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**sentix**   
expertise in behavioral finance

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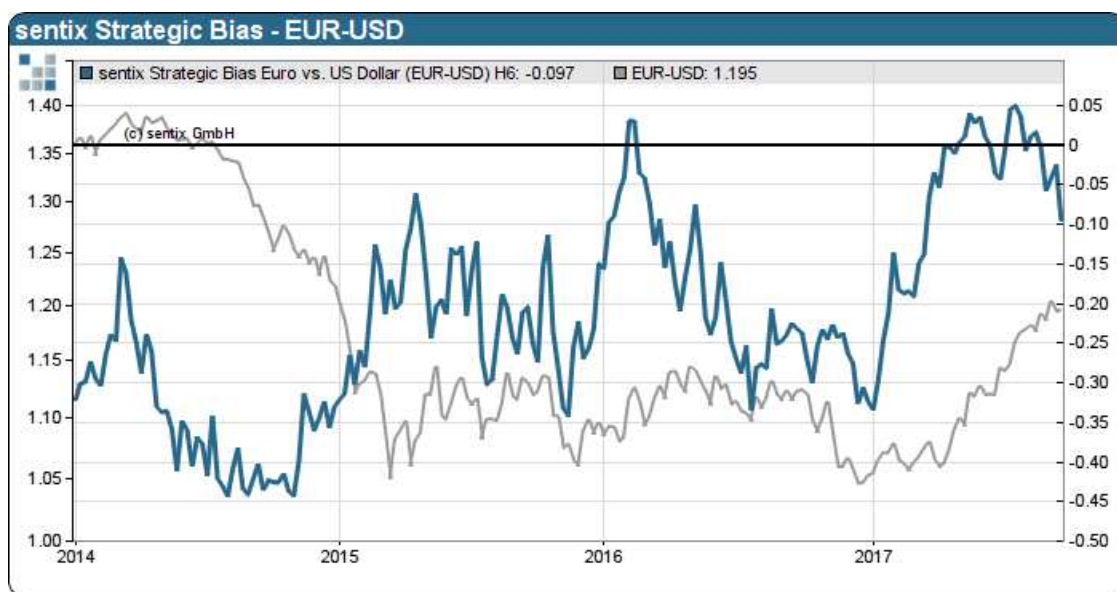
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## The Euro nice weather period is running out

Since the beginning of the year, the euro has been one of the stars in the foreign exchange market. Approximately 12% has the Euro gained in value against the US dollar. But now a trend reversal is emerging which could catch investors on the wrong foot. This is shown by the sentix Strategic Bias, which is at a turning point.

The euro surprised most investors this year. At the beginning of the year there was the expectation that Trumps policy agenda would lead to an appreciation of the US dollar. Correspondingly, investors were positioned long US dollars. That went wrong. Well, in September 2017, the situation has changed. The euro has gained strongly and the investors are mainly positioned long in euros. And this to a considerable extent. This could turn out to be a mistake.



sentix Strategic Bias EUR-USD and EUR-USD prices

In the meantime, the strategic bias, that is, the investor's basic trust, has turned. This is usually accompanied by a reduction of positions held by investors. The cause for this mood change is likely to be a variety of factors. On the one hand, the FED is becoming increasingly restrictive and puts the interest markets under pressure. On the other hand, Trump now seems to be moving forward about tax cuts. But a German factor should also be important: the weakness of Merkel after the election, the difficulties of a new coalition and plans of French president Macron should not strengthen the confidence in the euro. In the past, a Bundestag election often represented a caesura in EUR-USD. This is likely to be the case again in 2017.



## Background

The **sentix Strategic Bias** (investors' six-month market confidence) is conducted on a weekly basis since 2001 as part of the sentix Global Investor Survey. It reflects the strategic view of market participants as well as their fundamental 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.

The latest sentix Global Investor Survey was conducted from 21-September to 23-September-2017. Around 1.000 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 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.



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