



Huobi Market Sentiment Index Report

July 2018

2018/8/1

Summary

The monthly market sentiment index in July came to 75.6 points, increased 8.8% from the previous month; the short-term sentiment index was 67.4 points, increased 15.1% from the previous month; the medium-term sentiment index was 78.7 points, increased 8.0% from the previous month; the long-term sentiment index was 88.8 points, increased 1.4% from the previous month.

Huobi's Market Sentiment Index score ranges from 0-100, with 50 points representing neutral sentiment.

A total of 891 valid questionnaires were collected this month. The questionnaires were distributed from July 29th to July 31st through domestic and overseas channels such as WeChat public account, twitter, and telegram communities. Cryptocurrency investors from 23 Countries participated in this survey, including China, United States, South Korea, Japan, and Singapore.

Disclaimer:

This result of this survey does not constitute any investment advice from Huobi Research. Nor does this article contain any tips, hints or guarantees to investing. Investors should make their own independent research before reaching the final investment decision, and Huobi Research shall not be liable in any manners for any consequences of

Related Report

«Huobi Research Weekly
(Vol.21)» 2018-7-31

Author

Yuming Hubery Yuan
Tianyi Wei
huobiresearch@huobi.com

any reliance thereon or usage thereof.

Currently, all surveys are distributed through the Internet with participants remain unidentified. As a result, although we try to expand the scope and diversity of the survey respondents as much as we can, we cannot rule out selection bias during the survey process. Thus, the result of this survey does not represent the view of all cryptocurrency investors.

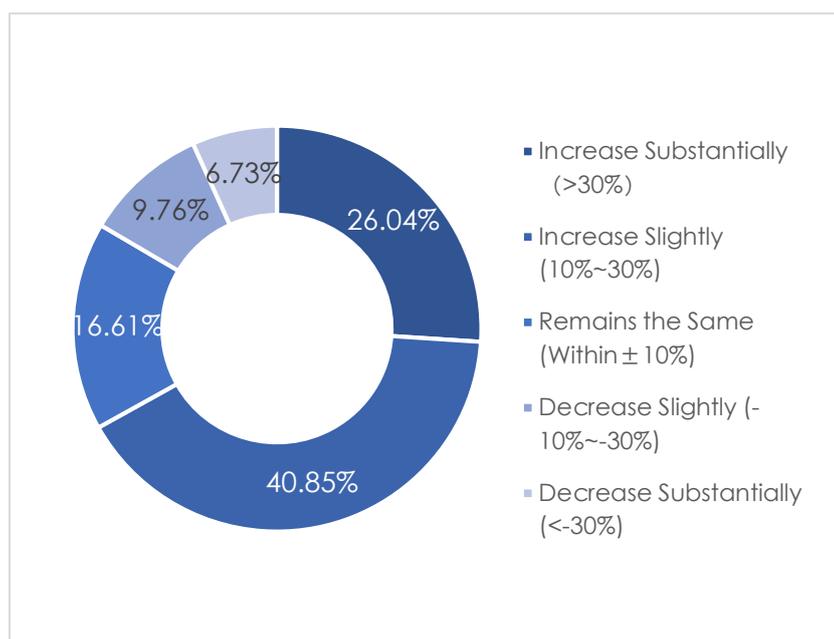
Responds and Analysis

(1) Survey Result

1. How do you expect the total cryptocurrency market capitalization to change **in the coming month?**

- A. Increase Substantially (>30%);
- B. Increase Slightly (10~30%);
- C. Remain the same (Within±10%);
- D. Decrease Slightly (-30~-10%);
- E. Decrease Substantially (<-30%)

