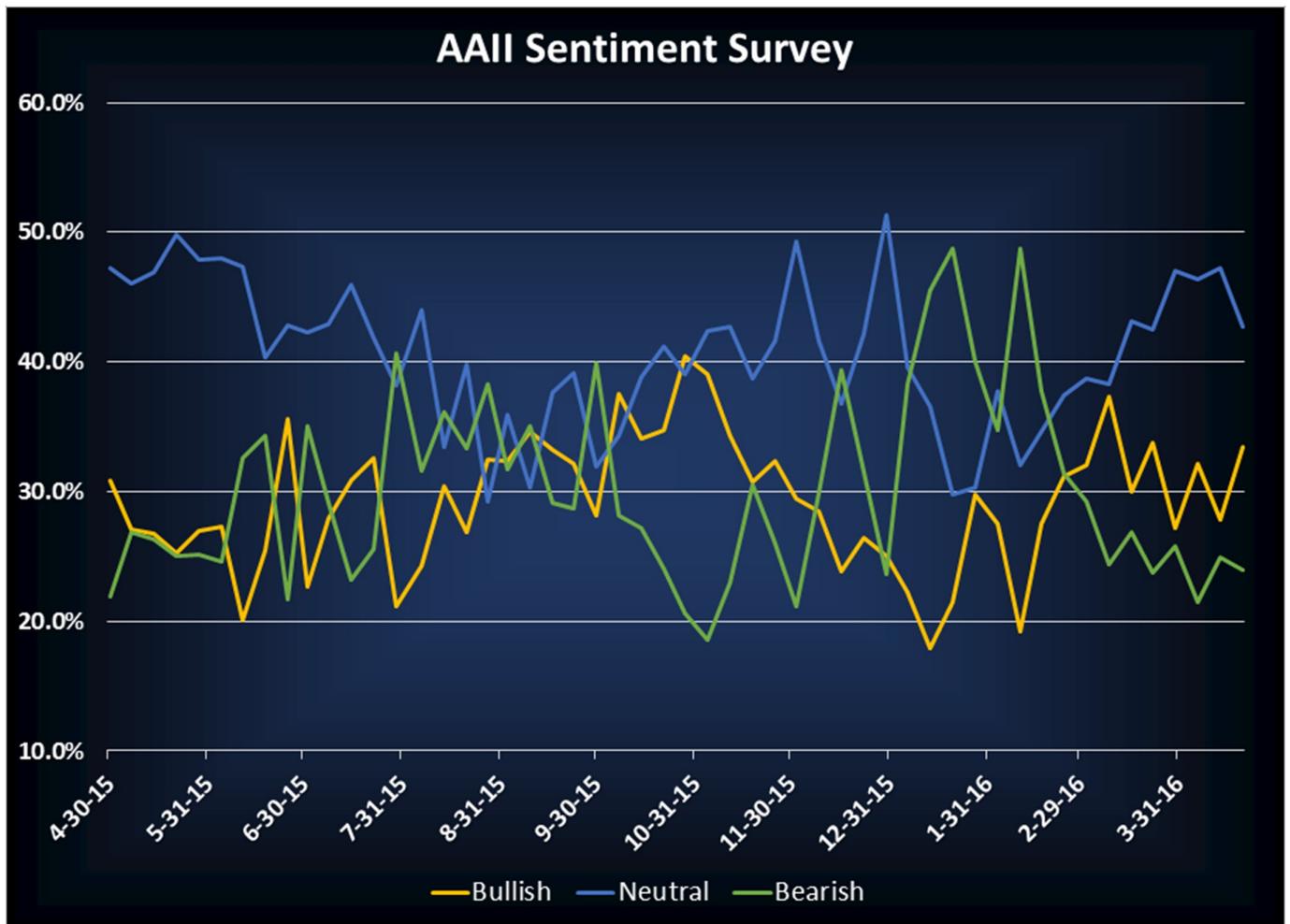


AAll Sentiment Survey: One in Three Investors Optimistic



For just the third time in the past 23 weeks, at least one in three individual investors say they are optimistic about the short-term direction of stock prices, according to the latest AAll Sentiment Survey. Meanwhile, neutral sentiment is above 40% for a sixth consecutive week.

Bullish sentiment, expectations that stock prices will rise over the next six months, rebounded by 5.6 percentage points to 33.4%. This is a five-week high. Even with the rebound, optimism is below its historical average of 39.0% for the 24th consecutive week and the 57th out of the past 59 weeks.

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, fell 4.6 percentage points to 42.7%. As noted above, this is the sixth consecutive week that neutral sentiment is above 40%—the longest such streak since a 16-week stretch between April 9 and July 15, 2015. This is the also the 12th consecutive week and the 64th out of the past 68 weeks with a neutral sentiment reading above its historical average of 31.0%.

Bearish sentiment, expectations that stock prices will fall over the next six months, declined 1.0 percentage points to 23.9%. The decrease keeps pessimism below its historical average of 30.0% for

an eighth consecutive week.

Even though the S&P 500 index is trading near its record high and the smaller-cap Russell 2000 index has rebounded as well, many individual investors remain cautious. Optimism has mostly stayed below its historical average over the past 60 weeks. Even this week's reading was only the third time that bullish sentiment has exceeded 33% since last November. Notably, when the S&P 500 set its last record closing high on May 21, 2015, just 25.2% of surveyed individual investors described their outlook as bullish.

Currently giving individual investors cause for concern is the slow pace of U.S. economic growth and uncertain global economic growth, terrorism and global unrest, lackluster corporate earnings and the prevailing level of valuations. Some AAI members, however, are encouraged by sustained domestic economic growth, expected corporate earnings growth and still-low energy prices.

This week's AAI Sentiment Survey results:

- Bullish: 33.4%, up 5.6 percentage points
- Neutral: 42.7%, down 4.6 percentage points
- Bearish: 23.9%, down 1.0 percentage points

Historical averages:

- Bullish: 39.0%
- Neutral: 31.0%
- Bearish: 30.0%

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**.