



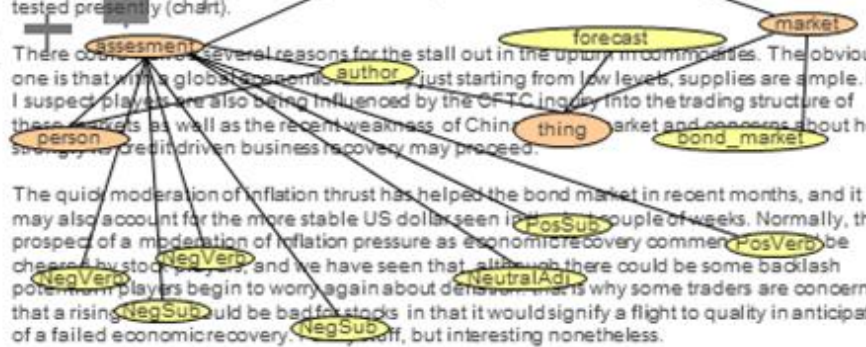
FIRST

Large scale information extraction and integration infrastructure for supporting financial decision making.

My inflation pressure gauge rose at a good clip over the first half of this year on the strength of a rally in the commodity market. It recently adjusted, increased by 2.7% for the year through Aug. However, the pressure gauge has flattened out in recent months as the rally in commodities has stalled. In fact, the commodity market for '09 is being tested presently (chart).

There could be several reasons for the stall out in the upward momentum. The obvious one is that with a global economic recovery just starting from low levels, supplies are ample. But I suspect players are also being influenced by the OFTC inquiry into the trading structure of these markets as well as the recent weakness of China's market and concerns about how strongly credit-driven business recovery may proceed.

The quick moderation of inflation thrust has helped the bond market in recent months, and it may also account for the more stable US dollar seen in the couple of weeks. Normally, the prospect of a moderation of inflation pressure as economic recovery commences could be cheered by stock investors, and we have seen that, although there could be some backlash potential, players begin to worry again about oil prices. It is why some traders are concerned that a rising oil price could be bad for stocks in that it would signify a flight to quality in anticipation of a failed economic recovery.



Twitter Sentiment in Financial Domain

Miha Grčar (Department of Knowledge Technologies, Jožef Stefan Institute)

& FIRST Consortium



- Platform for sending short messages to people (similar to SMS)



twitter.com/#1/projectfirst

twitter

FIRST First FP7 Project
@projectfirst
EU FP7 project providing a large-scale online financial data acquisition, analysis and financial decision support models based on high-level features
<http://project-first.eu/>

59 TWEETS
11 FOLLOWING
71 FOLLOWERS

Stay in touch with First FP7 Project
Join Twitter today

Full name
Email
Password
Sign up

Tweets

- FIRST** First FP7 Project @projectfirst 28 Feb
@projectfirst workshop bit.ly/x6lrPI at the ABI LAB 2012 forum in Milan, March 29. More on sentiment analysis in the financial domain
- FIRST** First FP7 Project @projectfirst 23 Jan
@projectfirst #firstproject Read about detecting near-duplicates in document streams bit.ly/zpaxSd
- FIRST** First FP7 Project @projectfirst 8 Dec
@projectfirst #firstproject check out a new FIRST blog post about language detection!... bit.ly/rDzklA
- Diana Pottecher** @dpottecher 1 Dec
Computational Finance White paper from @Atos where @projectfirst is mentioned bit.ly/uMVKSg
Retweeted by First FP7 Project
- FIRST** First FP7 Project @projectfirst 24 Nov
Uncovering the brand conversations that matter in the new media world lexisnexis.co.za/pdf/Finding_in...
- FIRST** First FP7 Project @projectfirst 21 Nov
@projectfirst #firstproject Check out the new FIRST introduction video clip bit.ly/rPVDjq
[View video](#)

© 2012 Twitter About Help Terms Privacy
Blog Status Apps Resources Jobs
Advertisers Businesses Media Developers



- Platform for sending short messages to people (similar to SMS)
- Est. 225 million users
- 100 million accounts added in 2010
- 65 million tweets per day
- Accessible from practically anywhere





- When M.J. died, 456 tweets per second (TPS) were generated
- ~10,000 TPS when S.J. died
- Record: 25,088 TPS when screening “Castle in the Sky” in Japan (December 2010)

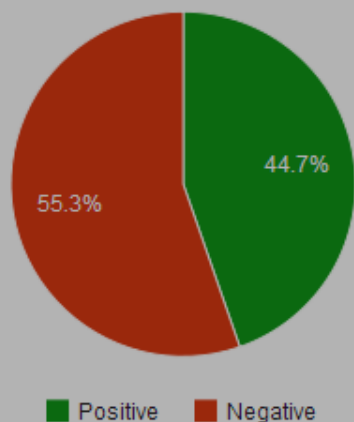


- Informal \$ sign convention
- Some examples (March 19):
 - **User#1:** \$AAPL is making an announcement at 9am on what it plans to do with its 97 billion in cash. We expect a dividend announcement
 - **User#2:** \$AAPL over 600.00 a share in the pre-market on news of a dividend.
 - **User#3:** Will there be any other news besides \$AAPL dividend?
- We acquire ~13,000 tweets per weekday, for ~1,800 NASDAQ/NYSE stocks (\$GOOG, \$MSFT...)
- We analyze tweets to determine whether they contain positive or negative vocabulary