Figure 1: Short-Term (1 month) Investor Expectations



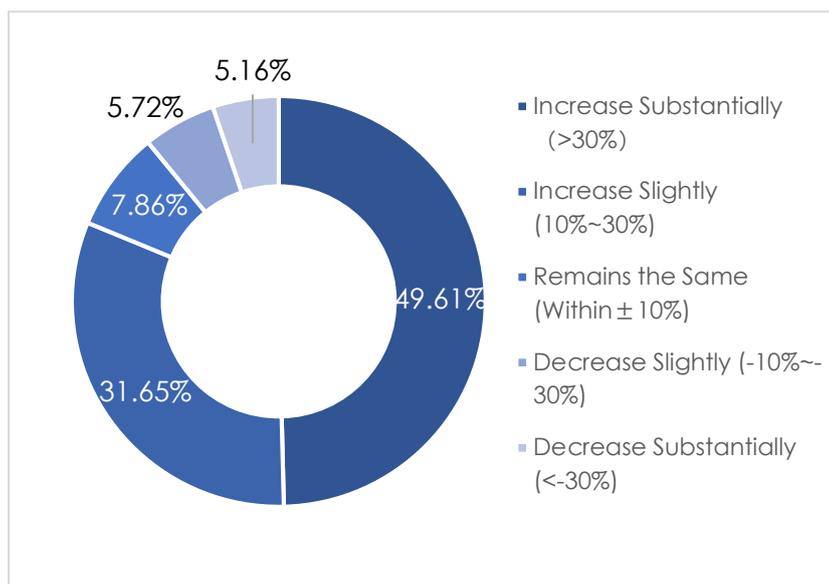
Data Source: Huobi Research

The short-term bullish sentiment among cryptocurrency investors is higher than that of the previous month. The proportion of investors who are bullish toward the short-term market performance increased 15.05% to 66.89% this month. 40.85% of the voters believed that the total Cryptocurrency market capitalization will increase slightly in the next month, 16.07% more than previous month. 16.49% of the voters were bearish toward the market performance in the next month.

2. How do you expect the total cryptocurrency market cap to change in the next 6 months?

- A. Increase Substantially (>30%);
- B. Increase Slightly (10~30%);
- C. Remain the same (Within±10%);
- D. Decrease Slightly (-30~-10%);
- E. Decrease Substantially (<-30%)

Figure 2: Mid-Term (6 months) investor Expectations



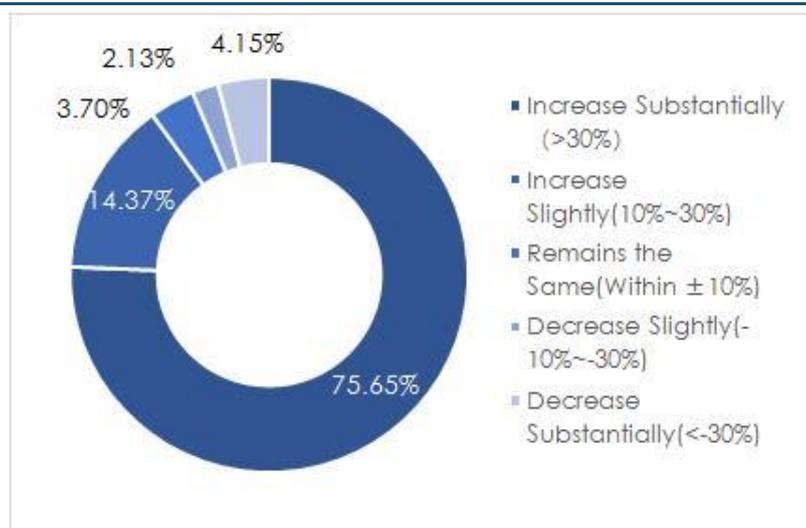
Data Source: Huobi Research

Most of the cryptocurrency investors were bullish toward the Cryptocurrency market in the coming six months, with 49.61% of investors believed that the Cryptocurrency market capitalization will increase substantially. Comparing to the previous month, more investors believed the market will increase slightly in the coming six months. 81.26% of the voters believe that the total Cryptocurrency market capitalization will increase in the next six months. 31.65% investors believed that the total Cryptocurrency market capitalization will increase slightly 5.64% more than that of the previous month; 10.88% of voters were pessimistic toward the cryptocurrency market performance in the coming six months.

