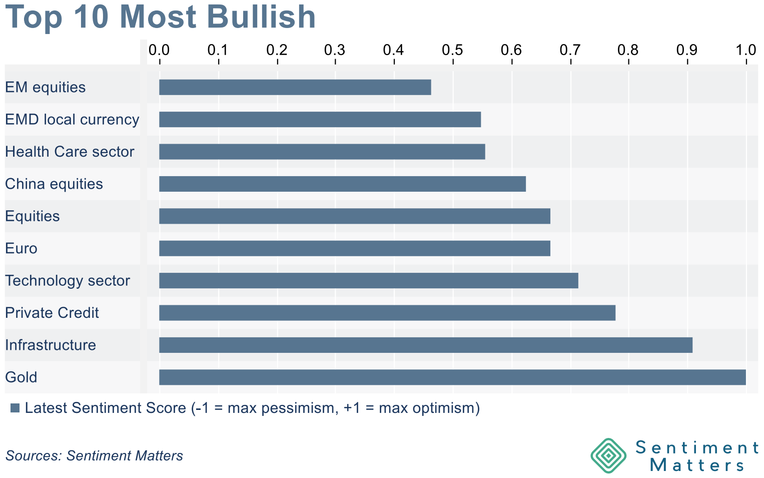
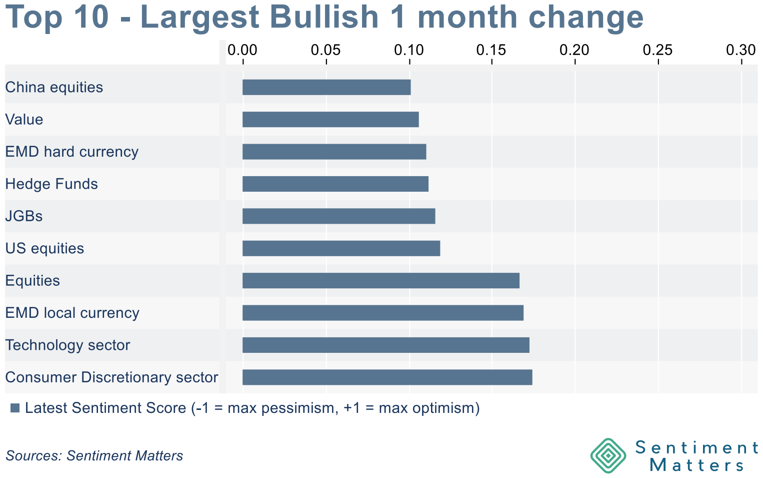
Buy Side
-
Sentiment Tracker

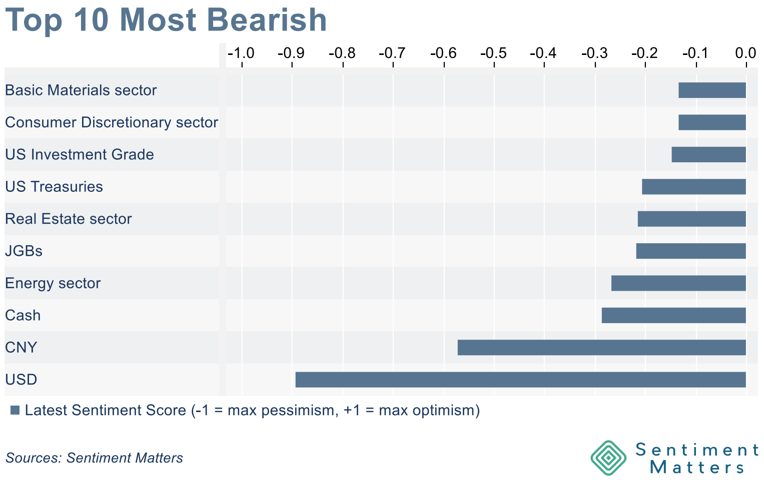
October 2025

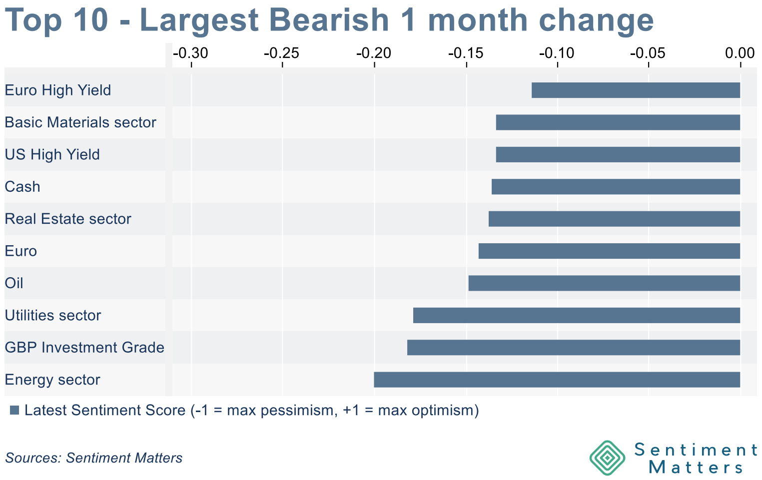
Sentiment Matters

Top 10 Bullish & Bearish









- Buy-side sentiment most bullish in 8 months, but not pushing to new highs
- Tech sentiment is getting very bullish on the buy side, on all measures
- Everyone loves EM, both in equities and bonds

