



THE BEHAVIORAL FINANCE SOLUTION

*“If you want to have a
better performance
than the crowd, you
must do things
differently from the
crowd”*

Sir John Templeton

SMART INVESTORS LOVE INVESTOR BEHAVIOR

There is one conviction investors have been sharing for generations now. Fundamentalists, chartists or adherents of any other approach – they all agree that, at the end of the day, **most investment strategies remain incomplete and subject to remarkable risks.**

Isaac Newton, for instance, had to acknowledge that he could accurately calculate the orbit of celestial bodies but was not able to predict where a lunatic crowd would drive asset prices. John Maynard Keynes noted that markets could stay irrational longer than men could stay solvent. And today's top investors like Warren Buffet also stress the importance of these ever returning times of high pessimism in financial markets.

Behavioral Finance can help...

All in all, most investors would subscribe to these views on the nature of markets. Nevertheless, many of them have difficulties in analysing their consequences and hedging against the often hard-to-understand investor behavior or even to benefit from it.

At the same time behavioral finance, a discipline so far awarded twice the economics "Nobel prize", today offers an enormous body of knowledge in this field. We already have great psychological insights and know about their meaning for and effects on investor behavior as well as on the movements of financial prices.

"Behavioral theory today is the most exciting development in financial markets research. It teaches us that human psychology is key to understanding market behavior."

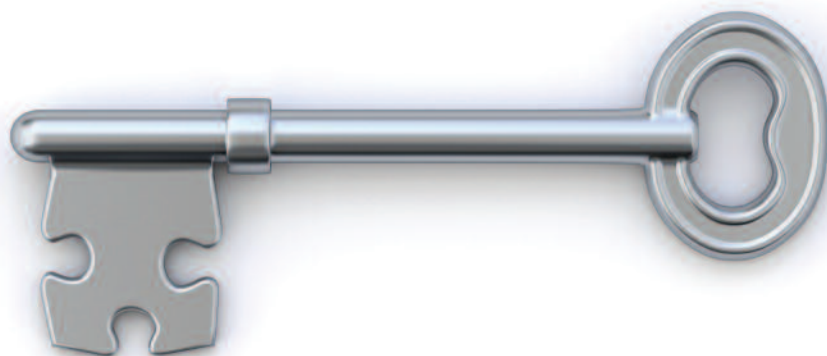
Robert Shiller,
Nobel laureat

... and sentix data is the key to it

But why do so many market participants still not consider the human factor when trying to decide whether to buy or sell an asset?

One definite reason is that, for a long time, investors were

lacking adequate tools to draw a picture of moods in markets – ideally for a number of them and in real-time. This has changed with **sentix and its sentiment database** dating back as far as 2001.



HOW TO PROFIT FROM INVESTOR BEHAVIOR

Measuring fear and euphoria

Investors' emotions alternate continuously between fear and euphoria. And permanent price changes are not just the consequence of emotional actions but also create new moods and sentiments in the market.

It is often the case that times of fear and panic turn out to be **good investment opportunities**.

Objective barometers like the **sentix Sentiment Indices** help you to see when such extreme emotions occur and enable you to act promptly and adequately – in a whole variety of markets!

Delivering an information lead

Do you know what the market knows? And do important insights normally reach you in time? Probably every investor wonders every so often if others might be better informed than themselves.

A heterogeneous group of people usually processes information more precisely than the best single expert is supposed to do. This phenomenon, known as “wisdom of crowds”, is at the bottom of successful team-work, for instance, and of more than 400 sentix indices, too.

