



Huobi Research

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# Huobi Market Sentiment Index Report

## September 2018

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2018/10/12

### Related Report

«Huobi Research Weekly  
(Vol.31)» 2018-10-8

### Author

Yuming Hubery Yuan  
Tianyi Wei  
huobiresearch@huobi.com

### Summary

The monthly market sentiment index in September came to **71.1** points, increased **2.17%** from the previous month; the short-term sentiment index was **61.6** points, increased **2.16%** from the previous month; the medium-term sentiment index was **72.8** points, increased **5.87%** from the previous month; the long-term sentiment index was **89.5** points, decreased **2.75%** from the previous month.

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

A total of 552 valid questionnaires were collected this month, The respondent includes institutional investors and individual investors. The questionnaires were distributed from September 25th to September 30th 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.

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### 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 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.

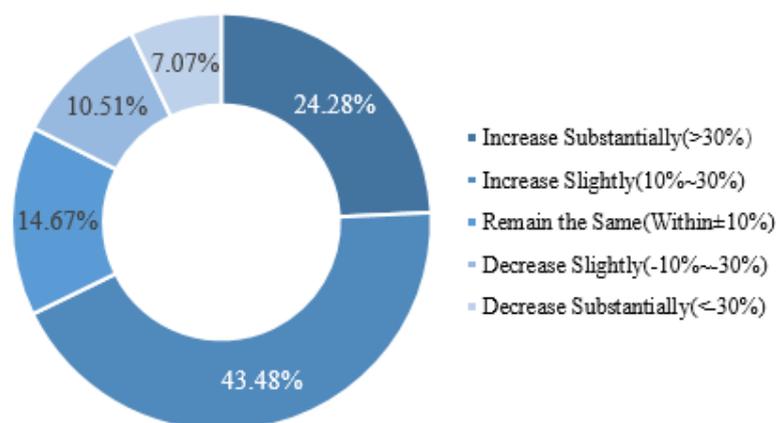
## Responds and Analysis

### (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

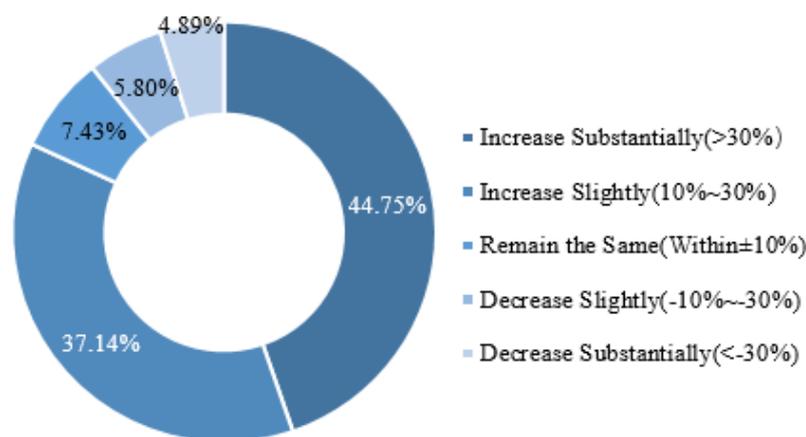
The short-term market expectations of digital asset among investors are optimistic. Compared with last month, the proportion of investors who believe that the short-term market will rise is 9.28% up to 67.76%, and the proportion of investors who believe that the short-term market will remain flat is 10.88% down to 14.67% in this month. 43.48% of the voters believed that the total Cryptocurrency market capitalization will increase slightly in the next month, 9.95% higher than that in last month. The percentage of the investors who believe that the short-term market will remain constant achieves 14.67% in this month, 10.88% less than that in last month. 17.58% 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

