

Small-Caps Have Minimal Impact on 43% of Surveyed Investors

This week's **Sentiment Survey** special question asked AAI members what influence the performance of small-cap stocks has on their outlook for stock prices. More than four out of 10 (43%) respondents said that small-cap stocks either have no influence or have only a small/minimal impact. Some of these respondents said that they do not invest in small-cap stocks, while others say that they only invest in small-cap stocks for diversification purposes. Conversely, nearly 32% of respondents said that small-cap stocks have a big influence on their market outlook. Some of these respondents noted that small-cap stocks have outperformed large-cap stocks. Others described small-cap stocks as a leading sign for the direction of large-cap stocks. About 9% say that small-cap stocks have a modest impact on their outlook.

Here is a sampling of the responses:

- "They indicate the trajectory of larger stocks. They are the "first responders" to forces affecting the stock market."
- "I do not currently track small-cap stocks."
- "Small cap has no effect on my outlook. Trump has a large impact."
- "Best performers over the long term."
- "Small-cap stocks make up a small amount of my stocks."

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

<http://www.aai.com/sentimentsurvey>.

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