

AII Sentiment Survey: Optimism Rebounds to a Six-Week High

Optimism among individual investors about the short-term direction of the stock market rose to a six-week high in the latest AII Sentiment Survey. Neutral sentiment and pessimism both declined.

Bullish sentiment, expectations that stock prices will rise over the next six months, rebounded by 2.3 percentage points to 38.5%. This is the first time optimism has been at or above its historical average of 38.5% since July 11, 2018 (43.1%).

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, declined by a slight 0.3 percentage points to 34.5%. Neutral sentiment remains above its historical average of 31.0% for the 26th time in 27 weeks.

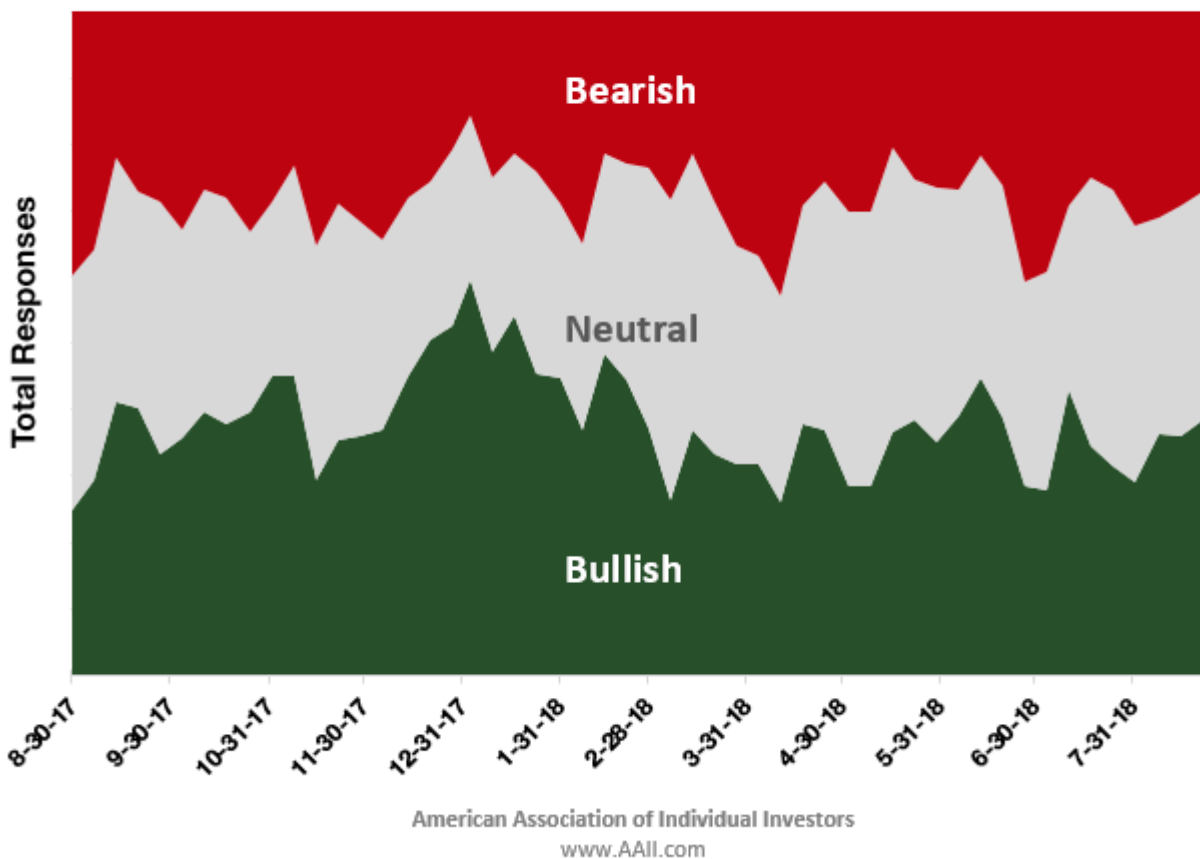
Bearish sentiment, expectations that stock prices will fall over the next six months, fell 2.0 percentage points to 27.1%. The historical average is 30.5%.

During the past 26 weeks, optimism has either been at or above its historical average just six times. This is in sharp contrast to the beginning of the year when bullish sentiment was above its historical average for seven out of the first eight weeks.

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

Tariffs, and the possibility of a trade war, remain front and center on the minds of many individual investors. Also influencing sentiment are Washington politics (including President Donald Trump), economic growth, interest rates (including monetary policy), valuations and corporate profits.

AII Sentiment Survey



This week's AAI Sentiment Survey results:

- Bullish: 38.5%, up 2.3 percentage points
- Neutral: 34.5%, down 0.3 percentage points
- Bearish: 27.1%, down 2.0 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.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***