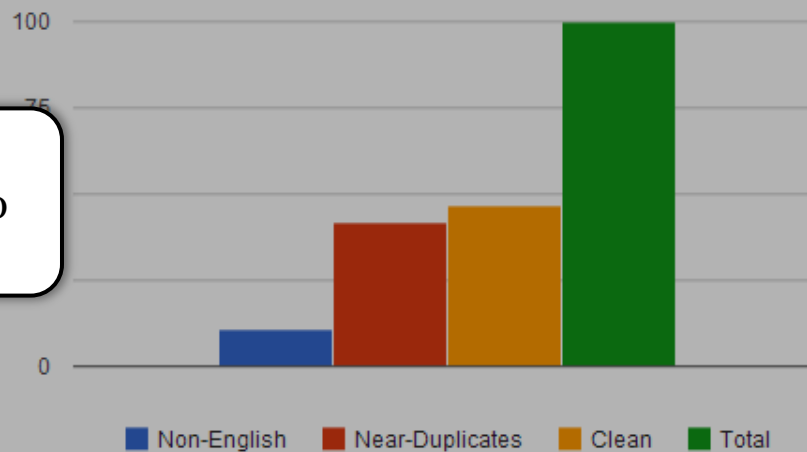
Twitter Sentiment Analysis

Keyword(s): Seur

Sentiment Percents



Recent Tweets Statistics



Demo video

Tweets:

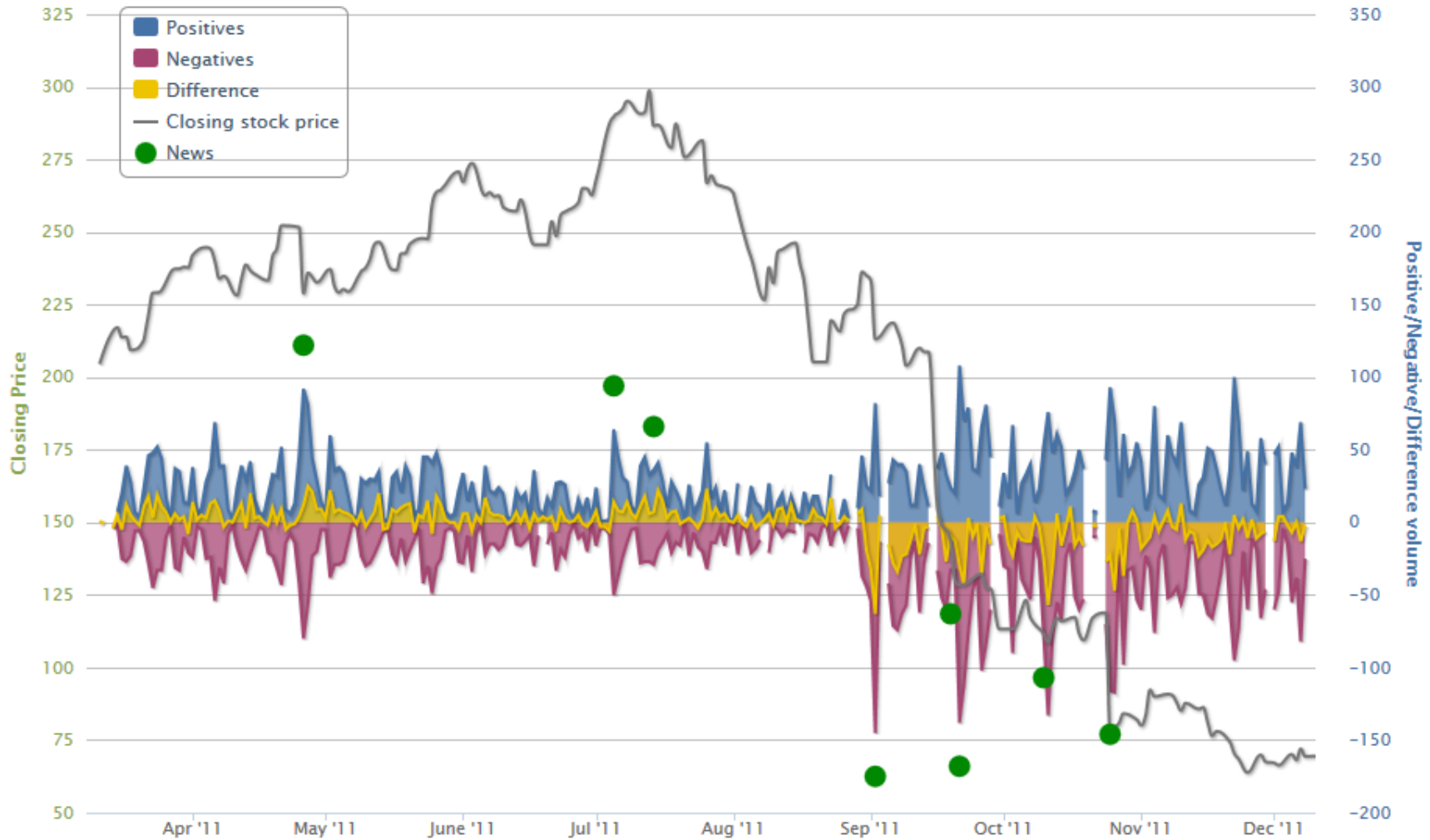
[DangerousBeans7](#): RT @TradersLog: EUR/USD Weekly Summary <http://t.co/pEHOvA7X> #mkt SEUR
Posted 4 hours ago

[TradersLog](#): EUR/USD Weekly Summary <http://t.co/pEHOvA7X> #mkt SEUR
Posted 5 hours ago

