

# Market Factors Making Bigger Impact on Outlook Than Fiscal Matters

This week's [Sentiment Survey](#) special question asked AAI members if a market-related factor or if a fiscal policy-related matter has a greater impact on their six-month outlook for stocks. Nearly two-thirds of respondents (64%) said market-related factors, particularly citing monetary policy, earnings and valuations. Less than a third of respondents (31%) said that a fiscal matter has a greater impact. These members particularly cited the debt ceiling, the debt, the deficit and the budget standoff.

Here is a sampling of the responses:

"Market factors are more important. The federal budget and the debt ceiling will eventually take care of themselves."

"Earnings and the lack of Fed direction."

"Stock valuations, earnings, free cash flow and price movement. The ineffectiveness of Congress matters less."

"Fiscal policy events could have quick, large negative market reactions."

"For the next six months, I suspect political matters will reign."