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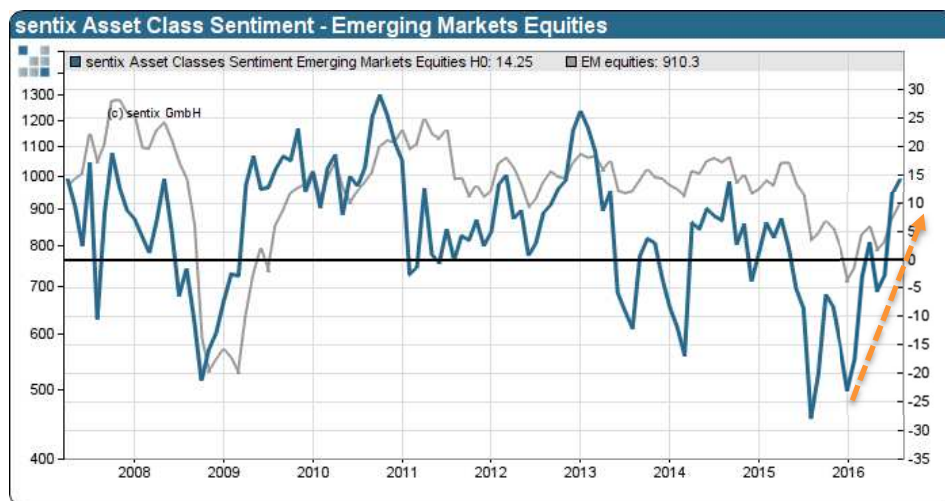
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Emerging Markets Sentiment rises to three-year high

The monthly sentix indicator measuring investors' sentiment for emerging markets equities points towards rising stock indices. Investors continue to show an unbridled willingness to purchase emerging markets stocks as the sentix index marks the highest reading since three years ago. Developments of economic expectations and commodity prices fire investors' imagination.

In August, the sentix Asset Class Sentiment for Emerging Markets stocks climbs to the highest value since May 2013. Rising commodity prices and recovering expectations on the economic development of emerging markets increase investors' appetite for emerging markets equities. Especially China's economic vitality boosts confidence. In contrast, just a year ago (August 2015) investors' sentiment hit record lows as fears about a "hard landing" of China's economy inundated financial markets. Today, that's not an issue anymore. Respectively, our indicator shows the most dynamic 12 months increase since the inception of the Asset Class sentiment indices in 2007.



However, the emerging markets sentiment has not yet reached overbought territory (refer to chart). The outlook is promising that investors continue to invest in equities due to their rediscovered passion for emerging markets. Ultimately, emerging markets equity prices could continue to increase even further.



Background

sentix Asset Classes Sentiment Emerging Markets Equities is polled among individual and institutional investors since 2007 via the sentix Global Investor Survey. The corresponding survey is open around each third Friday of a month. Investors are asked about their medium-term price expectations for the asset class. These expectations tend to lead price developments as rising preferences signal increasing readiness to buy (and vice versa). Extreme readings of sentix Asset Classes Sentiment indicators often mark the end of a price movement and thus signal increasing chances/ risks.

In the latest sentix Global Investor Survey was conducted from 18-August-2016 to 20-August-2016. 978 individual and institutional investors took part in it.

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 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 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 Behavioral Finance.



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