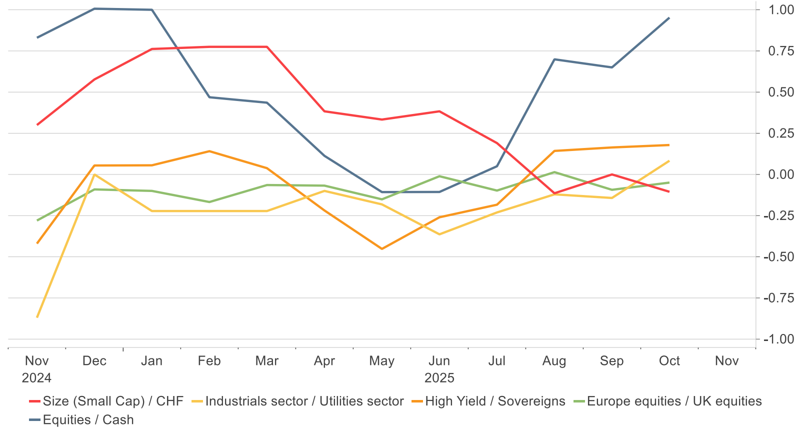
Sentiment Matters

Risk-on, Risk-off Indicators

BSST Risk-on / Risk-off Aggregate

Source: Sentiment Matters, Macrobond

BSST Risk-on / Risk-off Indicators



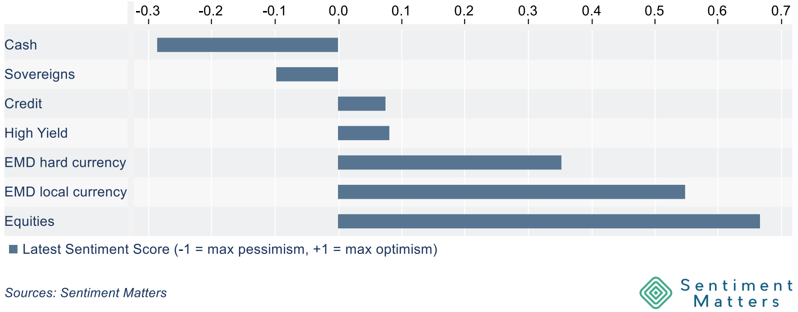
Source: Sentiment Matters, Macrobond

- A **broad shift toward bullishness** across nearly all indicators.
- **Risk appetite** improved in 4 of 5 risk-on/risk-off gauges.
- The **aggregate risk-on indicator** is at its **highest since February**.
- **Equities vs Cash:** approaching January highs.
- **Cash:** least popular since November 2024.
- **Equities:** 67% net bullish — highest since March.
- **Sovereigns:** sentiment drifting lower, weakest in 12 months.
- **Biggest monthly move:** equities up, cash down.
- All **defensive sectors downgraded** this month.

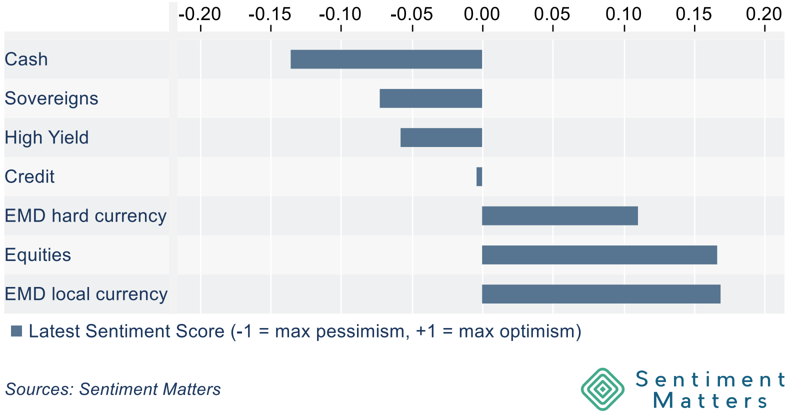
Sentiment Matters

Asset Allocation

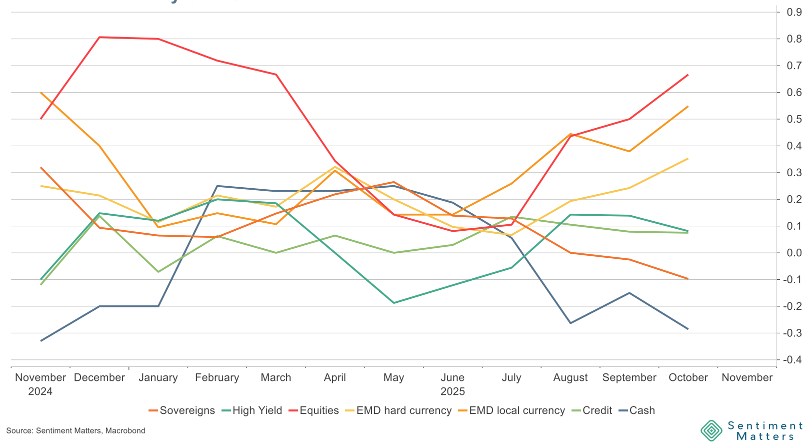
Asset Allocation - BSST Sentiment



Asset Allocation - 1 month change



Asset Classes - Buy Side Sentiment



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- **Equities:** 67% net bullish — highest since March.
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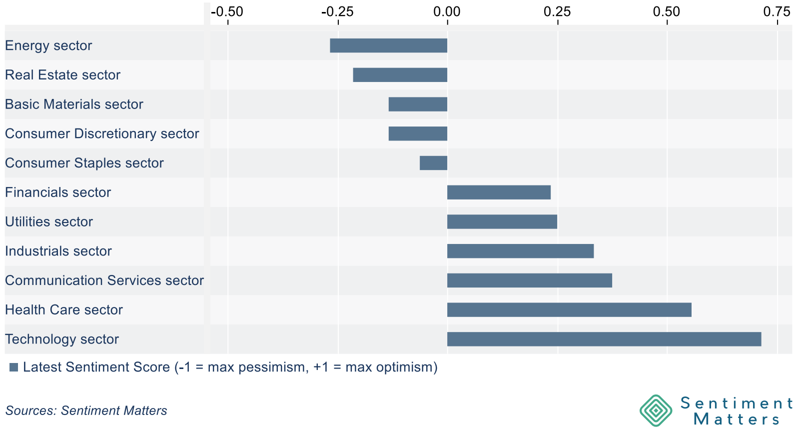
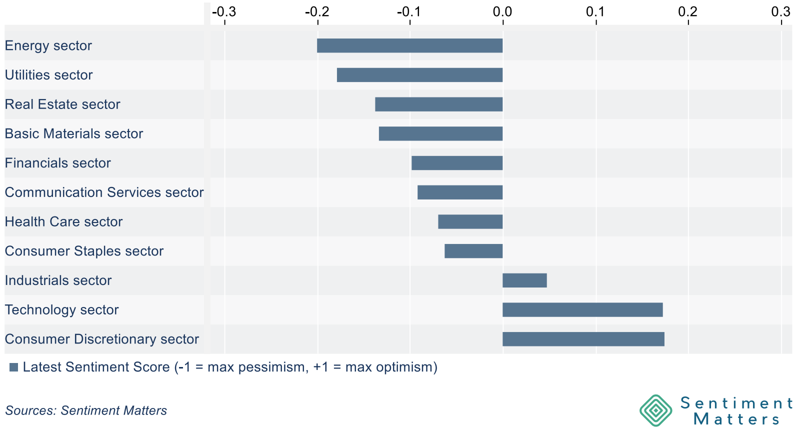
Sentiment Matters

