

## AII Sentiment Survey: Optimism Falls Further

Optimism among individual investors about the short-term direction of the stock market fell further in the latest AII Sentiment Survey. Neutral sentiment also declined as pessimism rose above 30%.

Bullish sentiment, expectations that stock prices will rise over the next six months, declined 2.4 percentage points to 29.1%. This is a four-week low. The drop keeps optimism below its historical average of 38.5% for the fifth time in six weeks.

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, pulled back by 2.8 percentage points to 38.8%. Neutral sentiment is above its historical average of 31.0% for the 23rd time in 24 weeks.

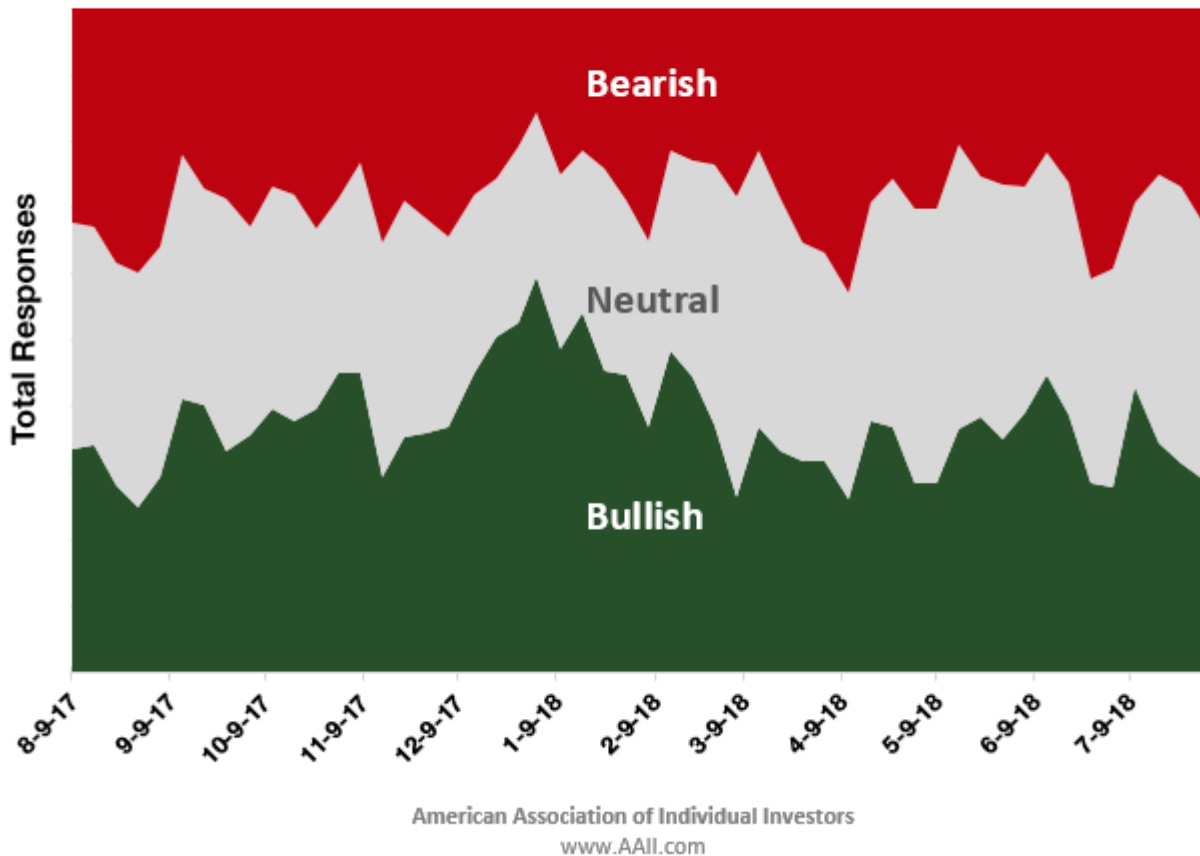
Bearish sentiment, expectations that stock prices will fall over the next six months, rose 5.2 percentage points to 32.1%. This is the first time pessimism is above its historical average of 30.5% in four weeks.

Optimism is near the bottom of its typical historical range. Readings below 28.1% are unusually low. Neutral sentiment is back within its typical range.

Most of this week's results were tabulated before the Federal Reserve Open Market Committee released its meeting statement yesterday. Some AII members have previously cited rising interest rates as one of the factors they are paying attention to. Many of these members have also said that they are not concerned about rate hikes so long as increases occur at a gradual and moderate pace.

Also influencing individual investor sentiment are tariffs and the possibility of a trade war, Washington politics (particularly President Donald Trump), economic growth, valuations and corporate profits.

# AII Sentiment Survey



This week's AII Sentiment Survey results:

- Bullish: 29.1%, down 2.4 percentage points
- Neutral: 38.8%, down 2.8 percentage points
- Bearish: 32.1%, up 5.2 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 [www.aaii.com/sentimentsurvey](http://www.aaii.com/sentimentsurvey).

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