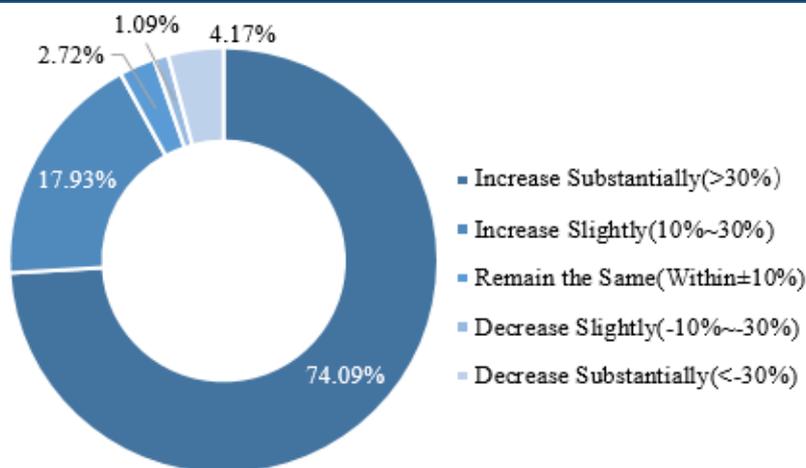
**Most of the cryptocurrency investors were bullish toward the Cryptocurrency market in the coming six months, with 44.75% of investors believed that the Cryptocurrency market capitalization will increase substantially. Comparing to the previous month, less investors believed the market will decrease slightly in the coming six months. 81.89% of the voters believed that the total Cryptocurrency market capitalization will increase in the next six months. 44.75% investors believed that the total Cryptocurrency market capitalization will increase substantially, 4.63% more than that of the previous month; 37.14% of investors believed that there would be a slight increase of market capitalization. Compared with last month, 10.69% of voters were pessimistic toward the cryptocurrency market performance in the coming six months, which of that is 3.08% lower than that of the previous**

month.

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, the same percentage of investors thought the total Cryptocurrency market capitalization to decrease over the next three years. 74.09% investors expected the total Cryptocurrency market capitalization to significantly increase over 30%, and 92.02% investors expected the total Cryptocurrency market capitalization to increase over the next three years. In addition, the percentage of investors who hold the faith that the cryptocurrency market would goes down in three years accounts for 5.26%, which is 0.47% higher than that in last month.**

## (2) Result Based on Geographical Locations

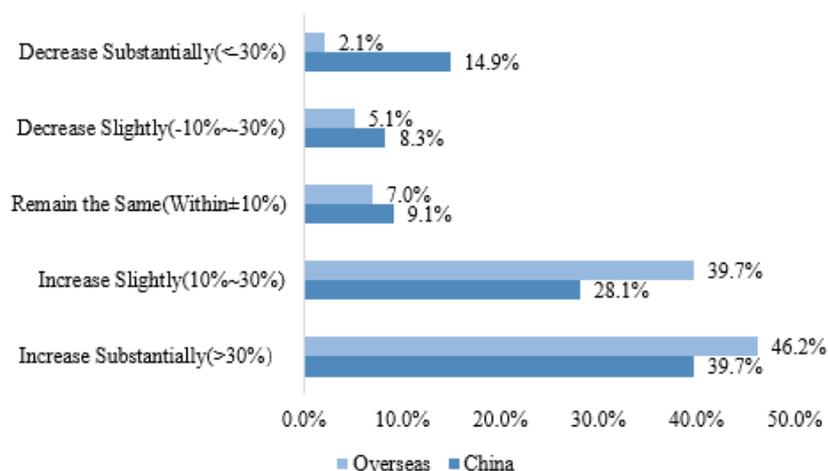
In general, more cryptocurrency investors overseas were optimistic toward a slight increase in the overall Cryptocurrency market capitalization, while more Chinese cryptocurrency investors expected the market cap to slightly decrease in the short-, mid-, and long-term. In the short-, mid- and long-term, more Cryptocurrency investors overseas expected the total market cap to increase slightly. In the short-, mid- and long-term, 47.1%, 39.7% and 20.2% of investors overseas thought the market cap to increase slightly, respectively, 16.5%, 11.6% and 10.3% higher than investors in China, respectively. In the short-, mid- and long-term, The percentage of investors in China who believe the market would goes down achieves 28.9%, 23.2% and 10.7%, respectively, 14.6%, 16.0% and 7.0% higher than investors overseas, respectively.