Positives, negatives, and difference volume graph



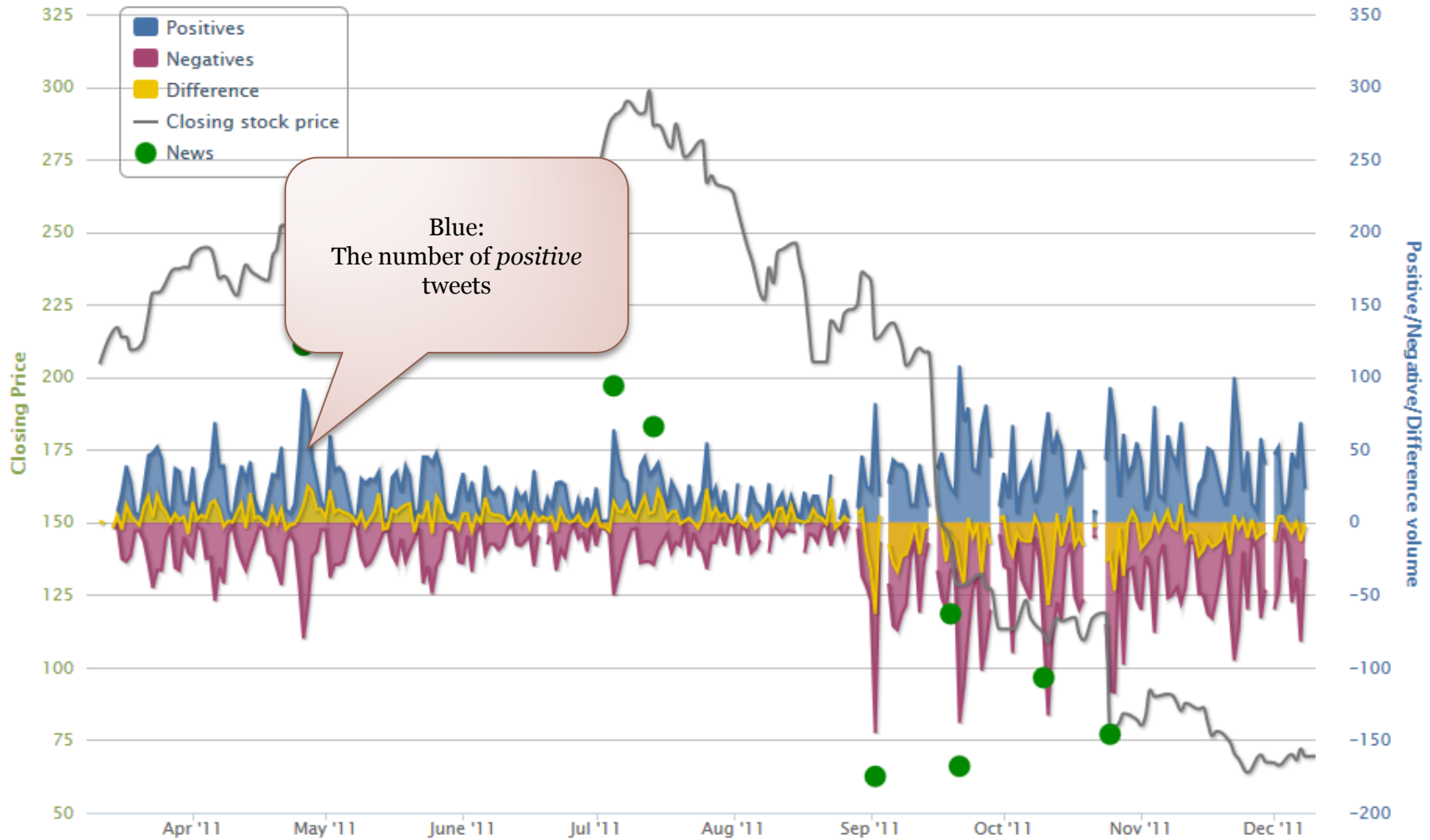
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



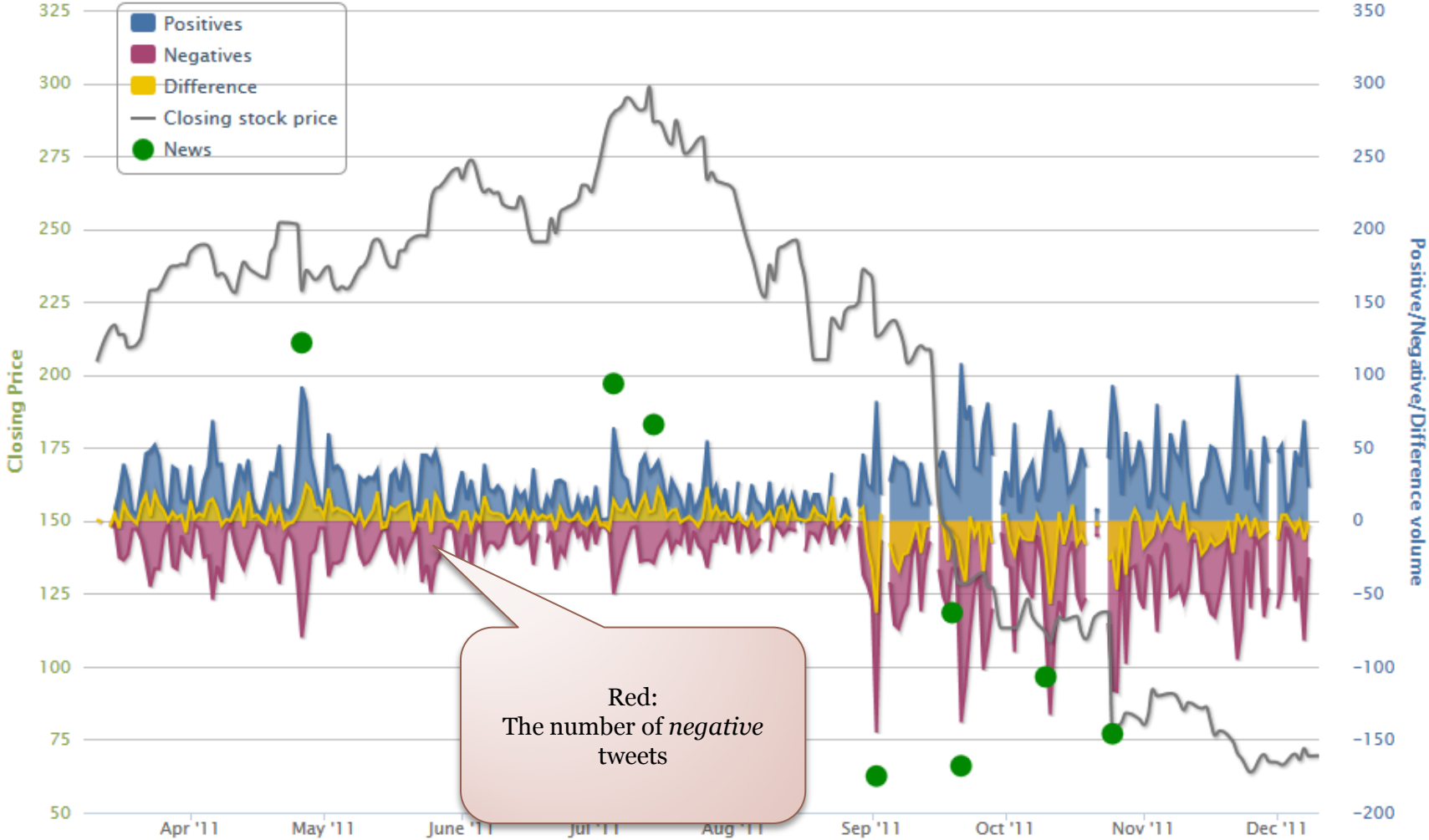
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



