



Registration for the press distribution list and further information at www.sentix.co.uk



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 Economic Index: Can it get any better?

- The recovery of the economy in the Eurozone continues to progress. The overall index rises for the fifth time in a row to 29.8 points. This is the best value since February 2018!
- The German economy also continues to present itself in boom-like condition. The situation rises for the 14th time in a row to 37.8 points. The overall index rises to 33.8 index points.
- Globally, too, the world economy continues to be in a strong recovery process. Even the crisis region of Latin America recorded a positive overall index for the first time again, rising to its best value since May 2018. Expectations values, on the other hand, seem to have passed their zenith everywhere. In the USA, expectations have fallen for the third time in a row to 27.5 points.

Statistics

Poll running: **1st July to 3rd July 2021**
Survey participants: **1,114 investors**
(**256** of those are institutional investors)

Current economic regimes* of countries /regions in focus:

Region / country	Regime	Region / country	Regime
 Eurozone	Boom	 USA	Boom
 Germany	Boom	 Japan	Boom
 Switzerland	Boom	Asia ex-Japan	Boom
 Austria	Boom	Latin America	Recovery
Eastern Europe	Boom	Global Aggregate	Boom

* The regimes – ranging from recession to boom – are derived from the sentix Economic Indices according to the principle of the “economy clock” (see annotation on penultimate page). They reflect investors’ perceptions of different economies. These perceptions are the basis for investors’ behaviour, i.e. their asset allocation, and are thus relevant for financial markets. They are historically close to actual economic activities but need not necessarily be identical.

Results for the Euro area economy: July 2021

Euro Area	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21		
Overall index	-0.2	5.0	13.1	21.0	28.1	29.8	Highest since 02.2018	5. increase in a row
Headline Index								
- Current situation	-27.5	-19.3	-6.5	6.3	21.3	29.8	Highest since 10.2018	5. increase in a row
- Expectations	31.5	32.5	34.8	36.8	35.3	29.8	Lowest since 12.2020	



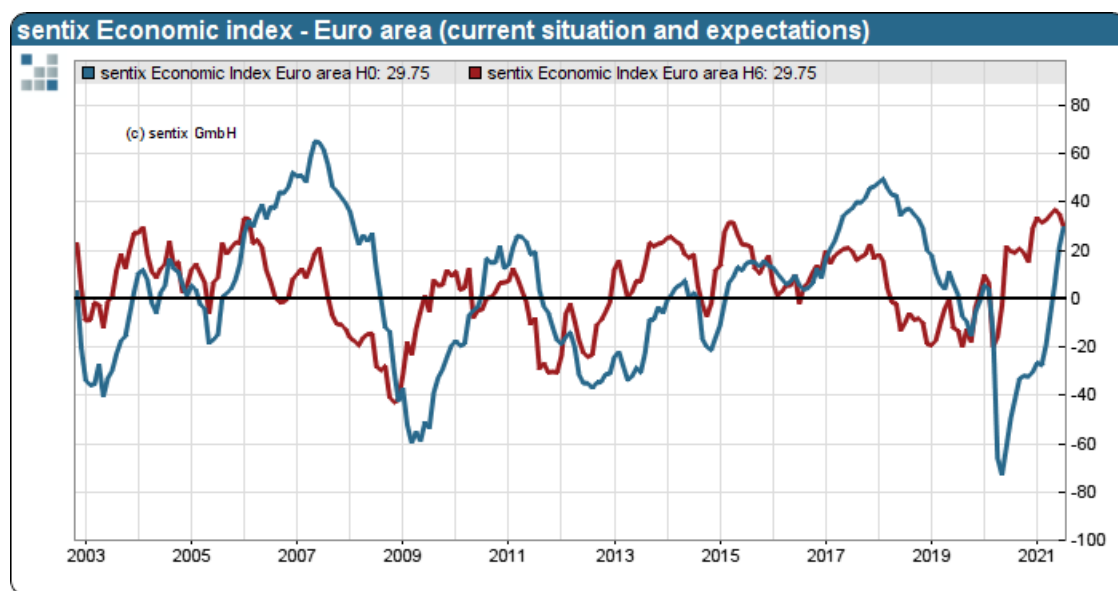
Commentary on the survey results for July 2021

Can it get any better?

The global economy is running at full speed. Even the crisis region of Latin America is back in positive territory for the first time since May 2018. Even if the recession has not yet been fully overcome there, things are booming everywhere. The global situation index rose for the 15th time in a row to 29.4 points. Can it get any better? In the short term, there are increasing signs of overstimulation. Expectations are starting to fall. This could contribute to higher stock market volatility over the summer.

Euro area: The best economy money can buy

Huge government investment, supported by continued expansionary monetary policy from the European Central Bank, has stabilised the Eurozone economy during the Corona lockdowns. This has particularly benefited the manufacturing sector over the past 12 months. With the removal of a large number of restrictions, the service and trade sectors are now following suit. The result is impressive: the situation assessment of investors surveyed by sentix reaches 29.8 points, the best value since October 2018. The sentix overall economic index for the eurozone also continues to rise in July, also reaching 29.8 points, the highest level since February 2018. Nevertheless, we are approaching a certain point of "maximum momentum" in the short term. Investors' expectations that this good situation can improve further, while still clearly positive, drop to 29.8 points. This is not a typing error. In fact, all index values (overall index, current situation, and expectations) actually stand at 29.8 points this month. For the economy as a whole, this is not yet a worrying decline. For the equity markets, on the other hand, which are very much focused on investor expectations, this development could contribute to increased market volatility. In 2006 and 2010, when we went through similar phases, interim stock market corrections of around 10% followed.



sentix Economic Index for the Eurozone: **current situation** and **expectations**

In this environment, the ECB remains in focus. So far, there is no sign of a turn away from the expansive monetary policy. However, the inflation barometer, which remains clearly in negative territory at -38.25, underscores the danger of further rising inflation rates in a globally increasingly synchronised, strong economic upswing.



