



Free of charge for active sentix survey participants / Standard conditions at [www.sentix.de](http://www.sentix.de)



**Manfred Hübner**

CEFA, Geschäftsführer

[Manfred.huebner@sentix.de](mailto:Manfred.huebner@sentix.de)



sentix GmbH

Feldbergstraße 2, 65550 Limburg / Lahn

Tel. +49 (6021) 418 180, [info@sentix.de](mailto:info@sentix.de)

## sentix-Konjunkturindex: The cauldron remains under pressure

- With yet another drop of 1.9 points to -15.4 points (lowest value since 08.09) the sentix economic index for Euroland signals a sustained weakening of the economic dynamic
- While the expectations have been stabilized, situational values have remained under pressure and document that the transfer to the real economy has taken place
- With the exception of the USA – here, the catastrophically bad expectational values were able to improve slightly – the other world regions remain caught in a downward dynamic. Especially Japan shows a disappointing development

### Statistik

Survey period: **01.09.-03.09.2011**

Participants: **957**

## sentix indications for upcoming market events

At this point we will publish upcoming important market events and the expectations which can be derived from already published sentix data. **sentix – first mover advantage!**

06.09.2011 - ISM Non Manuf. (US) - Another retreat

07.09.2011 - CI-Indizes (JP) - Potential for disappointment

20.09.2011 - ZEW-Index - Moderation after strong setback

22.09.2011 - US Leading Ind. - more weakness

26.09.2011 - ifo Index - current situation disappoints

30.09.2011 - Chicago PMI - more weakness to be expected

## Table of August results for Euroland-economy

<b>Euroland</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	14.2	10.9	3.5	5.3	-13.5	-15.4
Headline-Index						
Aktuelle Lage	25.50	23.75	18.50	19.25	3.50	-3.25
Erwartungen	3.50	-1.25	-10.50	-7.75	-29.00	-26.75
Teilindex Private						
Aktuelle Lage	22.00	23.00	17.50	19.50	2.50	-2.00
Erwartungen	5.00	2.00	-6.50	-4.00	-26.00	-24.50
Teilindex Institutionelle						
Aktuelle Lage	29.00	24.50	19.50	19.00	4.50	-4.50
Erwartungen	2.00	-4.50	-14.50	-11.50	-32.00	-29.00

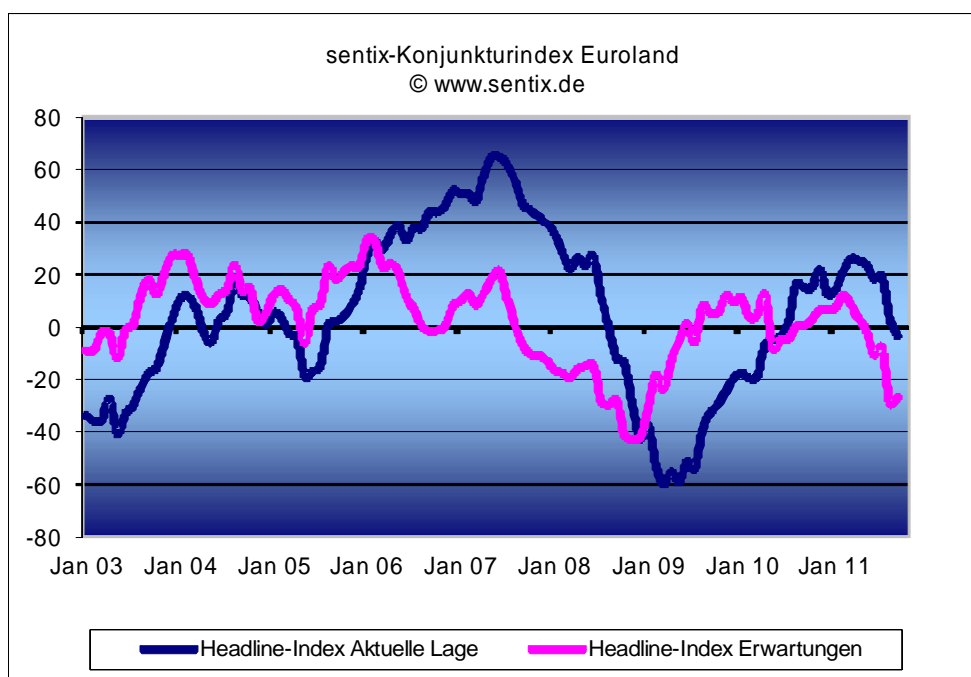


### Comments on the survey results for September 2011:

#### The pressure remains in the cauldron

The global economy is not able to get rid of its acute economic problem. The slight improvement in expectational values in most world regions is not a sign of improvement, as, at the same time, situational values continue to slip. Consequentially, the total indices drop continuously, with the exception of the USA. The development in Japan is conspicuous.