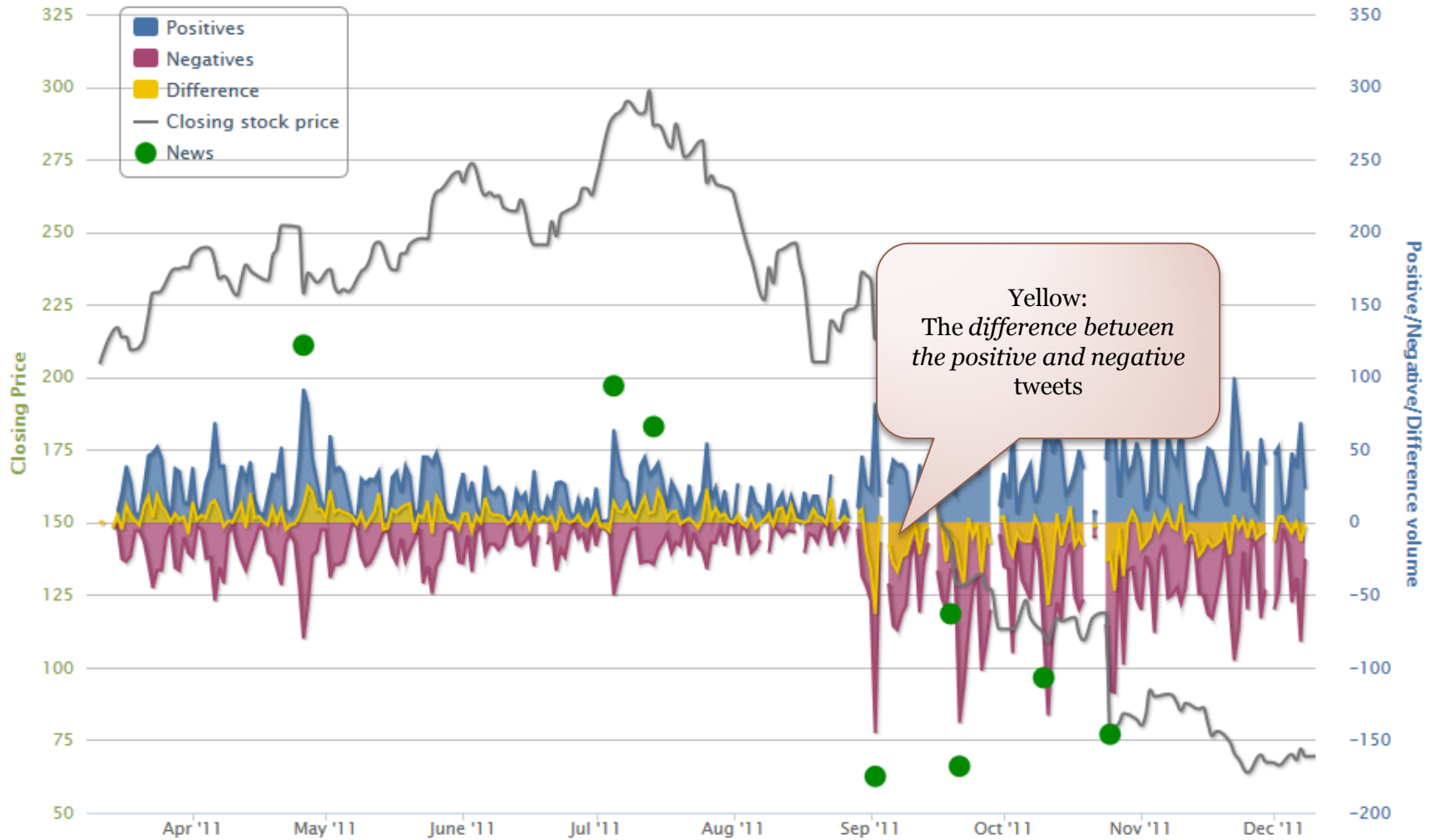
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