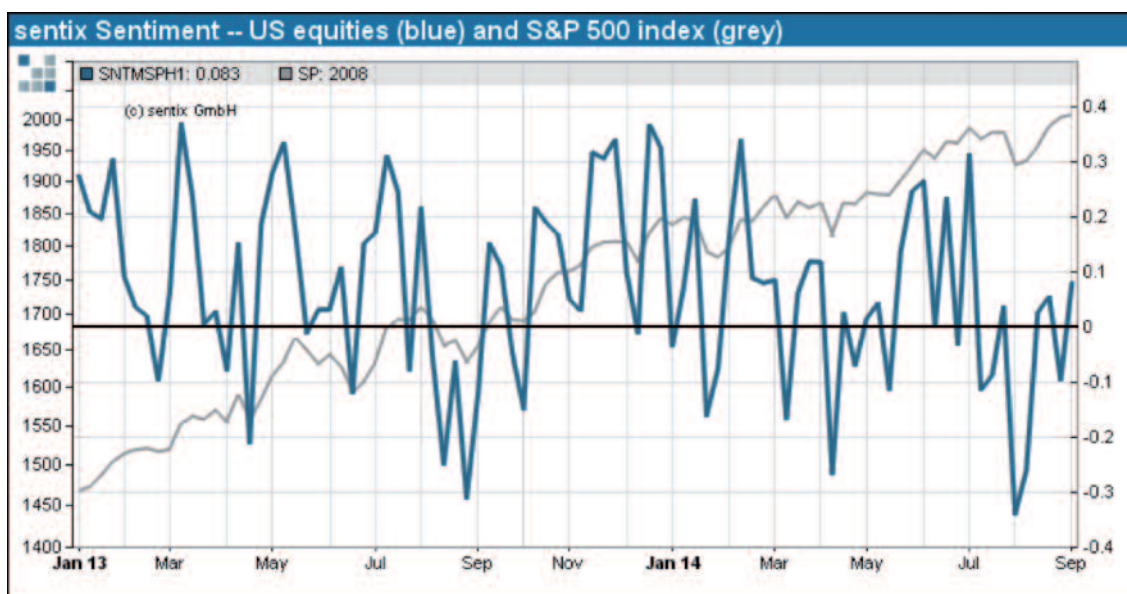
A great example for the “wisdom of crowds” at work are the **sentix Economic Indices** which investors appreciate for their “first-mover advantage”. These sentix indices deliver a true information lead as they constantly give first-class economic indications ahead of any other leading indicator!

Detecting black swans

Many investors fear “black swans” – highly improbable and unexpected events with enormous consequences.

But genuine black swans like the Fukushima catastrophe often have only surprisingly little lasting influence on financial markets. Investor-made black swans resulting from extreme positioning usually have, in turn, more far-reaching implications when they occur. The bursting of the dotcom bubble (2000) or the collapse of the US housing market (2007) are just two examples.

Systematic measurement and observation of **investor positioning** via the corresponding sentix indicators can caution you against that risk!



CAPTURING INVESTOR BEHAVIOR: THE SENTIX GLOBAL INVESTOR SURVEY

You may ask yourself how sentix manages to provide you with such valuable information on the way investors think and behave. Our solution is a survey that we have been running for years now.

Relevant and representative

Since February 2001, sentix have collected investor opinions through the **sentix Global Investor Survey**. Week by week!

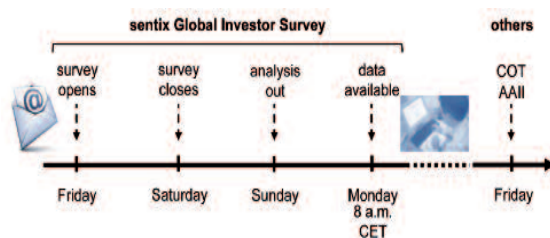
With about 5,000 registered individual and institutional investors, sentix Global Investor Survey is now one of the leading surveys of its kind worldwide.

More than 1,000 institutional investors are participating in the survey, representing more than € 500 bn assets under management. You can be one of them, too.

Fast and effective

Every Friday or Saturday just 5 minutes are enough to fill in the standardized web form.

Results are available by the following Monday morning. This is your “first-mover advantage” when taking part in sentix Global Investor Survey!



WHAT INVESTORS GET FOR THEIR CONTRIBUTION



sentix research

The sentix Essentials are a unique sentiment research

publication. Every week the sentix experts analyze striking data highlights and give valuable hints on market developments.

In addition, sentix sends its eco report, a monthly update on economic trends, to its survey participants.



Access to the chart tool

Survey participants can analyze all sentix indicators

with the sentix interactive web chart tool.

These services and publications are free for active survey participants for non-commercial use.



A QUANTS' AND A TECHNICIANS' DREAM: THE SENTIX DATA BASE

The results of the sentix Global Investor Survey are stored in the **sentix database**. We offer a broad range of indicators, a large part of them on a weekly basis and dating back to the year 2001 – a sentiment data package any quantitative and technical analyst longs for.