Germany: Boom

The economic opening steps in the service and trade sectors are also fuelling the economic situation assessment in Germany. With the 14th increase in a row, the situation climbs to its best value since November 2018. Although expectations in Germany also seem to have peaked, the overall index improves to 33.8 points.

Germany	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21		
Overall index	8.6	11.9	20.0	26.1	32.9	33.8	Highest since 02.2018	5. increase in a row
Headline Index								
- Current situation	-15.5	-9.5	4.5	15.3	29.5	37.8	Highest since 11.2018	14. increase in a row
- Expectations	35.8	35.8	36.8	37.5	36.3	30.0	Lowest since 11.2020	

USA: Expectations continue to fall

The US eased Corona restrictions earlier than Europe. The reward is the seventh increase in the situation index to 51.3 points. This is also a best value since November 2018. However, the trees are not growing to the sky in the USA either. Expectations continue to lose momentum, falling for the third time in a row. At 27.5, however, there are still no signs of a serious threat to the economy, but it is a signal that should attract attention on the equity markets.

United States	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21		
Overall index	18.0	25.5	38.6	40.1	39.9	39.1		
Headline Index								
- Current situation	-2.8	9.0	30.0	41.8	46.3	51.3	Highest since 11.2018	7. increase in a row
- Expectations	41.0	43.3	47.5	38.5	33.8	27.5	Lowest since 11.2020	3. decline in a row

Latin America: An end to the recessionary phase is approaching

The Latin American region has been suffering from economic weakness for several years, first created by political problems and later accentuated by Corona. Although the Corona crisis has by no means been pushed back in Brazil or Argentina, the economic situation is also improving there. With a value of 3.4 points, the overall index reaches a positive value again for the first time since May 2018. The situation still stands at -8.8 points, so the recession is not quite over yet. However, in view of the positive expectations, this should be possible.

Latin America	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21		
Overall index	-13.2	-10.2	-9.0	-5.1	-0.7	3.4	Highest since 05.2018	5. increase in a row
Headline Index								
- Current situation	-39.8	-35.0	-31.8	-26.8	-18.8	-8.8	Highest since 05.2019	5. increase in a row
- Expectations	17.8	18.3	16.8	19.3	19.3	16.3	Lowest since 12.2020	



Further result tables

Japan

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	16.1	20.0	25.5	25.2	26.1	25.7
Headline Index						
- Current situation	-1.8	5.0	15.3	17.8	21.8	26.8
- Expectations	35.5	36.0	36.3	33.0	30.5	24.8

Highest since
11.2018
Lowest since
11.2020
6. increase in a row
3. decline in a row

Asia ex Japan

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	33.1	33.5	37.6	36.0	34.1	33.1
Headline Index						
- Current situation	24.0	26.0	33.8	37.0	36.0	37.8
- Expectations	42.5	41.3	41.5	35.0	32.3	28.5

Highest since
06.2018
Lowest since
10.2020
3. decline in a row
3. decline in a row

Eastern Europe

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	-2.7	-0.3	4.6	9.5	14.9	16.6
Headline Index						
- Current situation	-27.0	-22.0	-14.0	-6.3	4.8	12.0
- Expectations	25.0	24.0	25.0	26.5	25.5	21.3

Highest since
02.2018
5. increase in a row
Highest since
11.2018
Lowest since
12.2020
5. increase in a row

Global

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	17.5	20.5	26.8	28.3	29.3	29.4
Headline Index						
- Current situation	0.0	5.5	16.3	23.0	27.5	32.2
- Expectations	36.5	36.5	37.7	33.7	31.1	26.6

Highest since
02.2018
15. increase in a row
Highest since
08.2018
Lowest since
11.2020
14. increase in a row
3. decline in a row

Switzerland

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	18.2	19.8	24.6	30.4	35.5	36.2
Headline Index						
- Current situation	-5.8	4.5	10.5	35.5	39.3	44.8
- Expectations	45.0	36.3	39.8	25.5	31.8	28.0

Highest since
01.2011
8. increase in a row
Highest since
11.2018
5. increase in a row

Austria

	Feb. 21	Mar. 21	Apr. 21	May. 21	Jun. 21	Jul. 21
Overall index	-1.2	8.5	18.1	34.0	44.7	45.4
Headline Index						
- Current situation	-32.0	-22.0	-7.0	15.0	49.5	56.0
- Expectations	35.3	44.3	46.5	54.8	40.0	35.3

Highest since
02.2018
5. increase in a row
Highest since
10.2018
Lowest since
11.2020
5. increase in a row



Data availability

Bloomberg L.P.

FACTSET

REFINITIV™



Macrobond



HAVER ANALYTICS®

sentix 
expertise in behavioral finance

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.

Background, methodology and more

Current reports and documentation: <https://www.sentix.de/index.php/en/sentix-Economic-News/>

Charts and tables: <https://www.sentix.de/index.php/en/sentix-Economic-Factsheets/economy-at-a-glance.html>



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, the 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 the 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 may not – either in full or in part, regardless of underlying intent – be forwarded, reproduced or published.

„sentix“ is a registered trademark of sentix Holding GmbH.

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 on this site 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.