Equity Sectors

Equity Sectors - BSST Sentiment

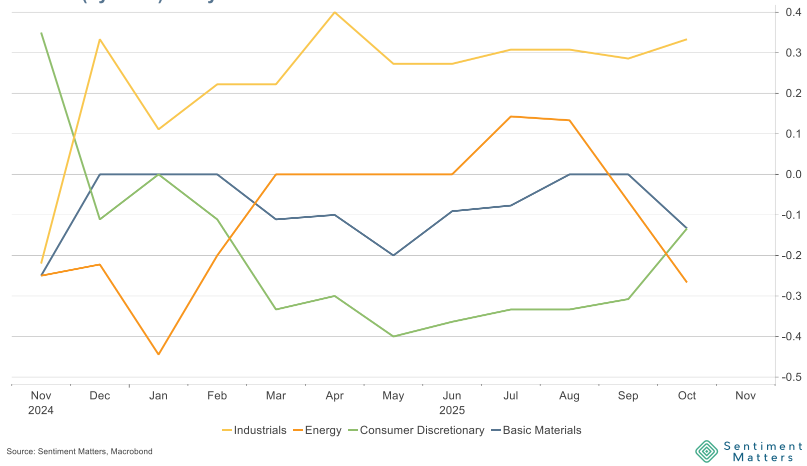


Equity Sectors - 1 month change in BSST Sentiment

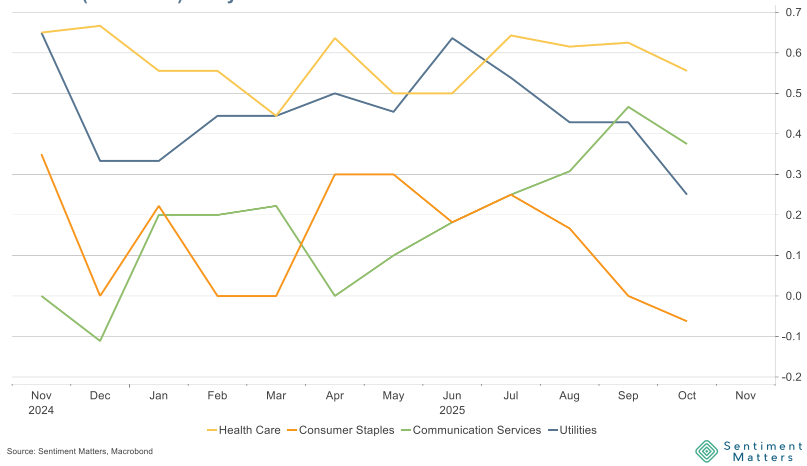


- **Technology:** buy side is very bullish on Tech. By far the most bullish.
- **Defensive sectors:** all downgraded, though a small defensive tilt remains.
- **Health Care:** some downgrades; no longer top sector, but still bullish.
- **Utilities:** downgraded for a fourth consecutive month; lowest allocation in 12 months.
- **Energy:** sharpest downgrades for the second month in a row — now the most negative sector, though not at January lows.

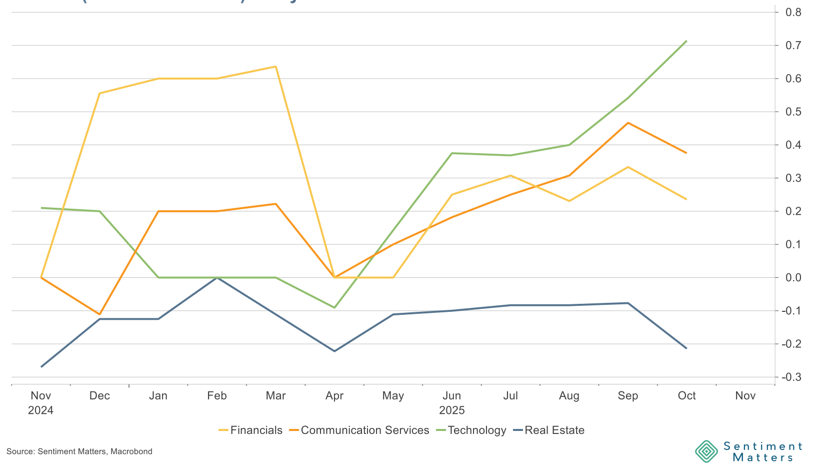
Sectors (cyclical) - Buy Side Sentiment



Sectors (defensive) - Buy Side Sentiment



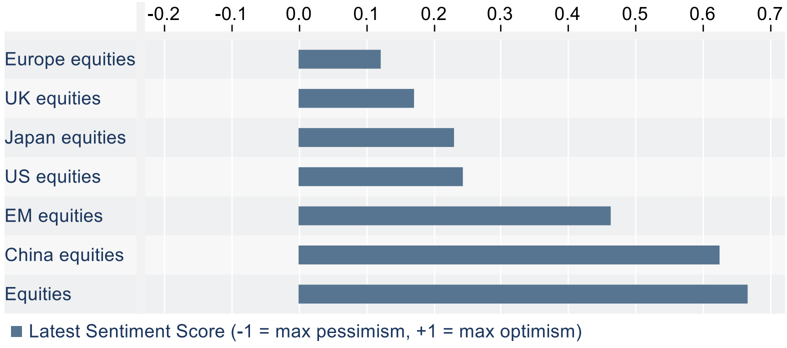
Sectors (Tech & Financial) - Buy Side Sentiment



