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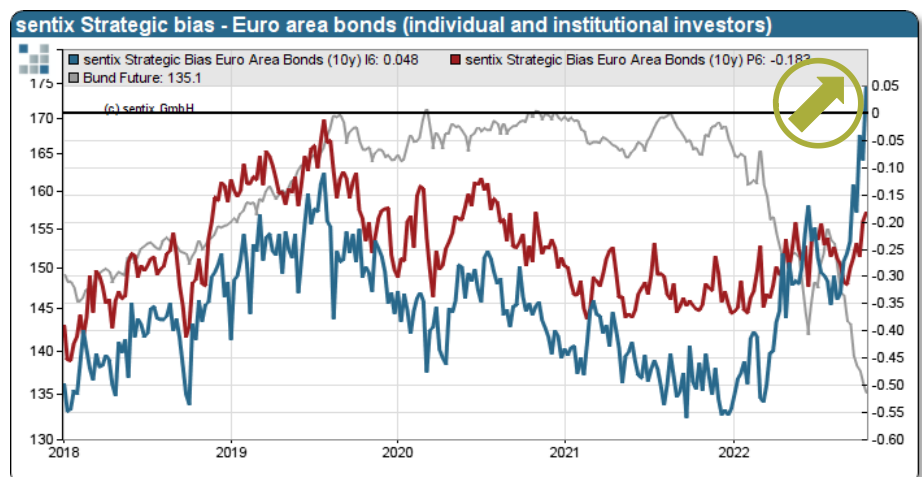
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## Strong improvement in medium-term confidence

This publication presents you with a "highlight" from the current sentix Weekly Analysis. If you would like to read the sentix Weekly Analysis in full and free of charge, take an active part in the sentix survey!

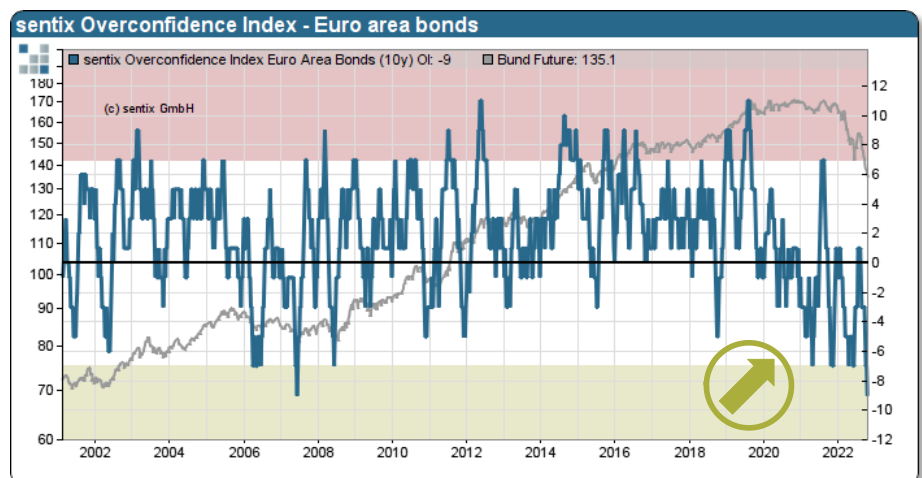
### Euro area bonds (1)

The situation with bonds is quite different to equities. Here, the strategic bias is literally shooting up. The professionals in particular are warming up more and more to bonds. No wonder: relative to other asset classes, bonds promise interest again, even with shorter remaining maturities. The bias of the professionals is positive again for the first time since 2008! Buying behaviour should follow this assessment sooner or later.



### Euro area bonds (2)

The market development has recently been so one-sidedly negative that the OCI index has now fallen to an all-time low of -9. This has only happened once before, on 1 June 2007! At that time a downward movement came to an end. This time, too, bonds should yield positive returns in the next 4-8 weeks.





