

BUSINESS & FINANCIAL OVERVIEW

Eurozone Investor Confidence At 4-month High: Sentix

Eurozone investor confidence strengthened for a second straight month to its highest level in four months, while morale weakened sharply in Germany to its lowest level since 2012, survey data from the behavioral finance research group Sentix showed on Monday.

The Sentix investor confidence index for the euro area climbed to -0.3 from -2.2 in March. Economists had forecast a score -2. The latest reading was the strongest since November.

However, the current situation index fell for an eighth successive month, to 3.8 from 6.3, which was the weakest level since February 2015.

In contrast, the expectations measure rose to -4.3 from -10.3, improving for a third straight month. The reading was the highest since May 2018.

"This means that the economy is still losing momentum, but the momentum is declining," the think tank said. "It seems that the eurozone could just as easily prevent a deeper downturn."

The latest Sentix survey was carried out between April 4 and 8 among 936 investors, 253 of whom were institutional.

The investor confidence index for Germany slid to 2.1 in April from 4 in March. The reading was the lowest since August 2012.

RTT's Daily Stock Market Digest, A Must-Read For Every Investor.

The assessment on current situation weakened for a sixth month in a row and the indicator fell to 10.5 from 20, hitting the lowest level since April 2010. The sharp decline is worrying, Sentix said.

Expectations, however, improved for a third straight month and the index climbed to -6 from -10.8. The score was the highest since March 2018.

"It would be positive if Germany did not rely on China and the USA alone, but sought to make its own contributions to economic stabilization," the group added.

The economic hopes of investors rest entirely on Asia ex Japan, where the signals continue to point to an upswing, Sentix said.

Since the US economy is also in an economic slowdown phase, but is still clearly expanding, there is also an upswing scenario for the global aggregate, the group added.