Sentiment Matters

Equity Regions

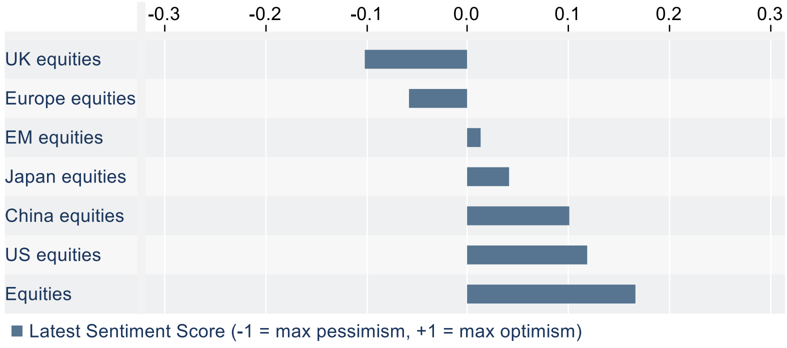
Equity Regions - BSST Sentiment



Sources: Sentiment Matters

Sentiment Matters

Equity Regions - 1 month change



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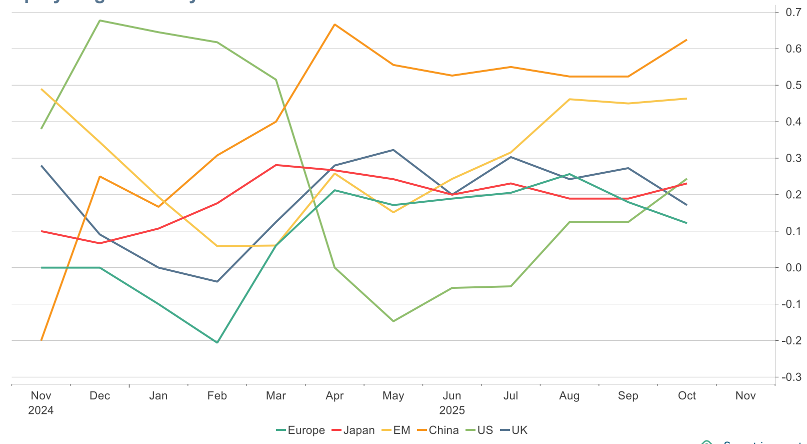
Sentiment Matters

Equity Regions - Buy Side Sentiment



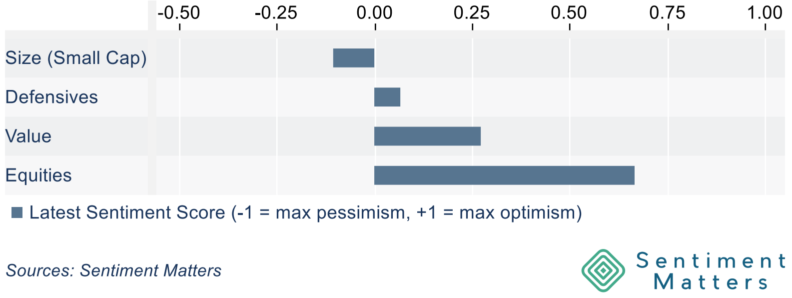
Source: Sentiment Matters, Macrobond

Sentiment Matters

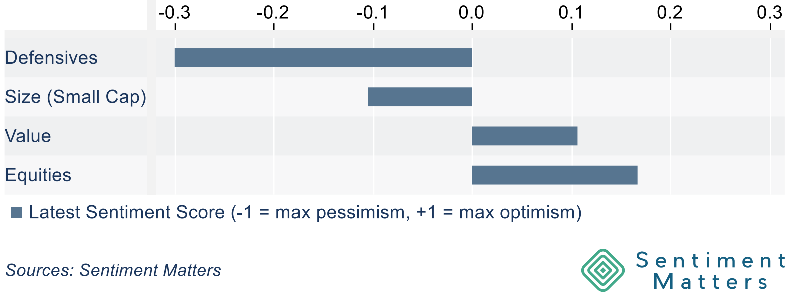
- **Emerging Markets & China:** remain clear leaders — the most popular region for the **fifth straight month**.
- Chinese equities now **62% net bullish** after further upgrades.
- **Developed Markets:** no strong regional preference overall.
- **US:** significant recovery. After six months as least popular, now in **third place**, up from 15% net bearish in May to **25% net bullish** in October.
- **Europe:** sentiment fading — now the least popular DM region after downgrades. Spring optimism peaked in August.
- **Japan:** neutral. Investors on the fence, but with room for upgrades if a new growth or reform narrative emerges post-political change.

