

Spectrem Investor Confidence Indices Decline in May Over Heightened U.S. Trade Tensions and U.S. Political Climate

Wealthy Investors Indicate Plans to Pull Back from Individual Stock Investing

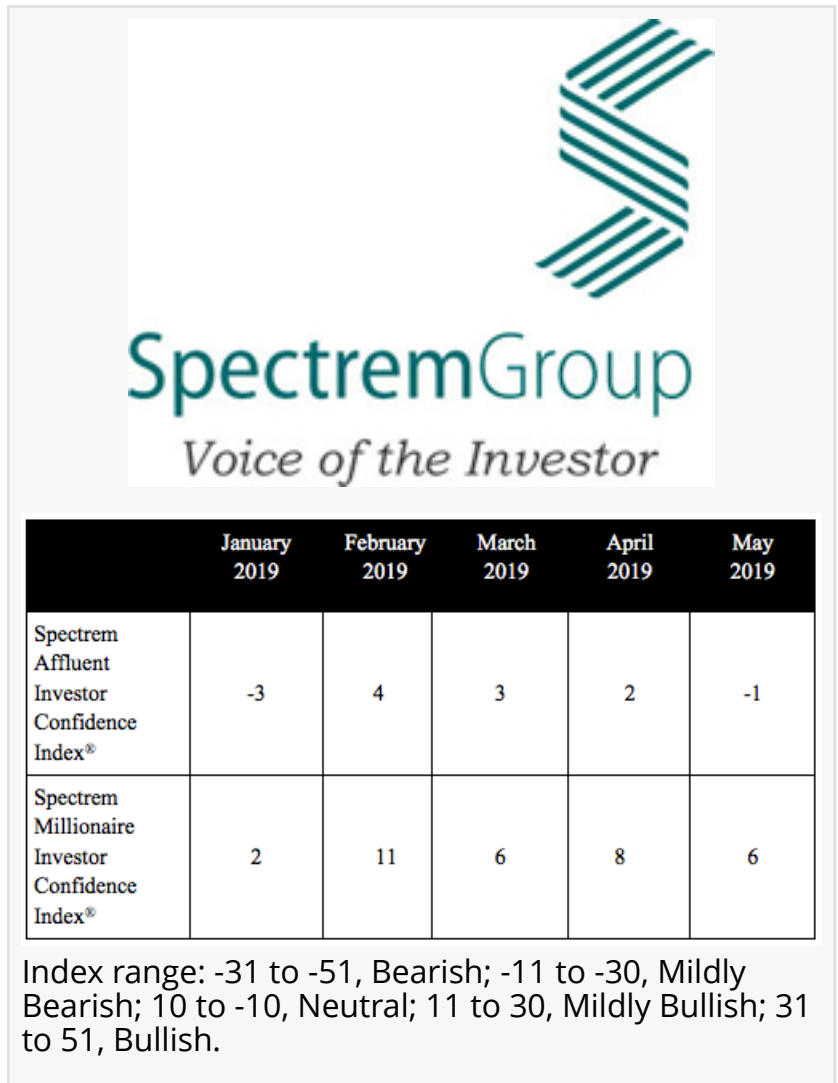
CHICAGO, IL, USA, June 3, 2019 /EINPresswire.com/ -- Wealthy U.S. investors expressed declining confidence in May, according to Spectrem Group's High Net Worth Insights Newsletter. The worsening sentiment appeared largely tied to the lack of progress in resolving the ongoing U.S.-China trade and tariff conflict. Interest in individual investing fell, while Millionaire investors said they plan to allocate more assets to bonds and cash.

The Spectrem Millionaire Investor Confidence Index (SMICI®) dropped 2 points in May to 6, and the Spectrem Affluent Investor Confidence Index (SAICI®) dropped three points to -1, falling back into negative territory after pulling out of that range for three months.

The monthly Spectrem Investor Confidence indices track changes in investment sentiment among the 17 MM households in America with more than \$500,000 of investable assets (SAICI), and those with \$1 MM or more (SMICI). May's survey was fielded May 17-23, 2019, during a steady period for the stock market. However, it was also a period marked by rising tensions with China, increasing political rhetoric about impeachment in the wake of the Mueller investigation and a more aggressive U.S. stance toward Iran

Among Millionaires, 30.9 percent expressed an increase in cash investing, the highest mark of 2019. Millionaires also reported a drop in those not investing, meaning investors who do not intend to extend their asset allocations in the coming month, to just 28.7 percent.

Among non-Millionaires, interest in individual stock investing fell to 15.8 percent, the lowest percentage since January. Other percentages among non-Millionaires remained unchanged from April, except for those not investing, which rose to 53.5 percent, the highest percentage since



December.

Spectrem's Household Outlook, which measures investor sentiment based on four key household financial components, improved slightly from April to 22.0. For comparison's sake, the Outlook was below 20 for four months between October 2018 and January 2019 but was above 23 for 15 months between July 2017 and September 2018. The Outlook for the economy rose from 1.20 to 3.60 after spending several months in negative territory.

"Investors tend to carefully watch geopolitical and trade uncertainties within the context of how they may affect future market performance and therefore household wealth," said Spectrem President George H. Walper, Jr. "Despite continued favorable economic indicators, investors are clearly concerned about the rising risk of a prolonged trade war and its likely impact on American corporations, which will then impact investors and their household finances. It is fair to expect investors to be conservative during this type of environment."

Charts, including a deeper analysis of the index and its methodology, are available upon request. Additional insights include:

- [Global Trade Wars Rock Investor Confidence](#)
- [Spectrem Group Index Webinar - June 2019](#)

About Spectrem Group: Spectrem Group (www.spectrem.com) strategically analyzes its ongoing primary research with investors to assist financial providers and advisors in understanding the Voice of the Investor.

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