After the sentix economic index for Euroland dropped steeply last month, it continues its nosedive in September. With a further drop of 1.9 points an index value of -15.4 points is reached. This is the lowest value since August 2009. The investors surveyed by sentix show themselves to be just as disappointed by the continued debt crisis and the weak courses as by the lack of solutions from the side of central banks and politics.



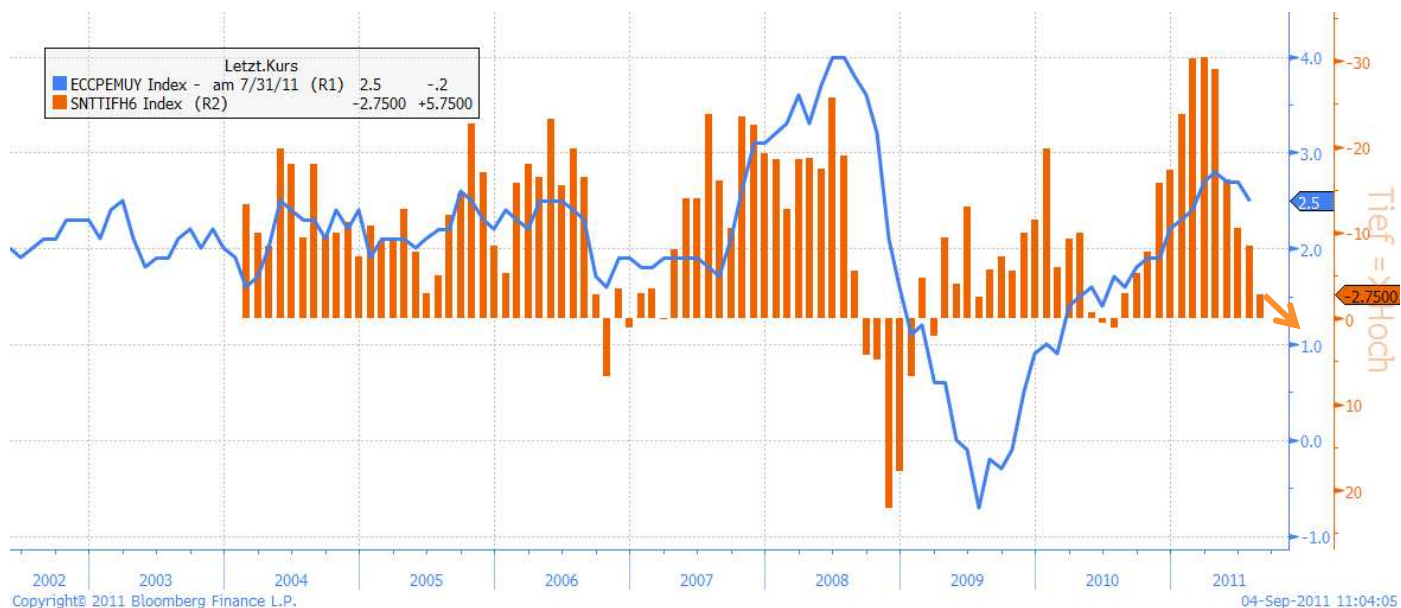
Expectational values were able to improve to -26.75, but this is no way a real improvement or a or even a trend turnaround. Also, the situation falls from +3.5 to -3.25. This means that the economic cooling off has communicated on comparatively quickly to the development of the real economy.

#### Pressure on the ECB rises

From an investor viewpoint, the pressure on the ECB to let off from its running strategy of raising interest rates is growing. A glance at the sentix topic indices surveyed in parallel shows this very clearly.

On the one hand, investors see the strong drop in pricing pressure. The topic index inflation, which mirrors the opinion of institutional investors is at 0 points this month, after it had reflected strong inflation anxiety at -43 index points in February 2011.

This topic index has, in the past, been a good leading indicator for the actual inflation rates published soon after. That is why it is to be expected that the CPI-data published in the next weeks in Euroland will be a positive surprise and there will be more room to manoeuvre for the Central Bank for a renunciation of the policy of raising interest rates.



## Euroland Inflation (CPI) and sentix topics index Inflation (Headline Index)

This thought can be clearly found in the topic indices. The following chart shows the main refinancing rate of the ECB in comparison to the sentix topic index central bank politics. On the one hand, investors are more fickle than central bankers – but these basically always react 'behind the curve', after investors have assumed a sustained change in the surrounding context.