## Background information on the sentix indices

sentix indicators are based on the sentix Global Investor Survey, a weekly survey among more than 5.000 international investors. The survey is carried out on a regular basis since February 2001. For more information on sentix, the participation in the survey and on a detailed description of all indicators, please visit our website under <http://www.sentix.co.uk>.

## Evaluation of the indicators presented

The arrows indicate whether **the indicator shown in the chart is a bullish or bearish indication for the respective market**. The classification is based on a **statistical examination of the indicator** in relation to future price developments! The statements on the Neutrality Index refer to future volatility (fluctuation margin). The forecast horizon is 1 to 3 months.



indicates rising or falling prices



indicates falling or rising volatility

### sentix indicator

### Indicator description

#### sentix Sentiment (short-term market expectations)

The sentix Sentiment, investors one-month expectations for a given market, reflects the emotions – between greed and fear – of market participants. Negative sentiment extremes are usually a straight indication for rising prices. High optimism may be a warning signal for an upcoming market consolidation. A sentiment divergence mostly indicates more important turning points.

#### sentix Strategic Bias (medium-term market expectations)

The sentix Strategic Bias, investors six-month expectations, reflects the strategic view of market participants as well as their underlying convictions and perceptions of value for a given market. As this indicator represents investors' general willingness to buy or sell it should not be interpreted as a contrarian signal. Rather it is usually leading the market by several weeks. And as the indicator mainly reflects investors' longer-term convictions and perceptions of value it is an indicator coined by the "wisdom of crowds", it bundles the knowledge floating around in a market of various players.

#### sentix Neutrality-Index

The sentix Neutrality Indices, represent the share of neutral investors in the market. A high percentage of such investor's points to irritation and greater volatility shortly. A low reading shows that investors have understood "the market". In the neutral camp, there is always an important part of investors who are not or only marginally invested. Those are important as they are potential future buyers or sellers! For sentix Neutrality Indices, the interpretation of the short-term and the medium-term are most of the time similar. Consequently, the case is strengthened when both time horizons reach extreme readings.

#### sentix Overconfidence-Index

sentix Overconfidence Index measures the probability for the case that a series of rising or falling prices has led to an augmented complacency among investors. Readings below -7 or beyond +7 are usually a sign that consolidations or corrections are imminent.

#### sentix Time Differential Index

For a given market, sentix Time Differential Index is calculated as the difference between the short-term sentiment and the (medium-term) perception of value. High readings of the indicator are a sign of a positive sentiment which is not supported by investors medium-term conviction, which is a stress factor for the market. In turn, low readings result when there is fear on a short-term basis but a reliable perception of value for the medium-term that is usually supportive for the market.

A compendium in English can be found at <https://www.sentix.de/index.php/en/category/indikatoeren.html>



## About sentix

sentix is the pioneer and leading provider of sentiment analyses (behavioural finance) in Europe. Since 2001 sentix surveys on a weekly basis around 5.000 investors from over 20 countries (comprising over 1.000 institutional and almost 4.000 individual investors) about their expectations for financial markets as well as for economic developments and their portfolio actions. The sentix survey results are representative of a broadly diversified group of investors.

sentix surveys offer the rare combination of a vast number of participants, high quality and an outstanding speed with which information is gathered and passed on. All sentix indices are regularly accessible for sentix data clients just about one day after the close of each poll – via the sentix website or Bloomberg. sentix clients thus can use sentix data almost in real time to further improve performance.

sentix GmbH was founded in 2001 and today represents the basis for all the services the sentix group offers to its clients in the field of Behavioural Finance.

## More than 1,000 Behavioural Finance Indicators

sentix provides a comprehensive and complete insight into how investors act and think.

Our indicators provide information on investor sentiment, what investors know and how they evaluate this knowledge, as well as their portfolio actions.

For a complete overview of all available time series, please visit <https://sdm.sentix.de>

All indicators can be analysed by registered and active survey participants in the chart tool.

An English indicator compendium is available at  
<https://www.sentix.de/index.php/en/category/indikatoeren.html>

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