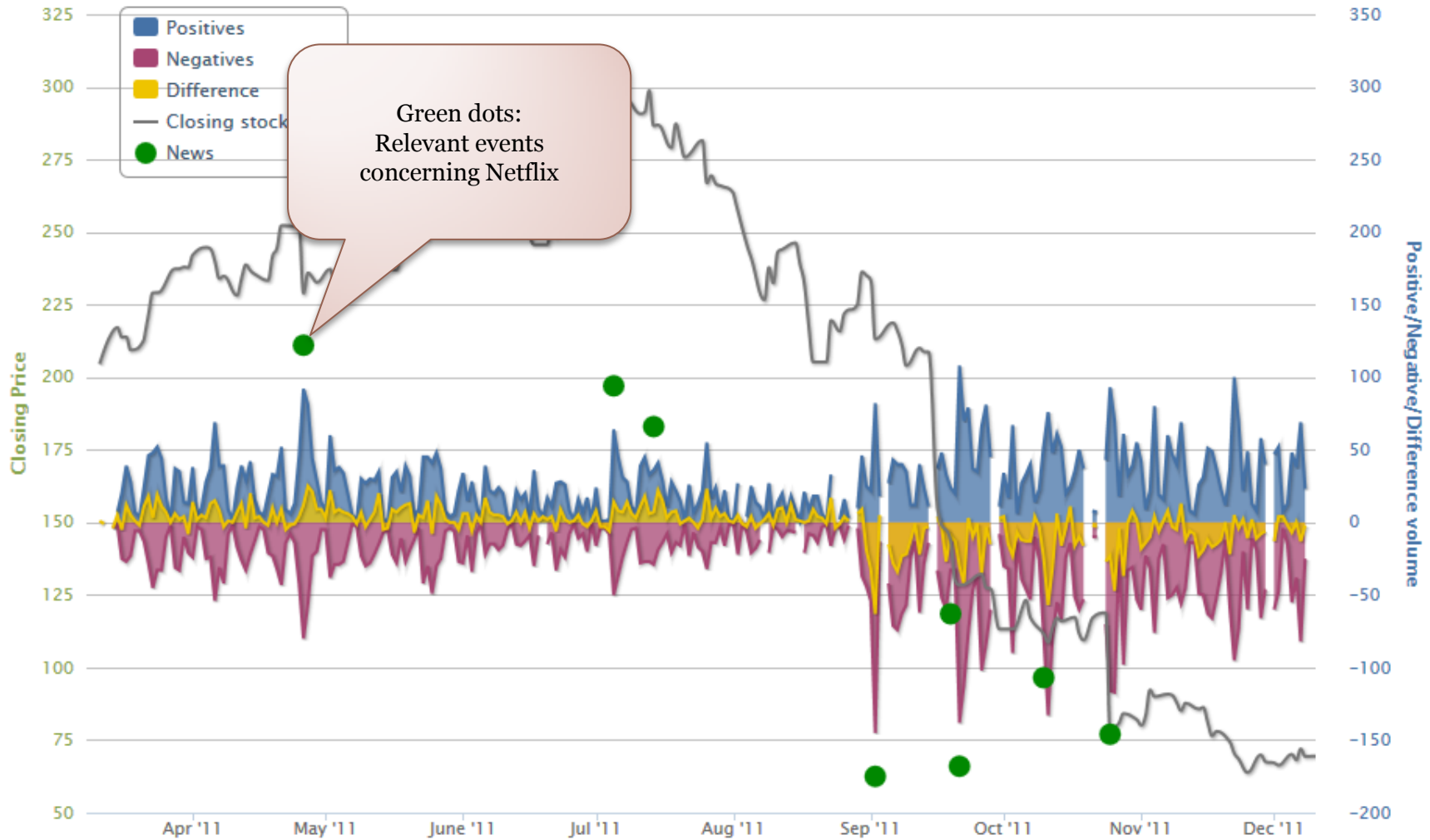
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



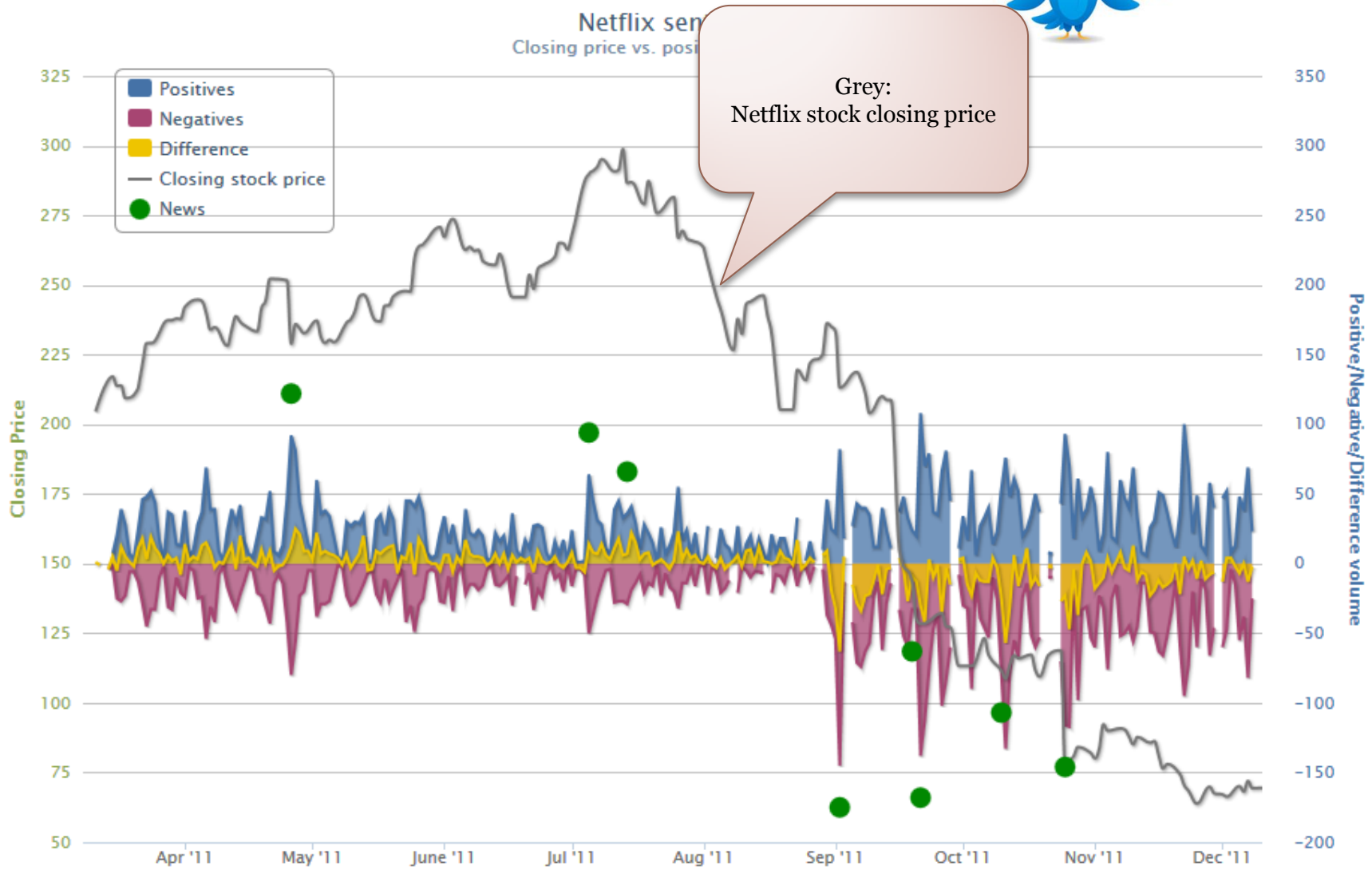
Positives, negatives, and difference volume graph



Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



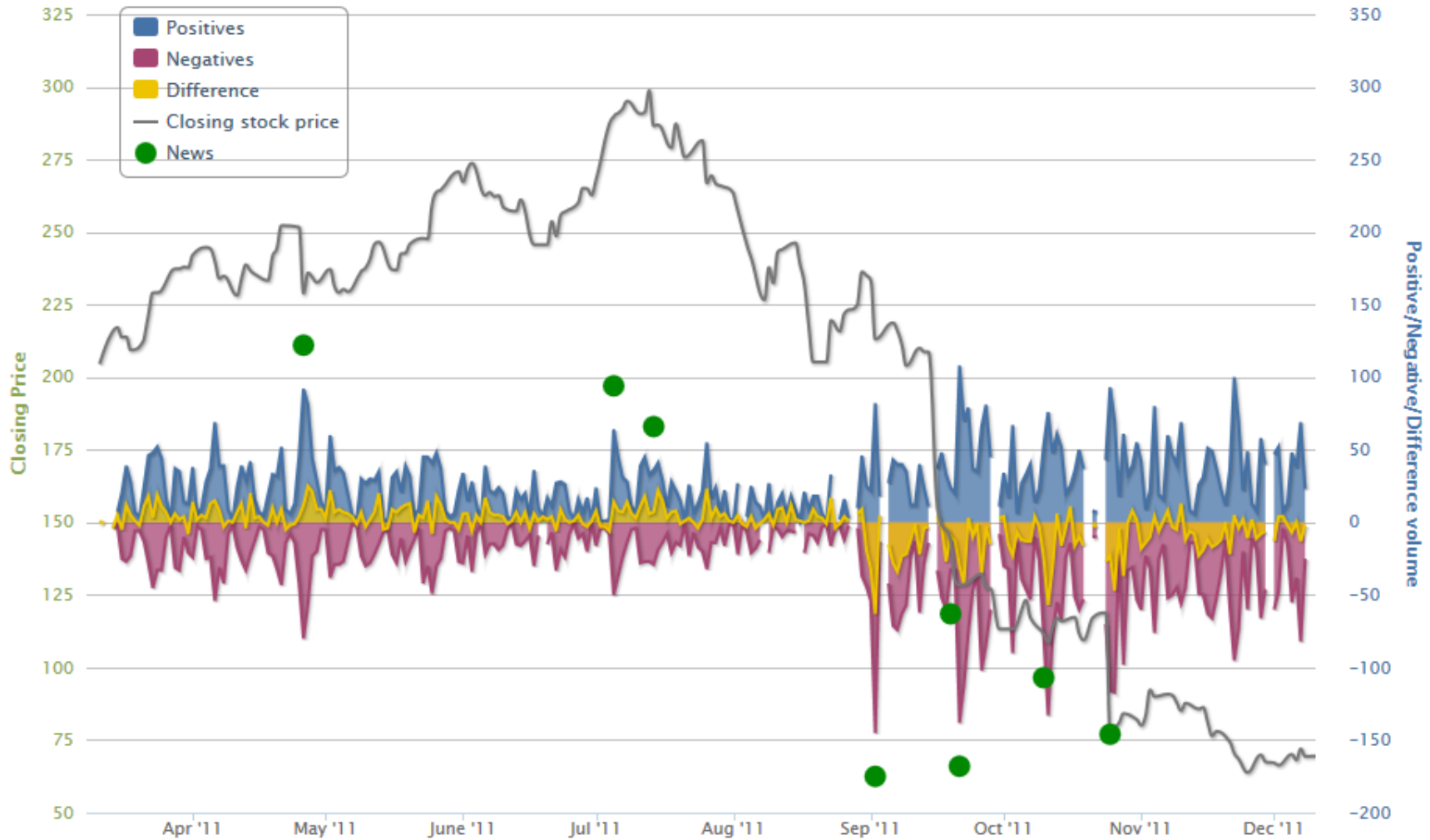
Positives, negatives, and difference volume graph



