Overall Investor Sentiment: 2.59%
Biggest Riser (Investor Sentiment): UK equities +0.59%
Biggest Faller (Investor Sentiment): UK equities -10.75%

JULY ANALYSIS

Investor sentiment has fallen to its lowest level this year, dropping by 3.7% from 6.29% to 2.59% in July. However, overall sentiment remained positive, up 7.34% since July last year when it hit record lows immediately following the EU referendum.

Eight out of 11 asset classes saw a fall in sentiment in July, with UK asset classes in particular losing favour amongst investors. UK equities were the biggest faller with a -10.75% decline, falling from 10.75% to 2.8% last month. Only three asset classes, Japanese equities (+0.5%), US equities (+2.4%), and cash (+0.9%) were in positive or neutral territory. As with investor sentiment, UK equities also saw a dip in performance however this was more modest than the reduction in confidence.

Asset class performance paints a similar picture and largely mirrored sentiment over the past year. In July, only three asset classes, Japanese equities (-2.8%), US equities (-2.8%) and cash (-10.75%) were in positive or neutral territory. As with investor sentiment, UK equities also saw a dip in performance however this was more modest than the reduction in confidence.

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Overall, although investor confidence fell in July, Japanese equities and commodities did see a minor upturn in popularity with an increase of 0.59%.

Despite a subdued July, UK property and UK equities are still amongst the best performers over the past year. UK property has seen an increase in sentiment of 18.04% since 2016, closely followed by UK equities which experienced an 18.04% rise over the same period. These were only eclipsed by Eurozone equities which rebounded by a considerable 35.71% in 12 months. Overall, gold is still the most popular asset class even though it saw the biggest reduction in confidence over the past year, experiencing a fall of 17.24%.

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Finally, the fall in sentiment towards Gold is not overly surprising. We anticipate that it will struggle over the next few years, dented by rising interest rates after inflation and a strengthening US dollar.

NOTES TO EDITORS

All figures, unless otherwise stated, are as at 1 August 2017. Total sample size was 5,011 adults, of which 1,079 were investors. Fieldwork was undertaken between 28 June and 1 July 2017. The survey was carried out online. The figures have been weighted and are representative of UK adults aged 18+.

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