Equity Factors

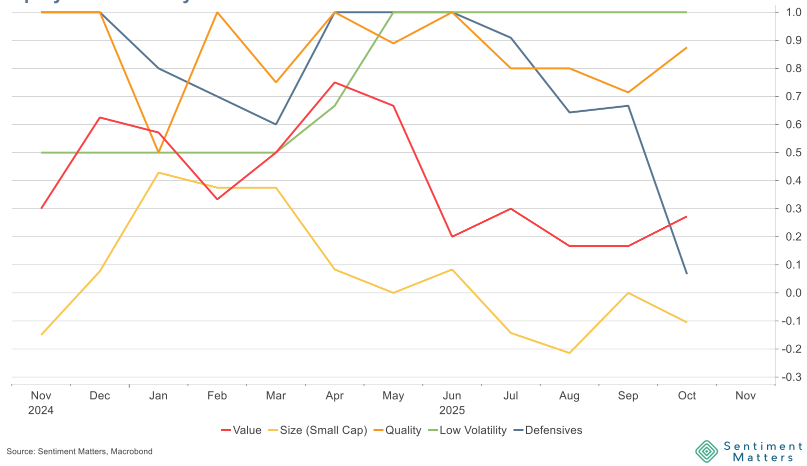
Equity Factors - BSST Sentiment



Equity Factors - 1 month change



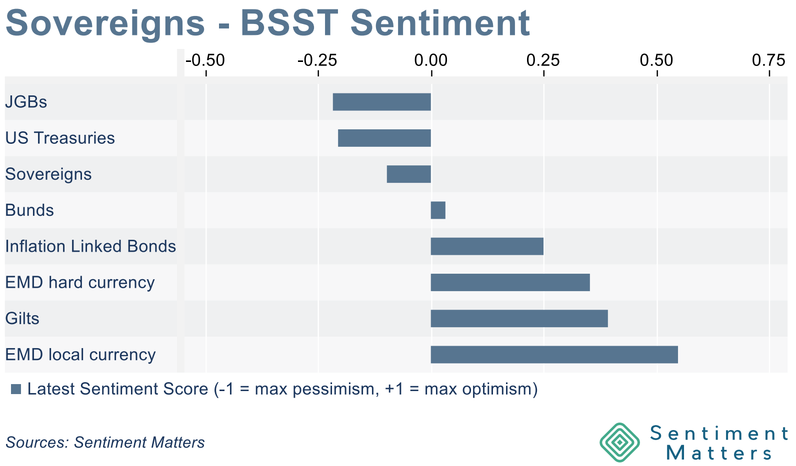
Equity Factors - Buy Side Sentiment

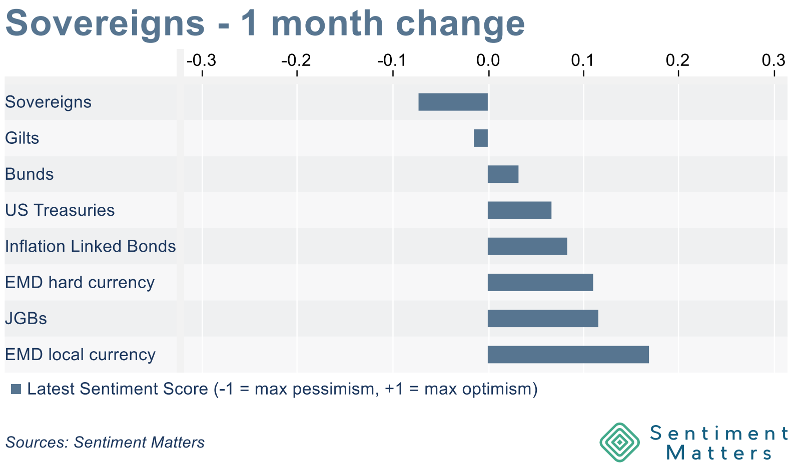


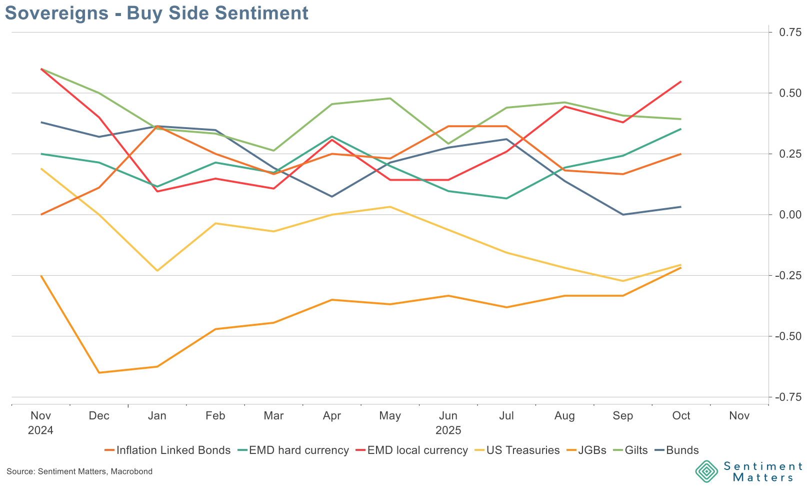
- **Small Caps (Size):** steady downgrades since January; now more Bears than Bulls. Reflects fading growth optimism.
- **Value:** modest upgrades, but still only slightly net bullish despite recent performance.

Sentiment Matters

Sovereigns

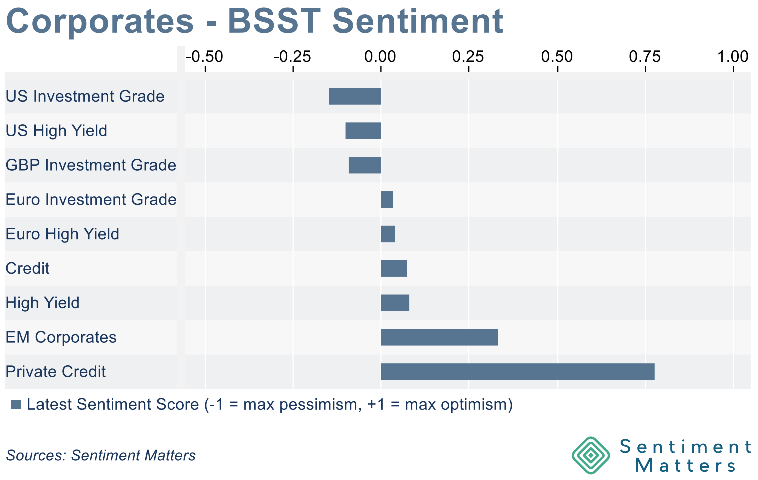


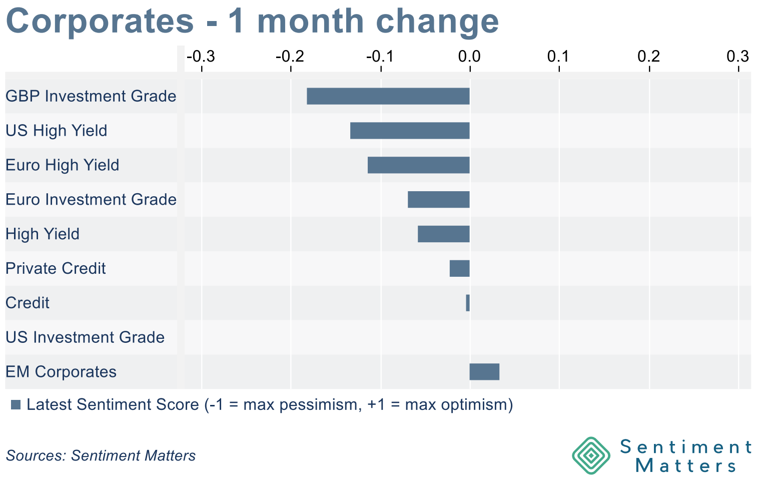


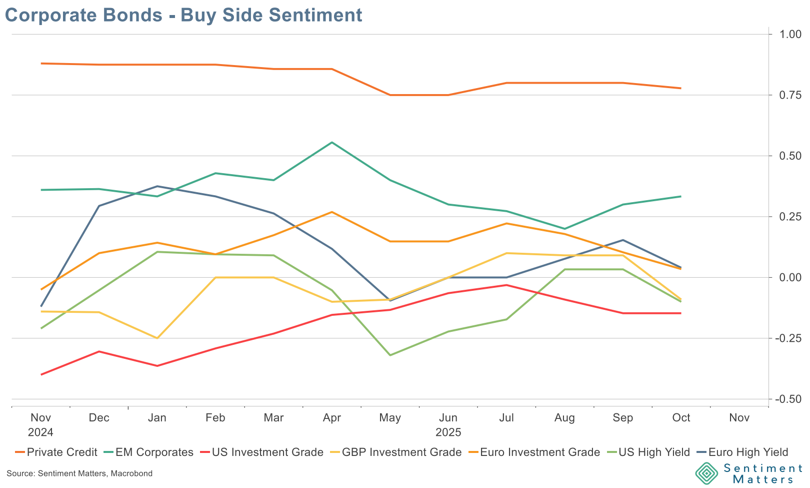


- Overall downgrades as **risk appetite increased**.
- **JGBs:** most upgrades this month; now level with Treasuries after being deeply bearish earlier in the year.
- **US Treasuries:** upgraded, but still net bearish.
- **Bunds:** now neutral (equal Bulls and Bears), down sharply from +31% net bullish in July.
- **Gilts:** still the favourite at **+40% net bullish**, though slightly downgraded this month.
- **EM Debt:** very bullish — both local and hard-currency bonds saw gains. Local bonds are the **most popular fixed-income asset**, helped by USD bearishness.