Positives, negatives, and difference volume graph



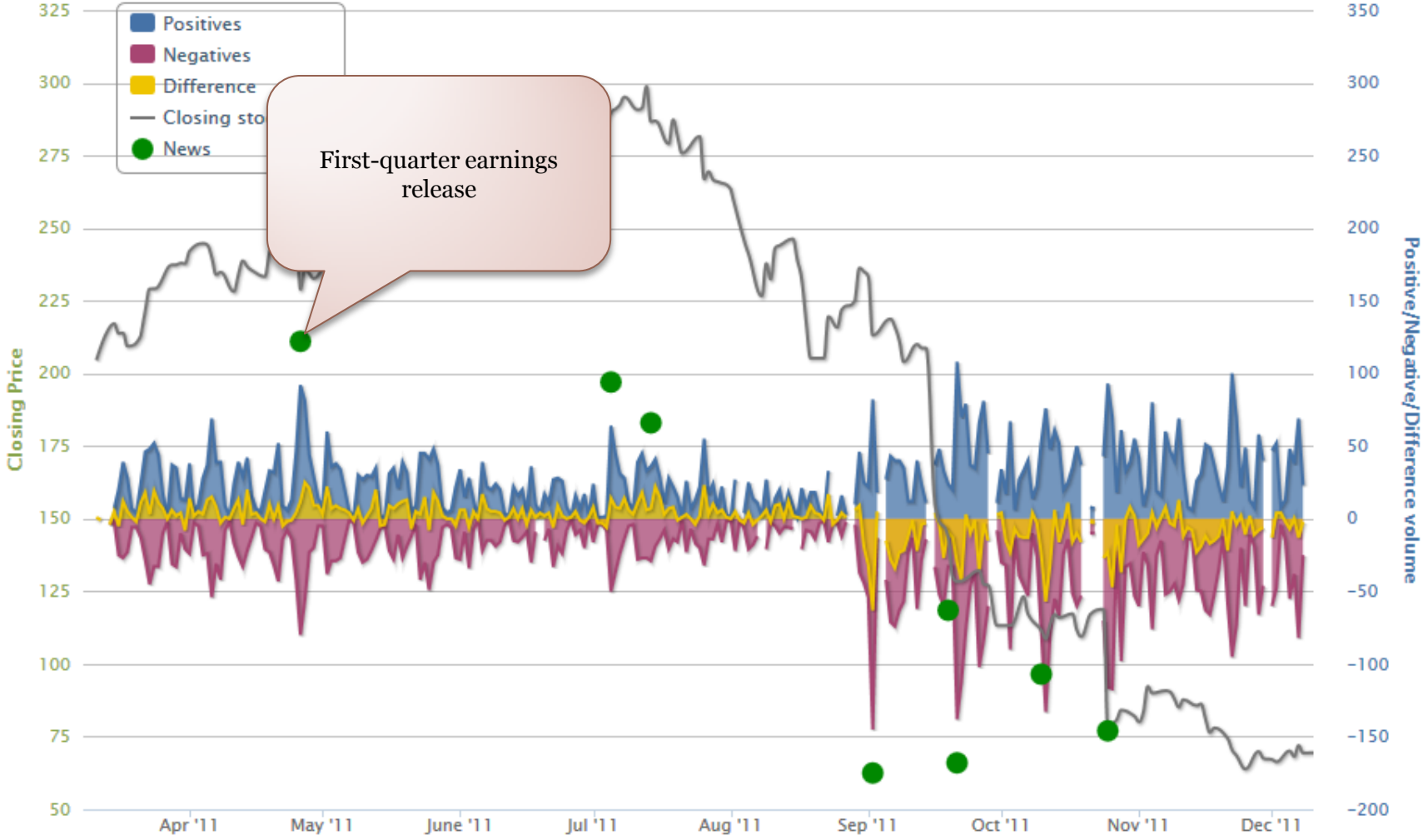
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



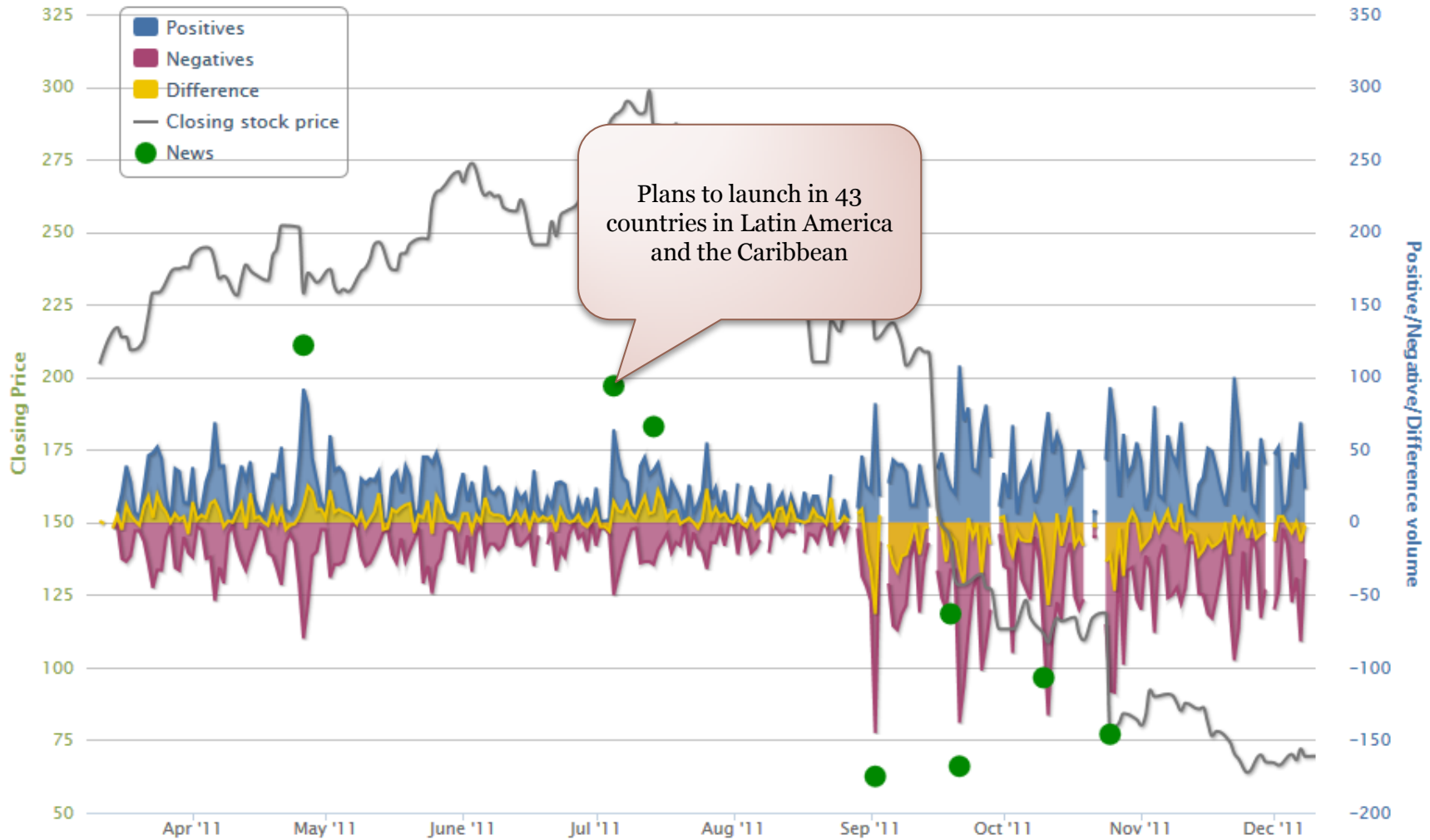
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