3. How do you expect the total cryptocurrency market cap to change **in the next three years?**

- A. Increase Substantially (>30%);
- B. Increase Slightly (10~30%);
- C. Remain the same (Within±10%);
- D. Decrease Slightly (-30~-10%);
- E. Decrease Substantially (<-30%)

Figure 3: Long-Term (3 years) investor Expectations



Data Source: Huobi Research

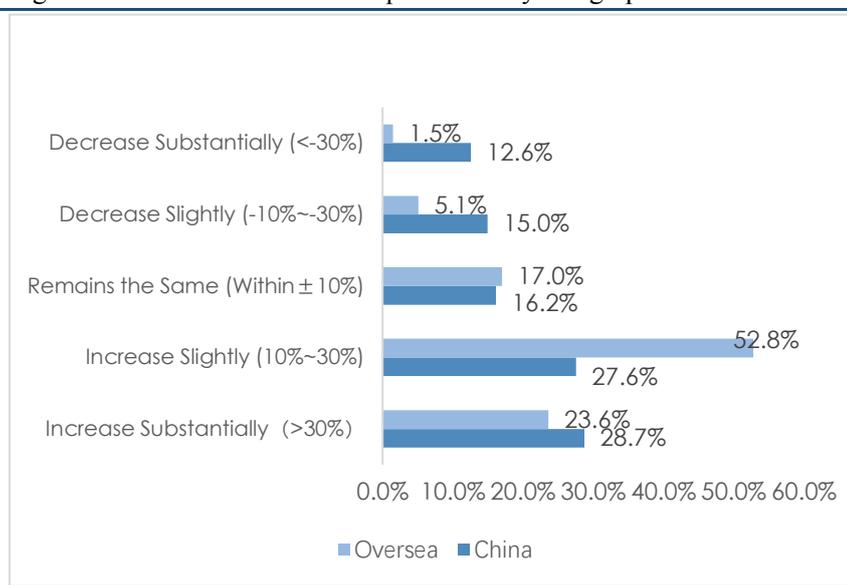
Most of the surveyed investors were bullish toward the long term performance of the Cryptocurrency market. Compared to the previous month, 1.83% less investors expected the total Cryptocurrency market capitalization to decrease significantly over the next three years. 75.65% investors expected the total Cryptocurrency market capitalization to significantly increase over 30%, and 90.02% investors expected the total Cryptocurrency market capitalization to increase over the next three years.

(2) Result Based on Geographical Locations

In general, Cryptocurrency investors overseas were more optimistic than Chinese investors in terms of Cryptocurrency market performance, with more Chinese investors expecting a decrease in total Cryptocurrency market capitalization. In the short-term, medium-term and long-term, more Cryptocurrency investors overseas expected the total market cap to increase slightly. In the medium and long term, more overseas investors expected the total capitalization to increase substantially. 52.8% of overseas investors expected the total market capitalization to increase slightly in the next month, while only 27.6% of Chinese investors expected the total market

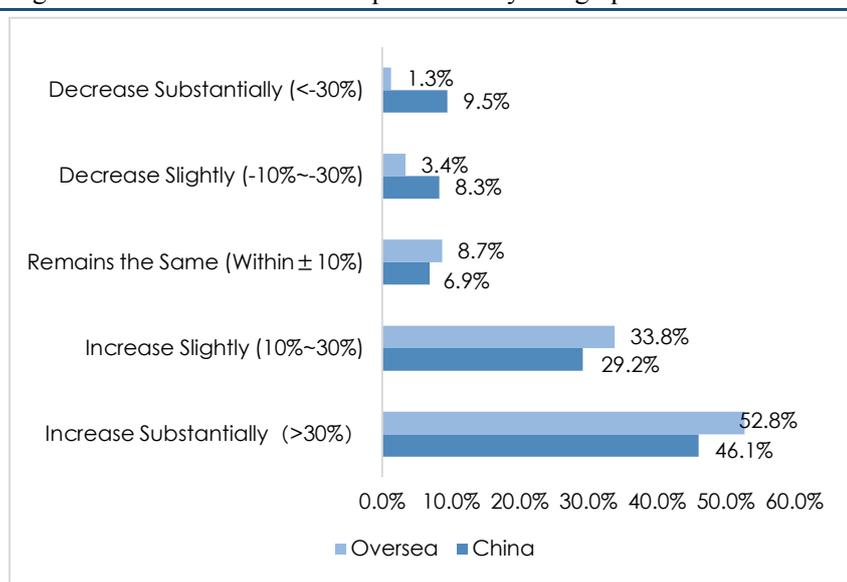
capitalization to increase slightly in the next month.

