

Politics Affecting Nearly 75% of Surveyed Investors' Outlooks

This week's **Sentiment Survey** special question asked AAI members what factors are most influencing their six-month outlook for stocks. Nearly three-quarters of respondents (73%) cited national politics, particularly President Donald Trump's policies and what actions Congress may take. Tax reform was mentioned by many (20% of respondents), followed by regulatory reform and uncertainty over what legislation will actually be passed. Just under 23% of all respondents listed the ongoing rally and the prevailing stock valuations, with several of these respondents expressing concerns about the level of valuations or that a drop could be forthcoming. Monetary policy was cited by 8% of all respondents, followed by corporate earnings growth (7%) and investor sentiment (7%). Some respondents listed more than one factor.

Here is a sampling of the responses:

- "Actions taken by the Trump administration to improve the business climate in the U.S."
- "The run-up has been too good for too long. It is time for a correction."
- "Optimism, less regulation, lower corporate taxes and better earnings."
- "Uncertainty regarding the Trump administration and direction of the country, both domestically and internationally."
- "Recent increase in market price in excess of earnings growth."

Want to weigh in? Take the survey yourself and see results online at

<http://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 AAI Membership**.