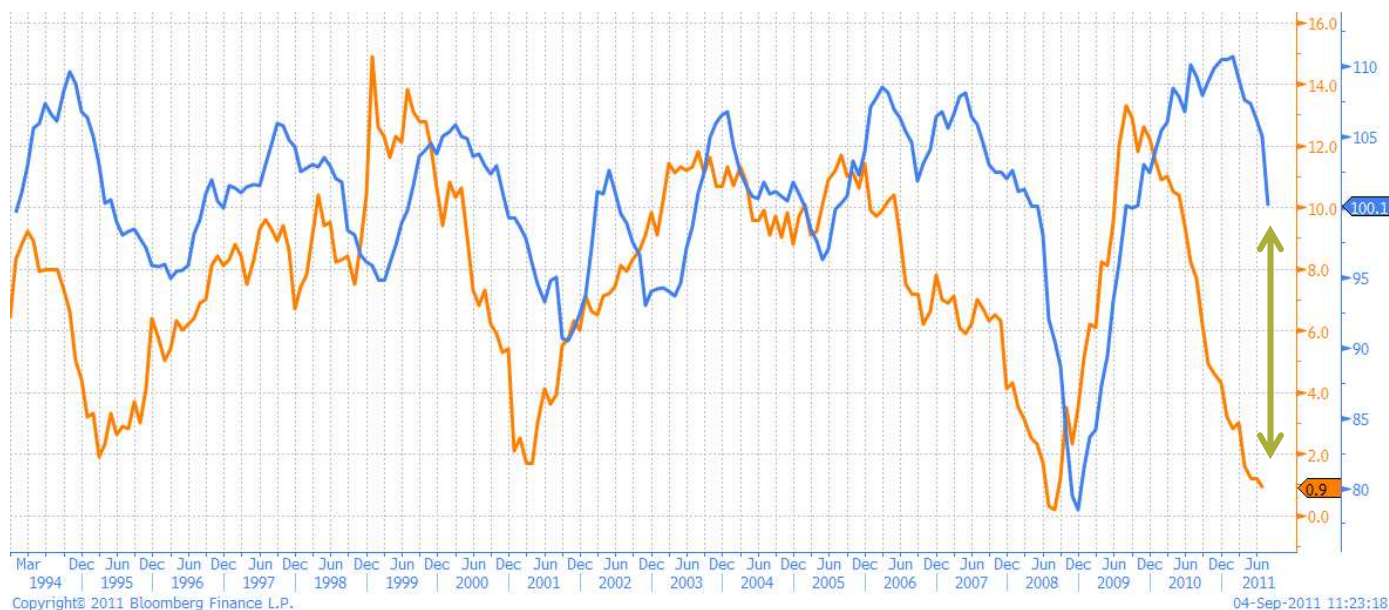


## EZB main refinancing rate and sentix topics index Central bank policy (Headline Index)

For the further development of the economy, future policies of the central bank are critical, not only in Euroland.

As, on the one hand, the ECB is being chastised for the purchases of Euro state bonds and many investors are afraid by rising inflation rates of this 'monetarizing' policy. The ECB, though, sterilizes its purchases by collecting back the liquidity created by bond purchases. Partially, these are voluntarily stored by fearful banks on ECB-deposits. Therefore, the growth in money supply is currently not accelerating, as feared by critics of the ECB bond purchases – it is falling. This restrictive pace of the Central Bank is a negative indication for the economy, though. The pressure on the ECB will therefore increase significantly!





### Ifo Economic index and Euro area-money supply M1 (yoy rate)

#### Global differences in central bank politics

At present there are large differences between the paces of the large central banks. While the US FED is trying to get horses to drink from overflowing troughs, the other central banks are pulling the reins back. US policies currently show little success, even if the total index of the sentix economic index USA has improved from -25.5 to -21.5 (the strongest rise in of all regions, after all). The situational values are dreary, only the negative expectational values are slightly less negative. The combination of both values points to the USA remaining on a recession course.