Credits

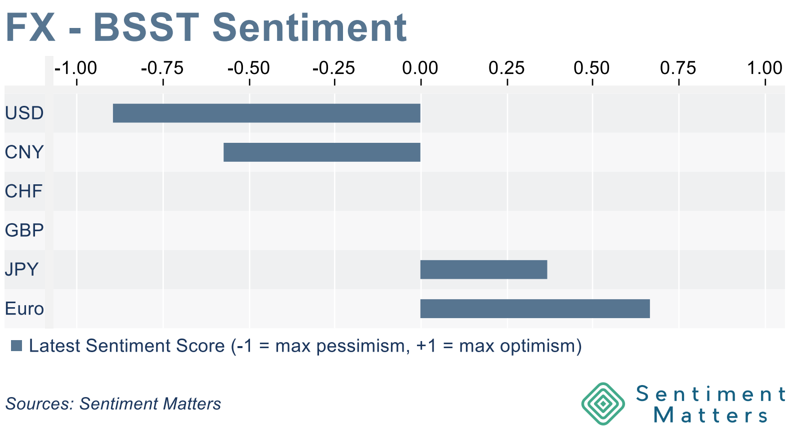


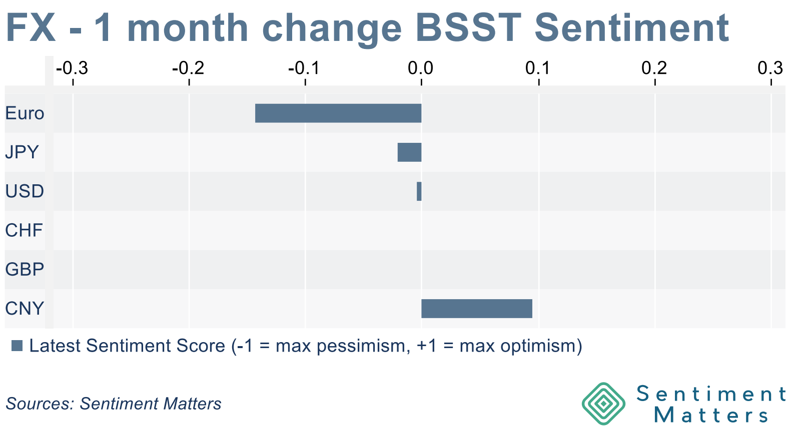


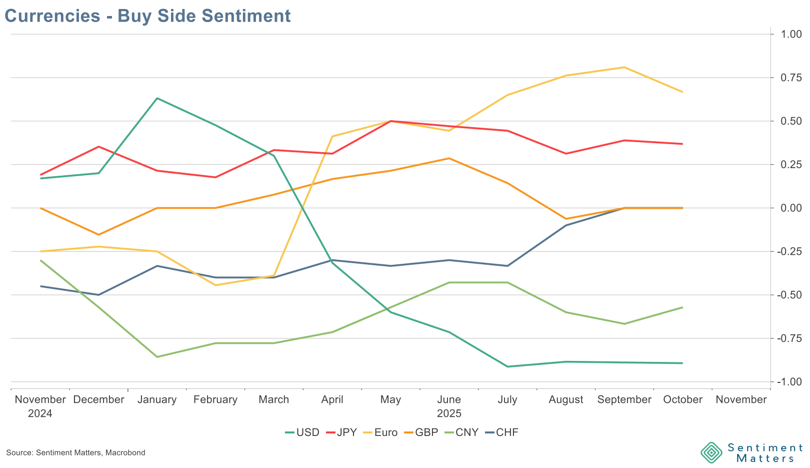


- **High Yield:** downgraded in both US and Europe, but still slightly preferred over IG.
- **Investment Grade:** small downgrade, mainly in Europe.
- **Private Credit:** unchanged and still **overwhelmingly bullish**.
- Europe remains preferred over the US for both HY and IG, though the gap is narrowing.

