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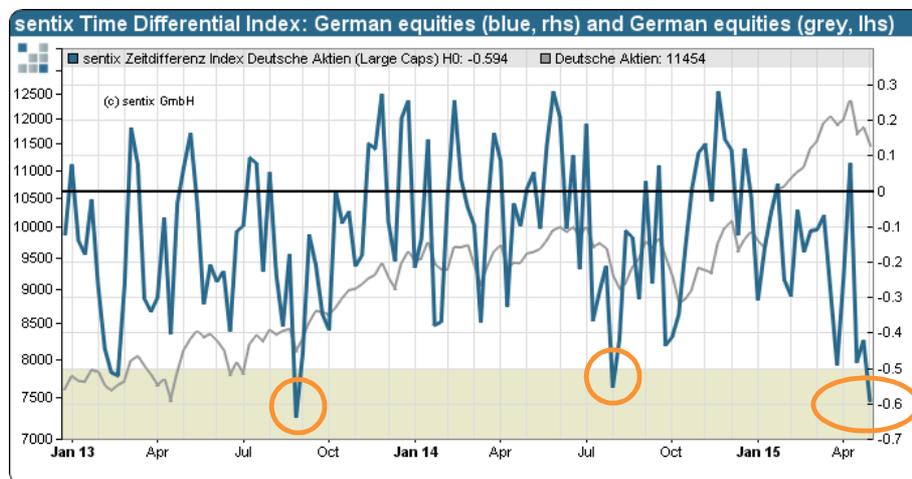
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## Buying signal for German stocks

Sentiment for German equities has deteriorated markedly. Currently it is as low as it last was at the beginning of October 2014. But investors' basic conviction for the asset class increases and now stands close to its record high. As a result, the sentix Time Differential Index sends a clear buying signal!

As the latest sentix Global Investor Survey shows, the sentix Time Differential Index for German equities falls to **-0.59%**, one of its lowest readings since its inception in 2001. **With this, the index sends a clear buying signal!** In the past such low readings usually marked the beginning of a phase of newly rising prices. The last two occasions when this happened were at the beginning of August 2014 and in September 2013 (see graph).



The sentix Time Differential Index is calculated as the difference between investors' (short-term) sentiment and their (medium-term) perception of value. Particularly low readings thus indicate that sentiment is weak in relation to market participants' value perception of the asset class. And exactly this situation is the one we are facing right now: sentix Sentiment for German equities is as bad as it last was in October 2014. Here, for the first time this year the bears even clearly dominate the bulls. At the same time investors' basic conviction, i.e. their medium-term perspective, rises further and almost touches new all-time highs. **But when short-term sorrows or fears let investors refrain from an asset class although they are fully convinced about its value, this then is a perfect time to invest!**



## Background

sentix Time Differential Index is surveyed for 14 financial markets (among them German equities) on a weekly basis via sentix Global Investor Survey. For a given market, the index is calculated as the difference between (short-term) sentiment (“sentix Sentiment”) and the (medium-term) perception of value (“sentix Strategic Bias”). High readings of the indicator are a sign of a good sentiment which is not fostered by a medium-term conviction. This then is a stress factor for the market. In turn, low readings result when there is sorrow or fear on a short-term basis but (at least) a solid perception of value for the medium-term. This is usually supportive for the market.

The current survey was conducted from April 29<sup>th</sup> to May 02<sup>nd</sup>, 2015. 1,003 individual and institutional investors participated.

## About sentix

sentix is the pioneer and leading provider of sentiment analyses (behavioral 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 large 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 via Bloomberg. sentix clients thus are able to use sentix data almost in real time in order 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 Behavioral Finance.



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