More than 400 indicators...

The sentix database is the **most comprehensive** of its kind worldwide. It covers a host of markets, asset classes and investment styles.

This allows you to compare developments in different markets directly. You do not only see that investor expectations have changed – you also see why!

... in three different data packages

You can select your data from three different packages...

- **sentix Market Sentiment:**
short- and medium-term sentiment data for 14 financial markets
- **sentix Sector Sentiment:**
data for 19 European stocks sectors
- **sentix Investor Preferences & Behavior:**
including positioning data, indicators on investment styles and the sentix Euro Break-up Index

... or subscribe to the complete database at a discount!

Add-on

The **sentix Economic Indices** dataset is included free of charge in every subscription as well as our weekly sentiment research product, the **sentix Essentials!**

Access the data via our website...

Using the sentix database is easy. You may download the data directly from your "My sentix" space.

Several download formats and options are available. They allow you an easy integration of sentix data into your existing applications.

You may also access the database via a .net-DLL.

... via Bloomberg

As a Bloomberg user you may find it more convenient to access sentix data on your Bloomberg terminal. The Bloomberg API supports **all sentix data**. Please visit **SNTX<GO>** for more details.

... via other databases

Some of our data, especially the sentix Economic indices are also available on other platforms. Visit **<http://provider.sentix.de>** for further information.

Test it ... and subscribe for a free trial!





"Generally, in the field of sentiment analysis we see SENTIX as one of the most comprehensive and profound sentiment polls worldwide."

Michael Riesner
Head Equity Technical
Analysis
UBS Investment Bank

TO SUM UP

You and your experience

As a professional investor you are aware of the numerous challenges in your business. You know how important emotions – from fear to euphoria – are for the markets.

Making hard decisions is common to you and you know the situations when you are searching for the missing inspiration.

sentix data – your opportunity

The **sentix database** offers you the opportunity to complete your individual investment strategy by incorporating the human factor.

Database range

The sentix database with more than 400 indices represents a great sentiment overview for every investor's needs. Three different data packages give you close insights of how investors behave.

First mover!

"Time is money". Therefore it is mandatory that information is available in time! sentix data is available almost in real-time. The survey closes every Saturday afternoon (CET) and results – as well as our research reports – are already provided before the next trading day starts.

Your benefit

Profit from this **first-mover advantage** and complete your investment strategy. Turn wisdom and madness of the crowds into your personal benefit!

sentix – feel the markets!



ABOUT US

The Mission

Our goal is to offer a representative picture of the expectations, feelings and actions of investors in various financial markets.

With the sentix database we enable investors to incorporate behavioral finance features into their investment processes.

In addition, sentix Asset Management, the investment arm of the sentix group, has established and is using a fully behavioristic investment process. It offers products and services along this unique process to its customers. For its innovative equity product, sentix AM received the Feri Fund Award 2014.

Key Investment Professionals

Manfred Hübner is the founder of sentix. The behavioral finance expert is responsible for research, development and portfolio management. With more than 25 years of investment experience he is a frequent speaker on conferences and a popular partner for TV interviews.

Patrick Hussy joined sentix in 2003. The portfolio manager with more than 20 years of investment experience is responsible for portfolio management as well as for customer relations.

sentix GmbH

sentix started in 2001 with the sentix Global Investor Survey, the first survey of that kind in Europe. Meanwhile, about 5,000 investors are registered for the survey. The sentix Global Investor Survey ranks as one of the leading investor polls worldwide.

Since 2007, the sentix database is open to subscriptions for commercial and non-commercial use.

sentix Asset Management GmbH

sentix Asset Management was founded in 2010, and has launched its first mutual fund in the same year. Generally, the company is specialized on asset management for institutional clients, based on the unique sentix investment process. At the end of 2013, it advised assets under management of more than € 400 m. sentix Asset Management is regulated by the German financial authority BaFin and member of the EdW.

sentix Holding GmbH

The sentix Holding is owner of the sentix trademark and acts as the financial holding for the sentix group which comprises sentix GmbH and sentix Asset Management GmbH.



“sentix is an important key to solve the capital market puzzle.”

Manfred Hübner



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