Currencies



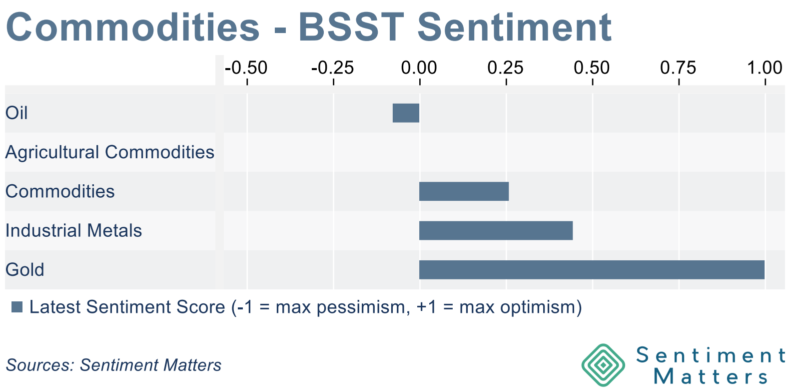


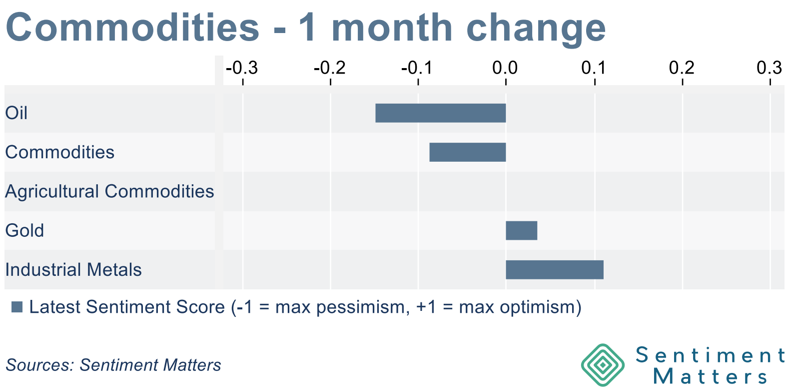


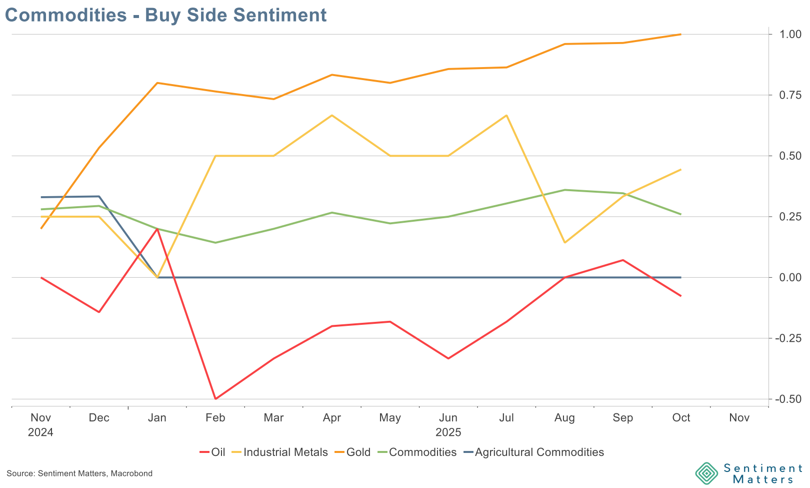
- **Euro:** remains most popular currency for the **fourth straight month**, despite mild downgrades. CFTC positioning confirms this bullishness.
- **US Dollar:** remains **extremely bearish** — the least popular asset overall at **-89% net bearish**.
- 0 Bulls, 3 Neutrals, 25 Bears.
- Biggest sentiment swing YTD: from consensus long to consensus short.
- CFTC data shows no improvement.
- **CHF:** recovered from being most unpopular last year to fully neutral (equal Bulls and Bears).

Sentiment Matters

Commodities





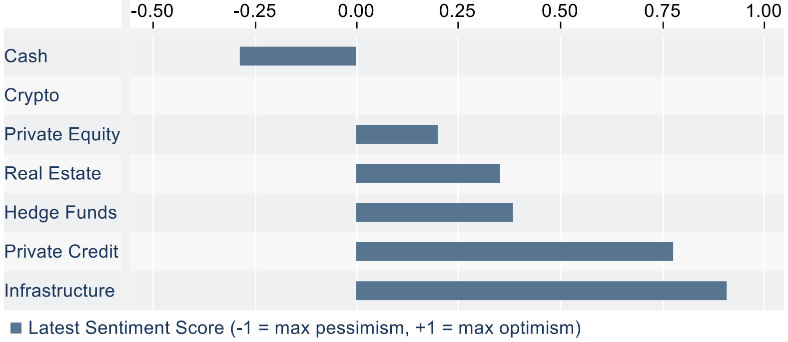


- **Gold:** literally maxed out — **30 Bulls, 0 Neutrals, 0 Bears**.
- Every expressed view is bullish. If there are Bears, they are keeping quiet about it. Buy-side commentary echoes similar optimism for Silver.
- **Oil:** further downgrades; back to **-7% net bearish**, in line with Energy sector downgrades. Still mid-range for 2025.
- **Industrial Metals:** modest upgrades, middle of the range.

