

AII Sentiment Survey: Optimism Rebounds Above Historical Average

Optimism among individual investors about the short-term direction of the stock market rebounded, rising above its historical average. This week's AII Sentiment Survey also showed lower neutral sentiment and lower pessimism.

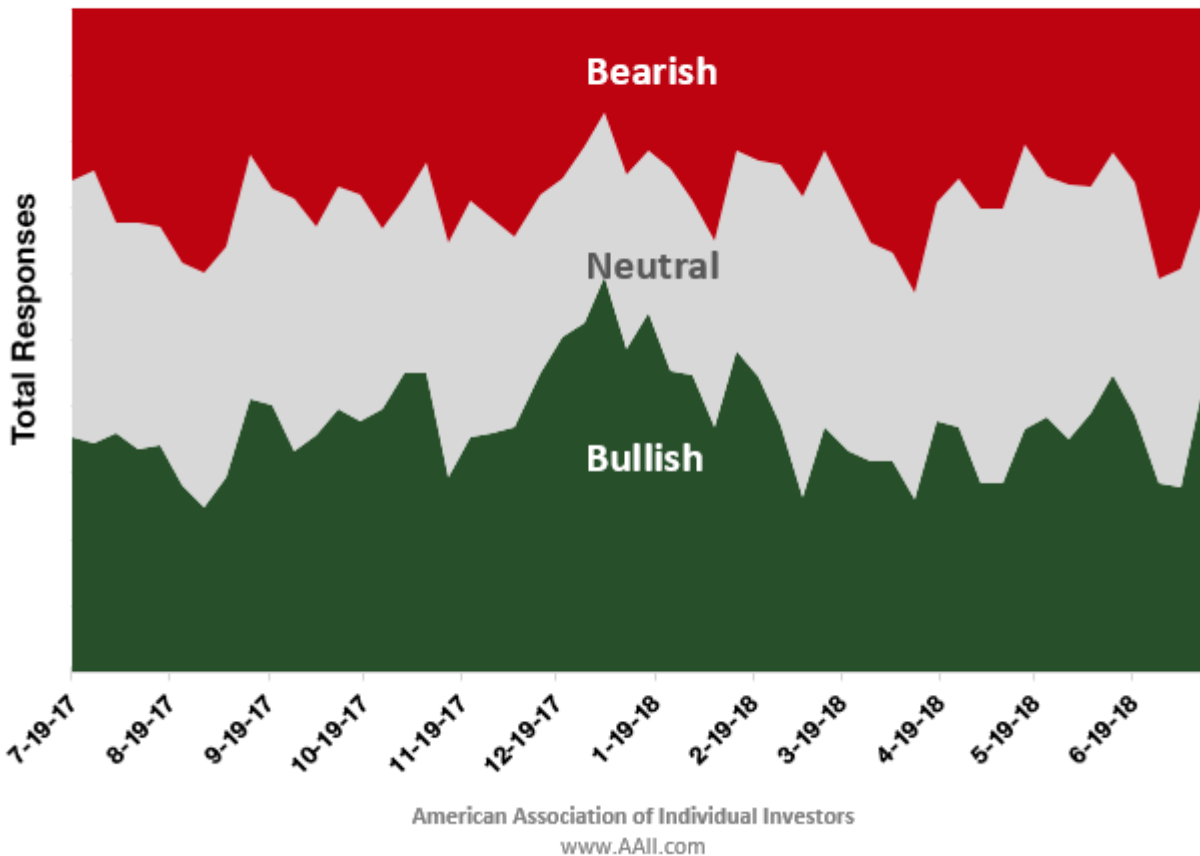
Bullish sentiment, expectations that stock prices will rise over the next six months, rose 15.2 percentage points to 43.1%. Optimism was last higher on June 13, 2018 (44.8%). The historical average is 38.5%.

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, declined by 5.1 percentage points to 27.8%. The decline pushed neutral sentiment below its historical average of 31.0%, breaking its 20-week streak above the average.

Bearish sentiment, expectations that stock prices will fall over the next six months, pulled back by 10.1 percentage points to 29.2%, pushing it below the historical average of 30.5%.

Many—but not all—individual investors anticipate continued volatility and/or think that the current political backdrop could have a further impact on the stock market. Trade policy is influencing some individual investors' sentiment as well. While many approve of the Federal Reserve's plan to continue gradually raising interest rates, some AII members are concerned about the impact that rising rates will have. Also influencing sentiment are valuations, tax cuts, earnings growth and economic growth.

AAll Sentiment Survey



This week's AAll Sentiment Survey results:

- Bullish: 43.1%, up 15.2 percentage points
- Neutral: 27.8%, down 5.1 percentage points
- Bearish: 29.2%, down 10.1 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.

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