



This document is an official press release of sentix GmbH. Please mind the disclaimer on the last page!



**Manfred Hübner**

CEFA, Managing Director

manfred.huebner@sentix.de



sentix GmbH

Wiesenhüttenstraße 17, 60329 Frankfurt am Main

Tel. +49 (69) 3487 961-0, info@sentix.de

## sentix policy barometer: Trump, geopolitics and Brexit

In the last few days, political news on both sides of the Atlantic has dominated the day. However, only a part of the investors was concerned. Thus, the attitude to Brexit hardly changed, still the investors see a moderate burden on the stock market perspectives. Macron's election victory, on the other hand, was priced in and investors said they did not want to react to it. The excitement, however, is Trump, which is becoming more and more a problem for the markets.

In the sentix policy barometer, which describes the medium-term impact of individual policy areas on the stock market from the investor's point of view, the election in the UK did not change the Brexit expectations. Still, the investors surveyed by sentix see a moderate negative impact on the markets. Geopolitical risks have become much more important. The sub index has fallen from -0.46 to -0.61 (scale -2 to +2). Overall, investors regard the policy as a moderate burden.

Date	Brexit	Elections	Geopolitics	Grexit	Politics Overall	Trump
14.04.2017	-0.38	0.00	-0.67	-0.45	-0.46	-0.51
12.05.2017	-0.36	0.04	-0.46	-0.26	-0.08	-0.46
09.06.2017	-0.34	-0.01	-0.61	-0.28	-0.30	-0.67

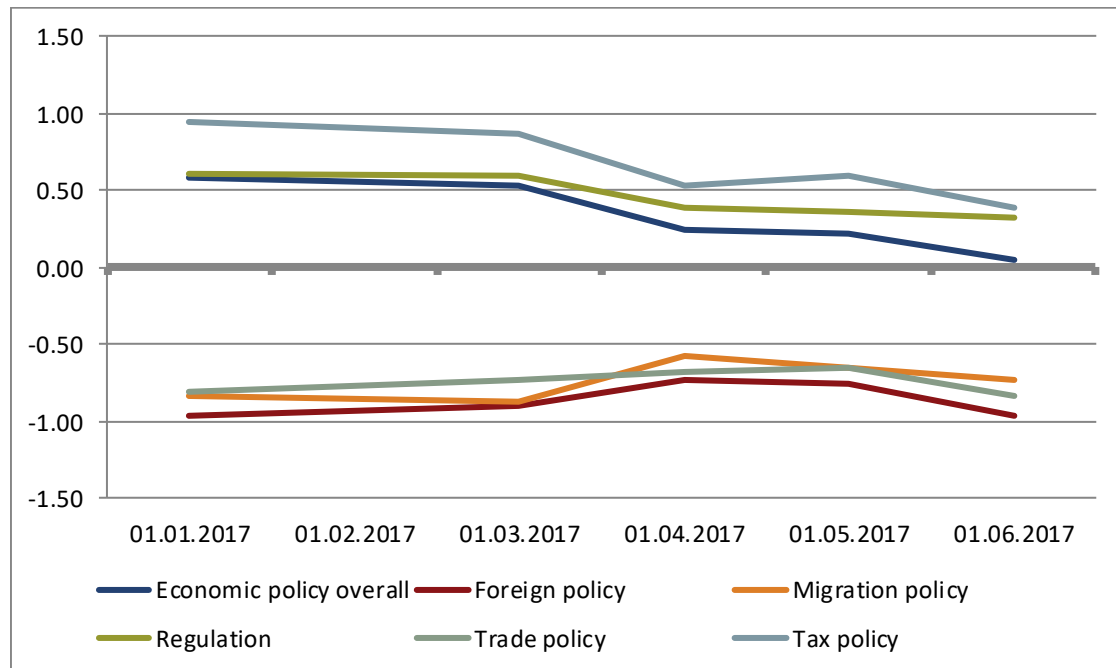
**Indices of the sentix policy barometer**

As can be seen from the above table, the US President and his policy are judged to be much more negative. For this purpose, we carried out a detailed investigation.

The Senate hearing of the former FBI boss Comey has again investors' view of the "remaining time in office" of the US president shortened. On average, investors expect Trump to stay in office for only 3.5 years. Less than 10% of investors expect the US president to get re-elected and stay the second- term successfully in office.

But it was not just the allegations surrounding the hearing, which led to this assessment. On the contrary, even the policy areas on which investor hopes at the beginning of the year were based are now being judged worse. Trumps' consent values are accordingly catastrophic on a professional and personal level.

Professional approval has fallen from -0.71 to -1.2 points (scale -2 to +2) since the start of the company, while the weak personal skills slipped from -1.2 to -1.48.



**Development in important fields of competence of US policy**

If investors' perceptions and losses of trust spread in the US population, this could pose a threat to the US recovery. The latter had once again received a "second air" through an improvement in the consumer mood. That such downside risks exist was underlined last week by the sentix economic indices for the US.



## Background

The sentix policy barometer is conducted monthly in the second week of the month. It is intended to show whether and which policy issues from the investor's point of view are decisive for the capital market developments. In addition, we looked at the policy of the current US administration precisely from the current occasion.

The current survey was conducted between June 8<sup>th</sup> and June 10<sup>th</sup>, 2017, among some 1.100 private and institutional investors.

## 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.



## Disclaimer

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

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

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 hurt 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 by the depicted opportunities and risks, investors must individually assess – by their personal investment strategies, their 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 the contract or 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 assumes 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 by 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 names and for their 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 the property of the sentix GmbH and are copyrighted. The sentix GmbH reserves its right to inflict penalties for the unauthorised usage of data and services, especially unauthorised commercial use. Reproduction or subsequent processing of website elements, analyses, data or services in electronic, written or another form is prohibited without prior consent by the sentix GmbH. Analyses that are only available in the secure customer area may 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 another form for public propagation.

This analysis must 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 have 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 in this publication 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.

Responsible according to the press law: Manfred Hübner