Sentiment Matters

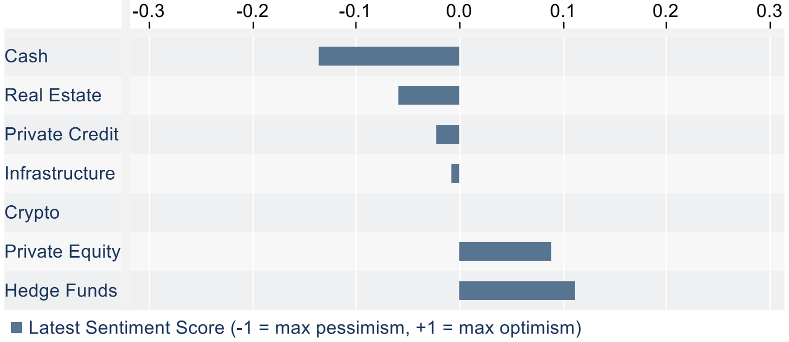
Alternatives

Alternatives - BSST Sentiment



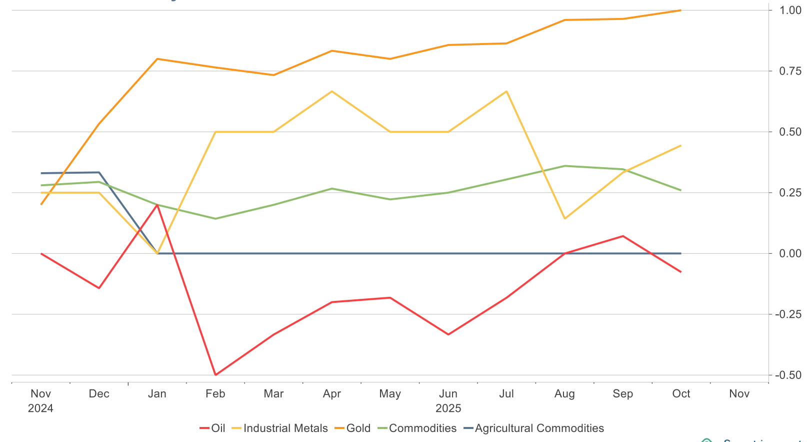
Sources: Sentiment Matters

Alternatives - 1 month change



Sources: Sentiment Matters

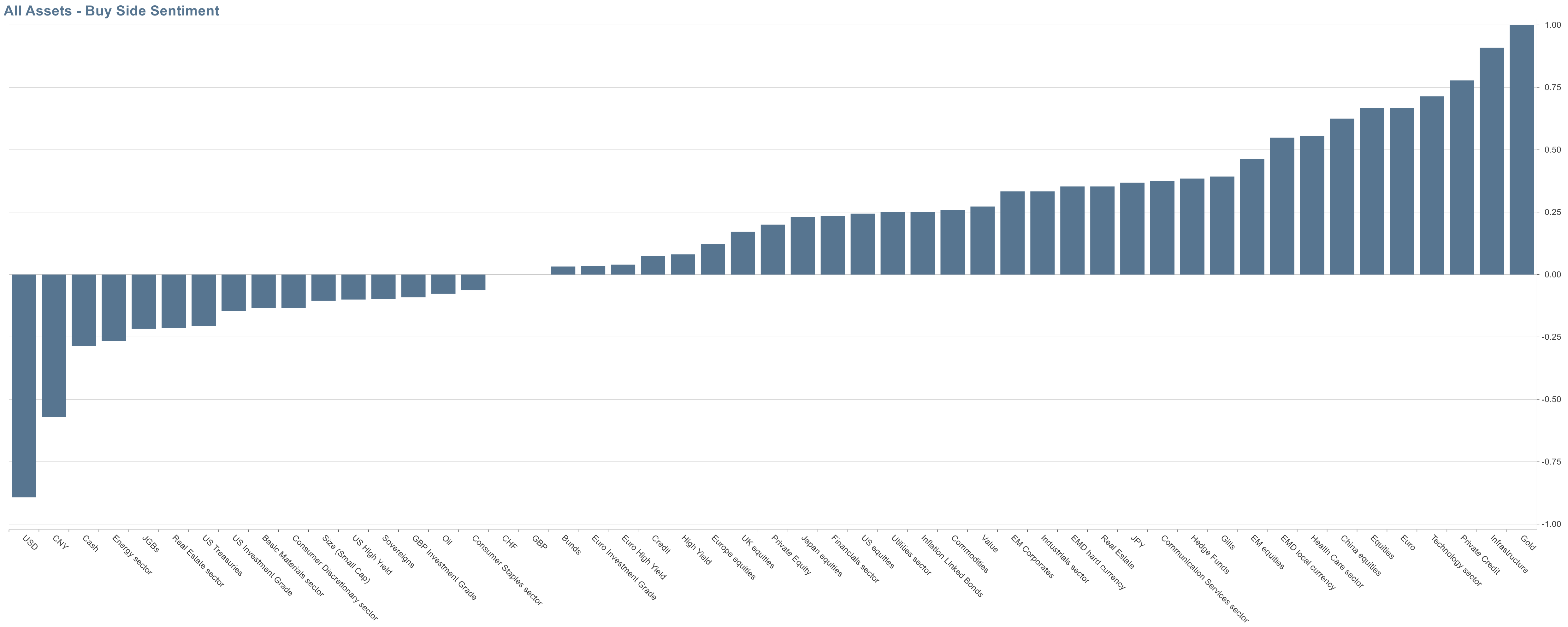
Commodities - Buy Side Sentiment



Source: Sentiment Matters, Macrobond

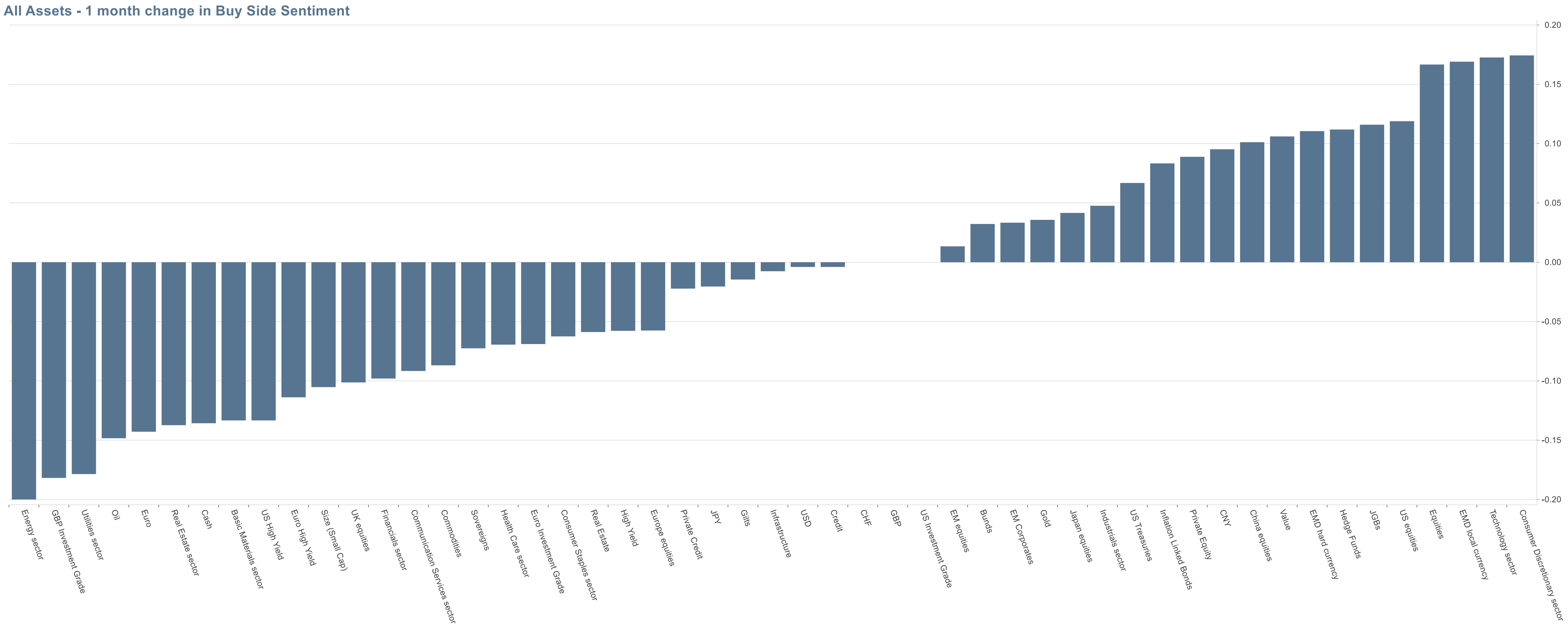
- **Alternatives:** entrenched consensus — Infrastructure remains **universally loved**, even more than Private Credit.
- When narratives become this one-sided, momentum can carry further short-term, but **vulnerability to negative news rises**.
- **Crypto:** still minimal institutional participation — only two official views (one Bull, one Bear).

All Assets – Buy Side Sentiment



Source: Sentiment Matters, Macrobond

All Assets – 1m change in Buy Side Sentiment



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