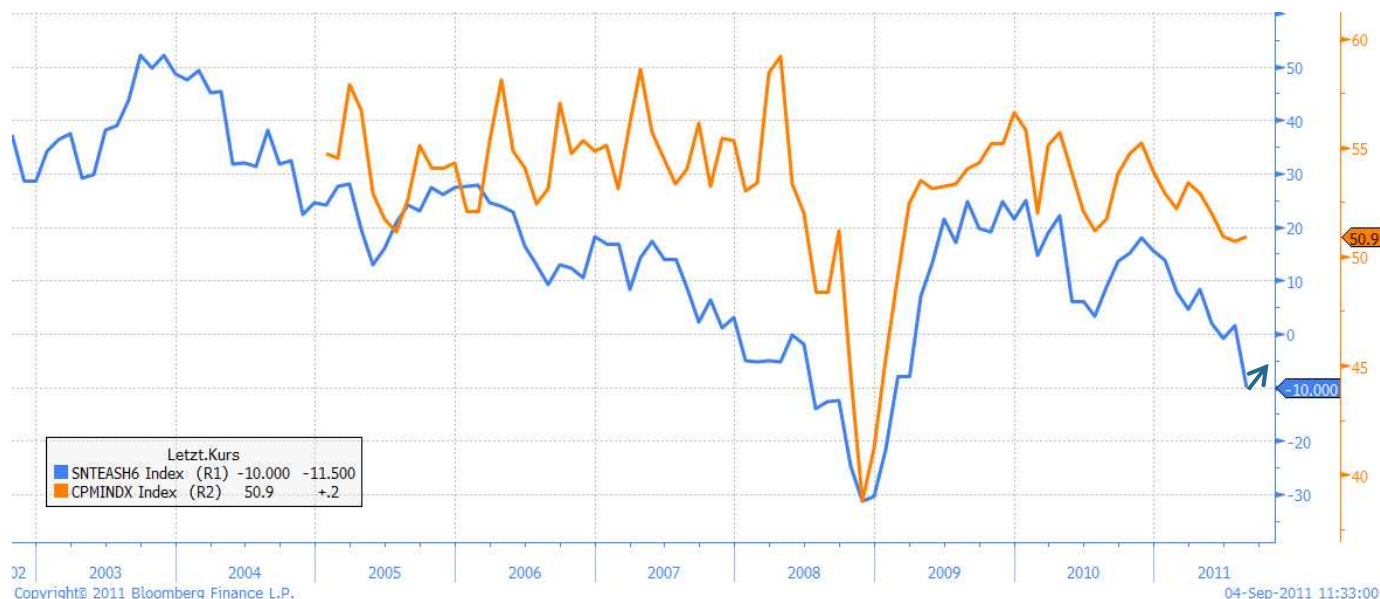
<b>USA</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	12.9	0.8	-11.1	-8.0	-25.5	-21.5
Headline-Index						
Aktuelle Lage	18.00	5.50	-9.50	-8.00	-22.50	-22.75
Erwartungen	8.00	-3.75	-12.75	-8.00	-28.50	-20.25
Teilindex Private						
Aktuelle Lage	16.00	7.50	-7.00	-6.50	-23.00	-20.50
Erwartungen	11.00	2.00	-8.50	-5.50	-25.50	-20.00
Teilindex Institutionelle						
Aktuelle Lage	20.00	3.50	-12.00	-9.50	-22.00	-25.00
Erwartungen	5.00	-9.50	-17.00	-10.50	-31.50	-20.50

#### China's restrictive course

In contrast to the US Federal Bank, the Chinese central bank has been following a restrictive course for some time, which has, until now, 'only' led to a moderate drop in growth, which can be read on the sentix economic index Asia ex Japan:

<b>Asien ex Japan</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	25.4	22.5	17.9	21.8	13.4	13.7
Headline-Index						
Aktuelle Lage	44.00	45.00	38.50	44.25	39.75	35.00
Erwartungen	8.25	2.00	-1.00	1.50	-10.00	-5.75

It is on the one hand encouraging that this process seems to be unfolding in such a controlled manner that the indication for China also remains a further cooling off of growth. At present, China fails as driving force for a new round of growth acceleration.



China leading indication: **sentix Economic index Asia ex Japan (expectations)** and **China PMI-Index**

### Japan disappoints!

Since the nuclear catastrophe in Fukushima, the Japanese government has not only been fighting for confidence, against the consequences of earthquake and tsunami and against a creeping erosion of credit ratings. It is also fighting obstinately against recessive tendencies in the economy - this battle continues in September. The only region with yet another drop in expectational values is Japan – it remains a cause for concern.

