

# AAll Sentiment Survey: Pessimism Extends Streak of Above-Average Readings

Pessimism among individual investors about the short-term direction of the stock market rose, extending its streak of above-average readings. The latest AAll Sentiment Survey also shows a drop in optimism and higher neutral sentiment.

Bullish sentiment, expectations that stock prices will rise over the next six months, pulled back by 6.2 percentage points to 35.1%. The drop puts optimism back below its historical of average 38.5% for the eighth time in 10 weeks.

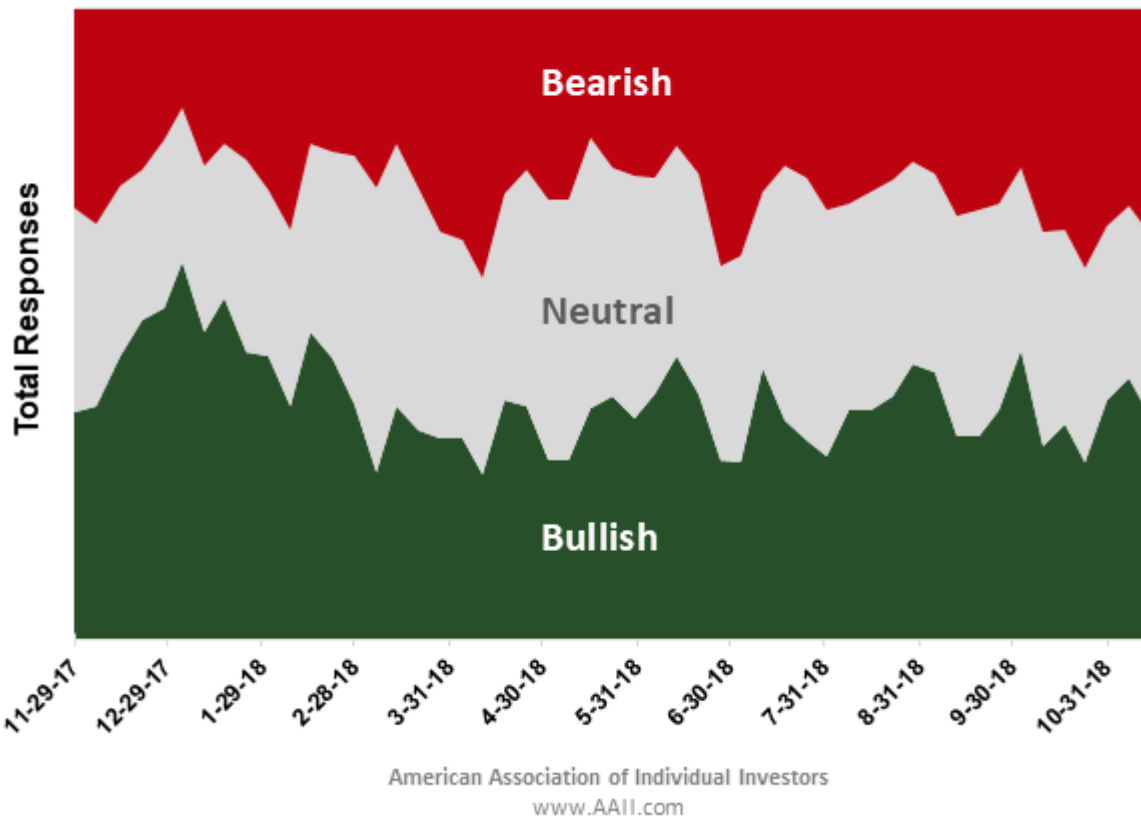
Neutral sentiment, expectations that stock prices will stay essentially unchanged over the next six months, rose 1.4 percentage points to 28.9%. Even with the increase, neutral sentiment remains below its historical average of 31.0% for a third consecutive week.

Bearish sentiment, expectations that stock prices will fall over the next six months, rose 4.8 percentage points to 36.0%. The increase keeps pessimism above its historical average of 30.5% for a sixth consecutive week and the ninth time in 10 weeks.

At current levels, all three indicators are within their typical ranges.

The recent decline in stock prices likely played a role in dampening the increased optimism recorded by our survey last week. The volatility isn't impacting the strategies of many individual investors, however. In [a separate survey we conducted](#), 40% of respondents believe down months are the price they must pay to reap the long-term rewards of investing in stocks. Others say bouts of volatility are why they have a plan or say they view the decline as a part of a normal bull market.

# AII Sentiment Survey



This week's AII Sentiment Survey results:

- Bullish: 35.1%, down 6.2 percentage points
- Neutral: 28.9%, up 1.4 percentage points
- Bearish: 36.0%, up 4.8 percentage points

Historical averages:

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

Want to weigh in? Take the survey yourself and see results online at [www.aai.com/sentimentsurvey](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 AII Membership***