Figure 4: Short-Term Investor Expectations by Geographic Locations



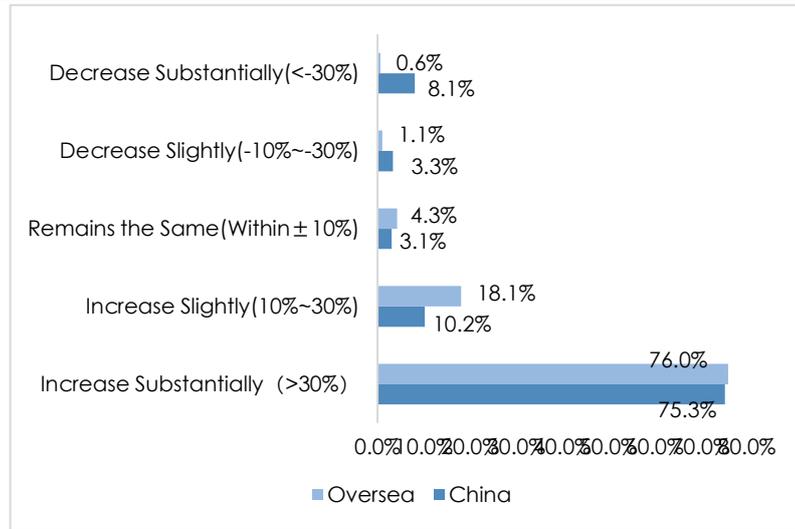
Data Source: Huobi Research

Figure 5: Mid-Term Investor Expectations by Geographic Locations



Data Source: Huobi Research

Figure 6: Long-Term Investor Expectations by Geographic Locations



Data Source: Huobi Research

Rule Explanation

Huobi Market Sentiment Index Report is released once a month and the result is a weighted calculation of all questionnaires collected at the end of the month,. Within the range of 0-100, the higher the score, the more optimistic the cryptocurrency investors are in the future market. This report will also disclose the weighted calculation results of each of the three questions in the questionnaire, representing the short-, medium-, and long-term sentiment indices of cryptocurrency investors.

Table 1 Sentiment Index

Range	Market Sentiment
>75	Very Optimistic
50-75	Optimistic
25-50	Pessimistic
<25	Very Pessimistic

Data Source: Huobi Research

Weighting Rules

1. The calculated weighted score of each of the questions represents investors sentiments toward Cryptocurrency market's short-term, medium-term, and long-term performance. There are 5 options for each question. The scores for the A, B, C, D, and E options are 100, 75, 50, 25, and 0, respectively.

Table 2 Weighting Rules

Options	Points
A. Increase Substantially (>30%)	100
B. Increase Slightly(10~30%)	75
C. Remains the same(Within±10%)	50
D. Decrease Slightly (-30~-10%)	25
E. Decrease Substantially (<-30%)	0

Data Source: Huobi Research

2. The calculated weighted scores of the three questions represents the comprehensive investor's sentiment index of the month. The questionnaire has a total of 3 questions, representing short, medium and long-term sentiment index, and the score weighs 45%, 35% and 20% respectively. The shorter the time frame, the higher the weight, leading to the comprehensive sentiment index.

Table 3: Weighting Rules of Short-, Mid-, Long-term Market Sentiment Index

Questions	Weight
1. How do you expect the total cryptocurrency market cap to change in the next month?	45%
2. How do you expect the total cryptocurrency market cap to change in the next six months?	35%
3. How do you expect the total cryptocurrency market cap to change in the next three years?	20%

Data Source: Huobi Research