



Registration for the press distribution list and further information at [www.sentix.co.uk](http://www.sentix.co.uk)



**Manfred Hübner**

CEFA, Managing Director

[manfred.huebner@sentix.de](mailto:manfred.huebner@sentix.de)



sentix GmbH

Wiesenhüttenstraße 17, 60329 Frankfurt am Main

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

## sentix Economic Index: Upswing - but where to?

- An economic upswing has begun in the eurozone. Starting out from an unchanged weak situation (-61.5 points), expectations improve significantly to +21.8 points!
- Germany has also bottomed out. Expectations are rising strongly to +27.3 points, the highest value since March 2015.
- Internationally, we are getting the same picture almost everywhere. Starting from a weak situation, the expectations are rising significantly. But how long will the path out of the recession be. We have shed more light on this in a special question! More on this in the full text.

### Statistics

Poll running: **4-June to 6-June 2020**

Survey participants: **1,173 investors**  
(**263** of those are institutional investors)

## Current economic regimes\* of countries /regions in focus:

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

\* 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: June 2020

Euro Area	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
Overall index	7.6	5.2	-17.1	-42.9	-41.8	-24.8
Headline Index						
- Current situation	5.5	4.0	-14.3	-66.0	-73.0	-61.5
- Expectations	9.8	6.5	-20.0	-15.8	-3.0	21.8

Highest since  
11.2017

3. Increase in a row



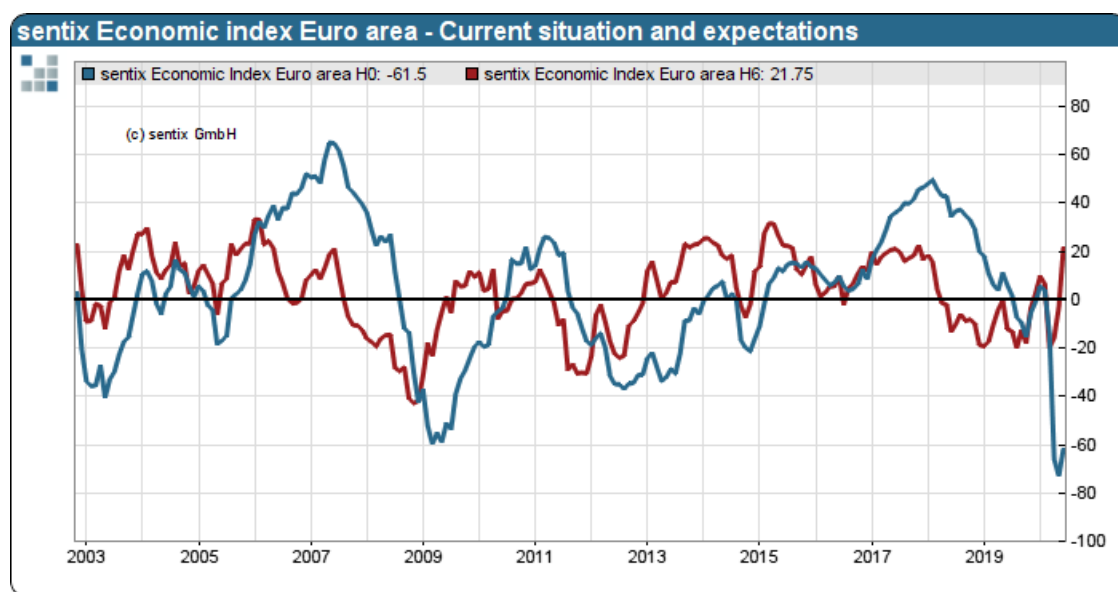
## Commentary on the survey results for June 2020

### Upswing - but where to?

The signs are pointing to a global economic upturn. This is not too difficult after such a serious standstill of the real economy as we experienced in April. This is why the sentix economic indices also show a mixed picture. On the positive side, expectations are rising sharply. The economy is waking up from its deep sleep. But the road to normality is long. The situation values are still deep red and thus continue to indicate a recessionary environment. The question now is how strong and how far the global economy can recover. We will shed light on this in the following analysis.

### Euro area: The economy awakens

The relaxation of measures to combat the pandemic is also bringing economic activity to life. But the road out of recession is a long one. In Euroland, the situation values are just rising from -73 to -61.5 points. But the upswing out of the valley of tears has definitely begun and should continue for the time being. In fact, the momentum is actually increasing. Expectations are rising sharply by 24.8 points to the +21.8 mark. This is the best value since November 2017, and the overall index is improving accordingly strongly to -24.8 points.



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

But what do these numbers mean? Is there a "normal" upswing that will soon bring us back to a normal, good economic situation? To get a better understanding of these figures, we conducted a special survey among investors. We wanted to know how much of the economic slump caused by the Corona pandemic will be made up within a year. So where does the recovery go?!