Figure 4: Short-Term Investor Expectations by Geographic Locations



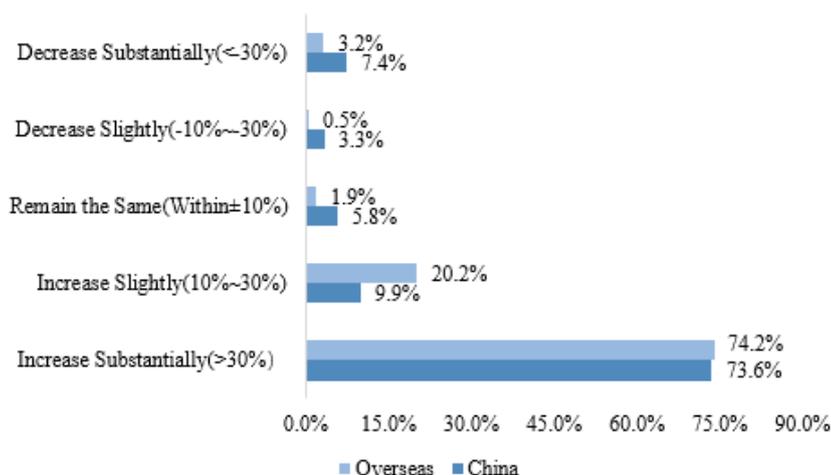
Data Source: Huobi Research

Figure 5: Mid-Term Investor Expectations by Geographic Locations



Data Source: Huobi Research

Figure 6: Long-Term Investor Expectations by Geographic Locations



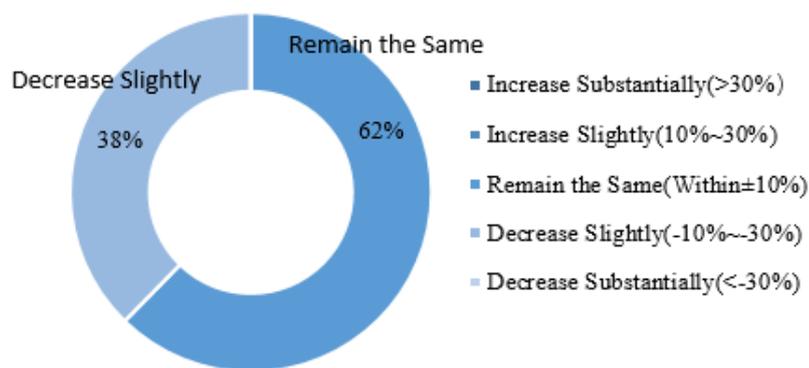
Data Source: Huobi Research

### 3) Result Analysis—Institutional Investors

**In the short-term, more than half of the surveyed institutional investors expected the overall Cryptocurrency market cap to remain flat. In the mid-term, half of the surveyed institutional investors expected the overall Cryptocurrency market cap to increase slightly. In the long term, most surveyed investors were bullish toward the Cryptocurrency market cap performance. In the short-term, 62% institutional investors tend to believe the cryptocurrency market will remain flat, with 32% surveyed investors expected a slight decrease in the overall cryptocurrency market cap. In the**

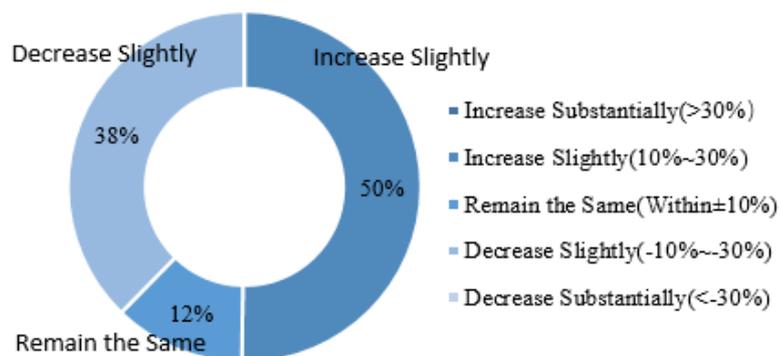
mid-term, 50% surveyed institutional investors expected a slight increase in the overall cryptocurrency market cap, while 38% expected a slight decrease. In the long term, most surveyed institutional investors expected a drastic increase in the cryptocurrency market cap.

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



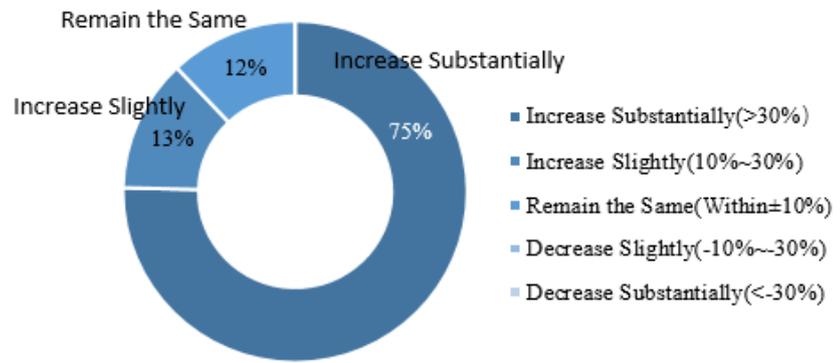
Data Source: Huobi Research

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



Data Source: Huobi Research

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



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

3. The calculated weighted scores of the individual and institutional investors represents the final comprehensive sentiment index of the month. Institutional investors are represented by Huobi super nodes. The score of individual and institutional investors each weights 80% and 20%, based on which the final comprehensive sentiment index of the month is calculated.

Table 4: Individual/Institutional Investors Weighting Rules

Category	Weight
Individual	80%
Institutional	20%

Data Source: Huobi Research