<b>Japan</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	-17.7	-14.7	-19.0	-8.7	-12.3	-13.4
Headline-Index						
Aktuelle Lage	-26.50	-30.50	-36.00	-22.75	-15.50	-16.75
Erwartungen	-8.50	2.50	-0.25	6.50	-9.00	-10.00

### Further results of the sentix economic indices

<b>Osteuropa</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	21.3	15.5	10.1	14.3	3.0	1.5
Headline-Index						
Aktuelle Lage	32.75	29.00	24.00	28.50	21.00	16.75
Erwartungen	10.50	2.75	-3.00	1.00	-13.50	-12.75

<b>Lateinamerika</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	27.1	20.3	15.9	17.6	7.1	7.6
Headline-Index						
Aktuelle Lage	44.75	40.00	35.75	38.25	29.75	25.75
Erwartungen	10.75	2.25	-2.25	-1.25	-13.25	-9.00

<b>Globales Aggregat</b>	Apr 11	Mai 11	Jun 11	Jul 11	Aug 11	Sep 11
Gesamtindex	16.6	11.1	4.1	7.8	-5.0	-4.4
Headline-Index						
Aktuelle Lage	27.2	22.8	14.7	18.7	9.8	6.3
Erwartungen	6.4	0.0	-6.0	-2.5	-18.8	-14.6



## Data availability

**Bloomberg**

**FACTSET**



**sentix**   
expertise in behavioral finance



## About sentix

On a weekly basis, more than 3.200 registered investors (of which more than 700 are institutionals) supply us with their market assessment. Out of this data, sentix calculates sentiment indexes, which mirror the sentiment of equity markets (DAX, EuroSTOXX 50, Nikkei 225, S&P 500), bond markets (Bund-Future, US-Treasury-Future) and currencies (EUR/USD, USD/YEN). These sentiment indexes are setting the standard, held in high regard by many renowned financial players and are used by investment professionals in their analyses and investment processes. A history of more than seven years and the simple access to data via reputable data providers as well as a website document the outstanding position of sentix as the leading independent sentiment data base.

## Background and methodology

See <http://konjunktur.sentix.de>



## Disclaimer

### Important information concerning liability, compliance, protection of investors and copyright

This information is meant only for distribution in countries in which this is permitted by law.

This analysis is for information purposes only and (i) does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any financial, money market or investment instrument or any security, (ii) is neither intended as such an offer for sale or subscription of or solicitation of an offer to buy or subscribe for any financial, money market or investment instrument or any security nor (iii) as an advertisement thereof. The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. The investments discussed may fluctuate in price or value. Investors may get back less than they invested.

Changes in rates of exchange may have an adverse effect on the value of investments. Furthermore, past performance is not necessarily indicative of future results. In particular, the risks associated with an investment in the financial, money market or investment instrument or security under discussion are not explained in their entirety.

We assume no liability for the information contained in this analysis. The analysis is no substitute for personal investment consultation. Even on the basis of the depicted opportunities and risks, investors must individually assess – on the basis of their own personal investment strategies, the financial, legal and fiscal situation - whether an investment in the financial instruments depicted here is sensible for them. As this document is in no way a direct investment recommendation, this document or parts of it should not be used as the basis for any conclusion of contract or for any commitment to obligations of any kind. Investors are asked to contact the investment analysts of their banks for individual investment advice and other individual explanations and advice.

Neither the sentix GmbH nor any of its managing directors, employees or other persons assume liability for losses or damages caused in connection with the use of this document or its contents.

The sentiment analysis is made available via the internet to those sentix participants of which is assumed that they do not base their investment decisions inappropriately on the basis of this analysis.

Statements or conclusions made through data or services do not include warrants or guarantees for future market- or price changes. The opinions and assessments expressed therein can change without prior notice.

The sentix GmbH explicitly points out that both the sentix GmbH, its legal agents as well as their employees (in the following: the Involved) regularly conduct transactions in equity and other financial instruments which the data and services refer to. They do this both in their own names and for their own accounts as well as in the name and accounts of third parties. Should the Involved have been involved in an emission of instruments for the finance markets in the past 12 months, this is separately indicated at the corresponding place.

All rights of use for this analysis, its data and services are property of the sentix GmbH and are copyrighted. The sentix GmbH reserves its right to inflict penalties for the unauthorized usage of data and services, especially unauthorized commercial use. A reproduction or subsequent processing of website elements, analyses, data or services in electronic, written or other form is prohibited without prior consent by the sentix GmbH. Analyses that are only available in the secure customer area may not be quoted, neither in full, nor in part. An exception to this are analyses, data or services which have been posted by the sentix GmbH via the press mailing list or which have been presented in other form for public propagation.

This analysis may not – either in full or in part, regardless of underlying intent – be forwarded, reproduced or published.

„sentix“ is a registered trademark of Manfred Hübner and Patrick Hussy.

DAX, TecDAX, Xetra und Eurex are registered trademarks of the Deutsche Börse AG. Dow Jones EURO STOXX 50 is a registered trademark of the STOXX Limited. Other names of products and companies which may be mentioned on this site could also be protected or be registered trademarks of other companies.

### ANALYST DECLARATION

Neither in the past, present or future is the remuneration of the author linked – either directly or indirectly – to his or her recommendations or views expressed in this context.