The result is likely to disappoint optimists. For the eurozone, investors expect that within a year, just over 50% of the slump can be made up. This means that in a year's time we would still be noticeably below the pre-crisis level. And this despite all the stimulus measures, the fiscal packages and monetary easing.

An upswing has begun, but a real trend reversal is not yet assured.



## Germany: Our request was granted

Our appeal from last month was heard by the politicians. The governments at federal and state level have shown courage and yet have embarked on a rapid course of opening. This is also reflected in significant improvements in the sentix economic indices. Expectations are jumping by almost 30 points to the best value since March 2015. The economic stimulus package presented last week is ambitious in terms of volume, but the effect is likely to be less than the investors would like. In any case, investors expect that Germany, too, will only be able to compensate for around 64% of the slump in economic output within a year.

Germany	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20	
Overall index	6.9	4.5	-16.9	-36.0	-35.3	-17.2	
Headline Index							
- Current situation	6.0	4.3	-13.3	-59.3	-66.0	-53.0	
- Expectations	7.8	4.8	-20.5	-9.0	2.5	27.3	Highest since 03.2015 3. Increase in a row

## USA: Below average

In the USA, too, we are measuring noticeable improvements in the sentix economic indices. However, these improvements are still rather below average. This is probably also due to the fact that the incidence of infection is not yet as contained as in Europe due to the size of the country. Nevertheless, the situation and expectations are also improving in the USA and signal the beginning of an upswing. The investors surveyed by sentix expect that the USA will be able to make up around 61% of the slump in economic output within a year.

United States	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20	
Overall index	15.9	20.3	0.2	-39.1	-36.8	-22.3	
Headline Index							
- Current situation	31.0	38.3	17.8	-59.0	-66.8	-57.3	
- Expectations	1.8	3.8	-16.0	-16.5	0.0	21.3	Highest since 01.2017

## Asia ex Japan: Closest to normalisation

The economy in the Asian region, which is strongly influenced by China, is closest to normalisation. The overall index rose to -8.9 points. This is the best value of all sub-regions considered by sentix. But even here the situation is still weak at -39. And even if expectations point to a further recovery, investors also expect the Asian economy to find it difficult to return to pre-crisis levels within a year (recovery factor: 67%).

Asia ex Japan	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20	
Overall index	18.4	7.1	-13.5	-21.8	-22.6	-8.9	
Headline Index							
- Current situation	20.3	6.8	-14.5	-41.3	-50.0	-39.0	
- Expectations	16.5	7.5	-12.5	0.0	9.8	26.8	Highest since 02.2013 3. Increase in a row



## Further result tables

### Japan

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	7.4	7.0	-17.5	-30.5	-31.7	-17.0
<b>Headline Index</b>						
- Current situation	7.8	8.5	-16.8	-50.5	-59.5	-49.0
- Expectations	7.0	5.5	-18.3	-7.8	1.5	21.8

Highest since  
05.2006

3. Increase in a row

### Eastern Europe

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	5.4	5.5	-12.9	-38.6	-37.2	-22.6
<b>Headline Index</b>						
- Current situation	3.8	5.3	-10.8	-58.5	-65.0	-54.8
- Expectations	7.0	5.8	-15.0	-16.0	-3.8	16.8

Highest since  
02.2013

### Latin America

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	-9.5	-6.9	-20.4	-45.5	-47.3	-38.5
<b>Headline Index</b>						
- Current situation	-18.5	-14.5	-22.5	-65.0	-74.8	-71.3
- Expectations	0.0	1.0	-18.3	-23.3	-13.8	2.5

Highest since  
04.2018

### Global

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	12.1	8.1	-12.0	-32.2	-32.0	-17.9
<b>Headline Index</b>						
- Current situation	14.5	10.5	-8.8	-52.3	-60.5	-50.4
- Expectations	9.8	5.8	-15.3	-9.3	2.4	21.7

Alltime High!

3. Increase in a row

### Switzerland

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	14.4	14.0	-9.4	-32.9	-35.1	-14.4
<b>Headline Index</b>						
- Current situation	25.0	27.0	-6.0	-46.0	-56.8	-43.3
- Expectations	4.3	1.8	-12.8	-18.8	-10.3	19.8

Highest since  
01.2018

### Austria

	Jan. 20	Feb. 20	Mar. 20	Apr. 20	May. 20	Jun. 20
<b>Overall index</b>	24.4	20.2	-3.0	-37.3	-24.9	-12.8
<b>Headline Index</b>						
- Current situation	25.3	28.0	11.5	-63.8	-55.3	-46.0
- Expectations	23.5	12.8	-16.5	-5.8	11.8	27.5

Highest since  
02.2018

3. 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.