

Tech Sector Overvalued, Says One in Three Surveyed Members

This week's **Sentiment Survey** special question asked AAI members what sectors or segments, if any, they think are excessively overvalued right now. Nearly one out of every three respondents (31%) said that technology (particularly the largest tech companies) is overvalued. Nearly 19% of respondents view the entire market, or at least most sectors, as having too high of a valuation. Conversely, about 11% don't think any particular sector is overvalued. Nearly 8% think financials are overvalued. Almost 6% view health care as being too pricey and 6% say the real estate sector's valuation is too high. Other sectors mentioned include automotive, consumer staples and industrials. Some respondents listed more than one sector.

Here is a sampling of the responses:

- "Fab 5 in technology, and the NASDAQ in general. 'Dot-com-itis' appears alive and well."
- "I don't think anything is excessively valued."
- "The whole market would seem to be at peak and fragile if the economy does not grow faster."
- "It's not so much sectors I find overvalued as it is specific stocks in which I am interested."
- "Virtually all segments are ahead of themselves right now based on Trump's promise of a major tax cut."

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

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

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