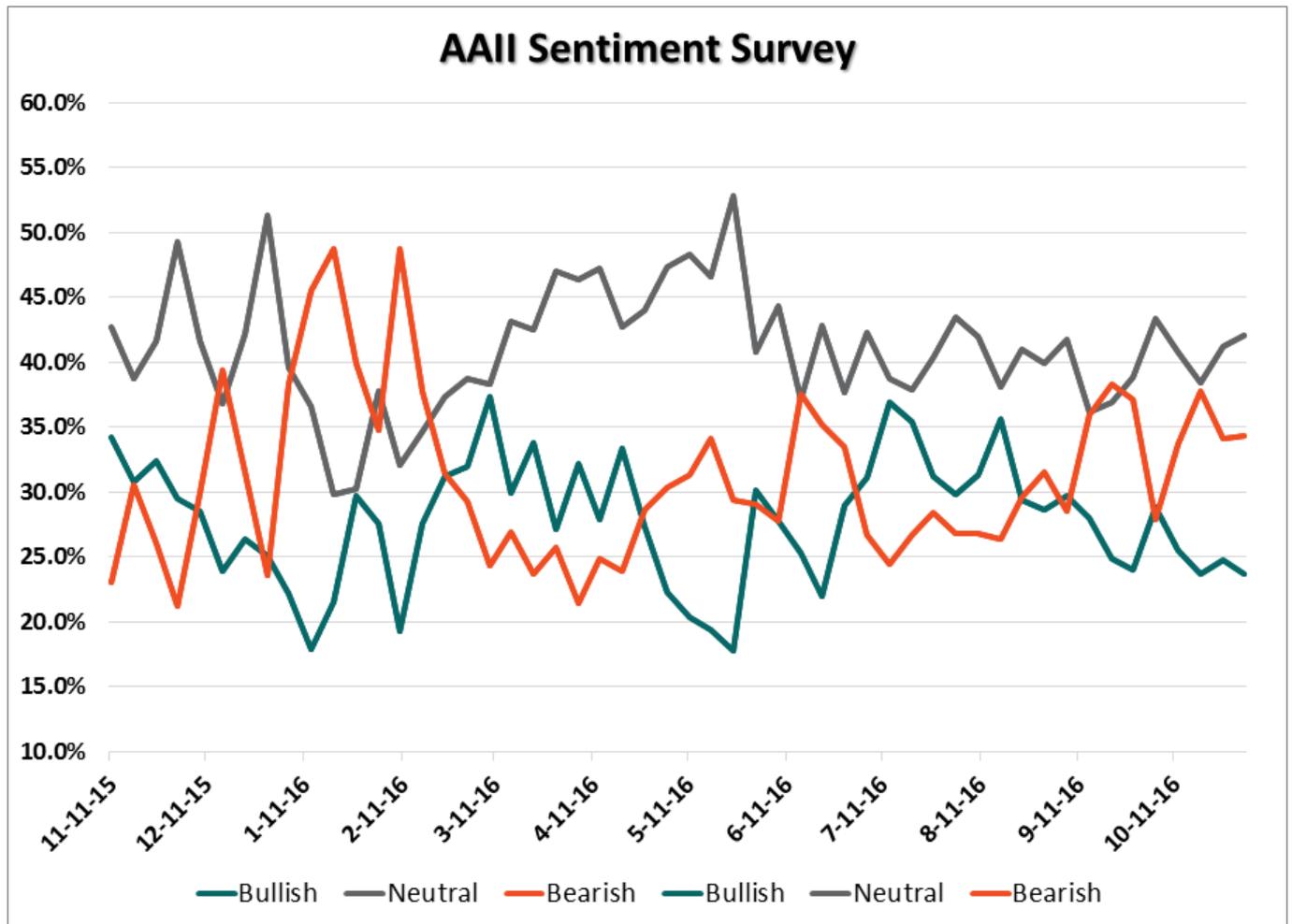


Optimism Below Average for 52nd Consecutive Week



Optimism among individual investors about the short-term direction of stock prices fell to a very low level as the streak of below average readings was extended to a full year's span. This week's AAI Sentiment Survey also shows increases in both neutral and bearish sentiment.

Bullish sentiment, expectations that stock prices will rise over the next six months, declined 1.1 percentage points to 23.6%. Optimism was last lower on June 22, 2016 (22.0%). The drop keeps bullish sentiment below its historical average of 38.5% for the 52nd consecutive week and the 85th out of the past 87 weeks.

Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, rose 0.9 percentage points to 42.0%. This is a four-week high. This week's rise keeps neutral sentiment above its historical average of 31.0% for the 40th consecutive week.

Bearish sentiment, expectations that stock prices will fall over the next six months, edged up 0.2 percentage points to 34.3%. This is the first time that pessimism has been above its historical average of 30.5% for a period of four consecutive weeks or more since an eight-week stretch

between January 6 and February 24, 2016.

This week's bullish sentiment reading ranks as the 104th lowest reading out of the more than 1,500 weekly results recorded during the 29-year history of our weekly survey. Optimism was last above its historical average of 38.5% on November 4, 2015 (39.0%).

The very low level of bullish sentiment is occurring as stock prices continue to show weakness and Election Day is near. Other factors contributing to low readings include the possibility of the stock market experiencing a larger drop, valuations, global economic uncertainty and the pace of corporate earnings growth. Giving some individual investors reason for optimism are the perceived lack of investment alternatives, corporate earnings, low/stable energy prices and sustained, albeit slow, economic growth.

This week's AAI Sentiment Survey results:

- Bullish: 23.6%, down 1.1 percentage points
- Neutral: 42.0%, up 0.9 percentage points
- Bearish: 34.3%, up 0.2 percentage points

Historical averages:

- Bullish: 38.5%
- Neutral: 31.0%
- Bearish: 30.5%

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**.