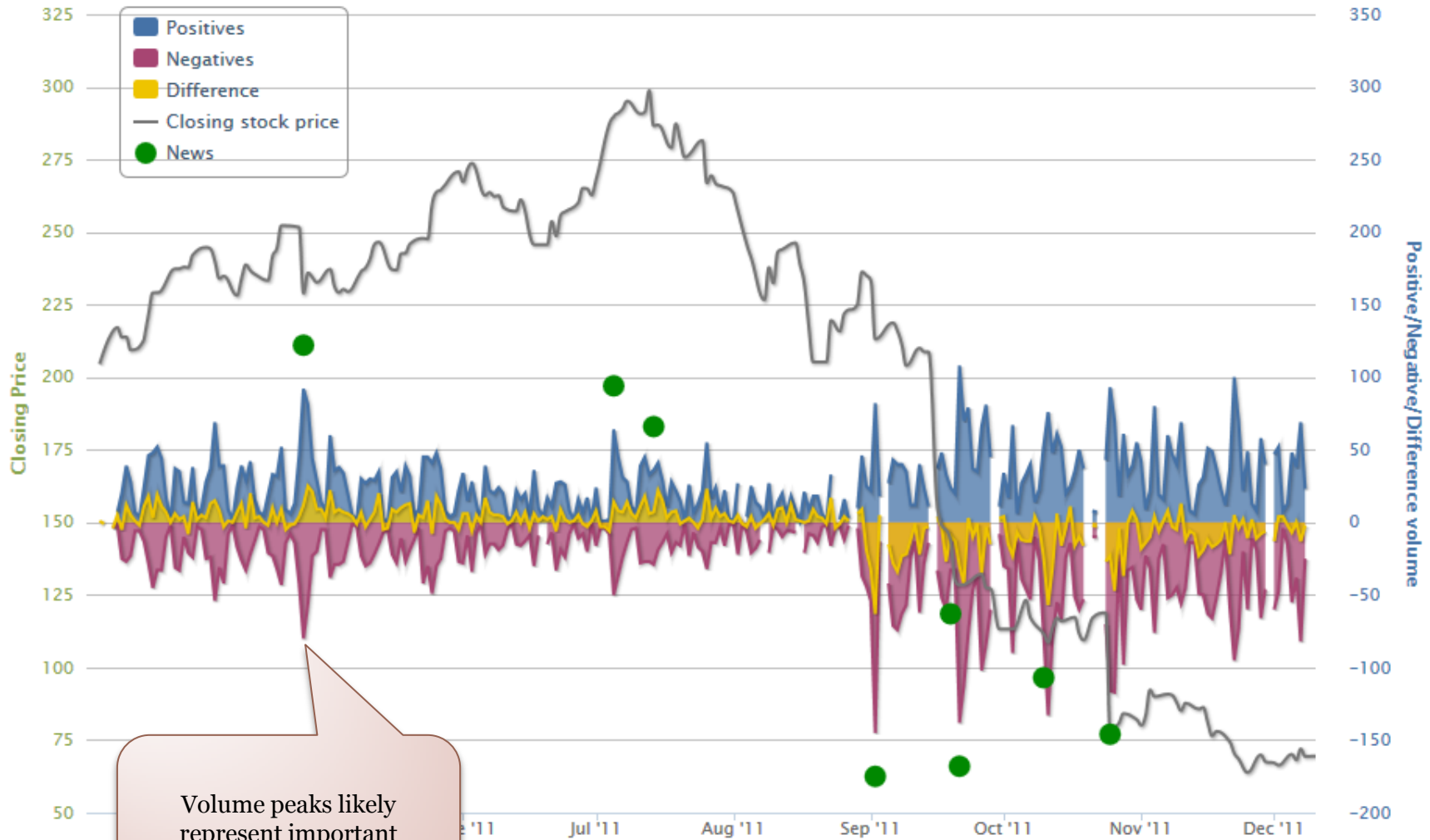
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph



Netflix sentiment analysis
Closing price vs. positive/negative tweets volume

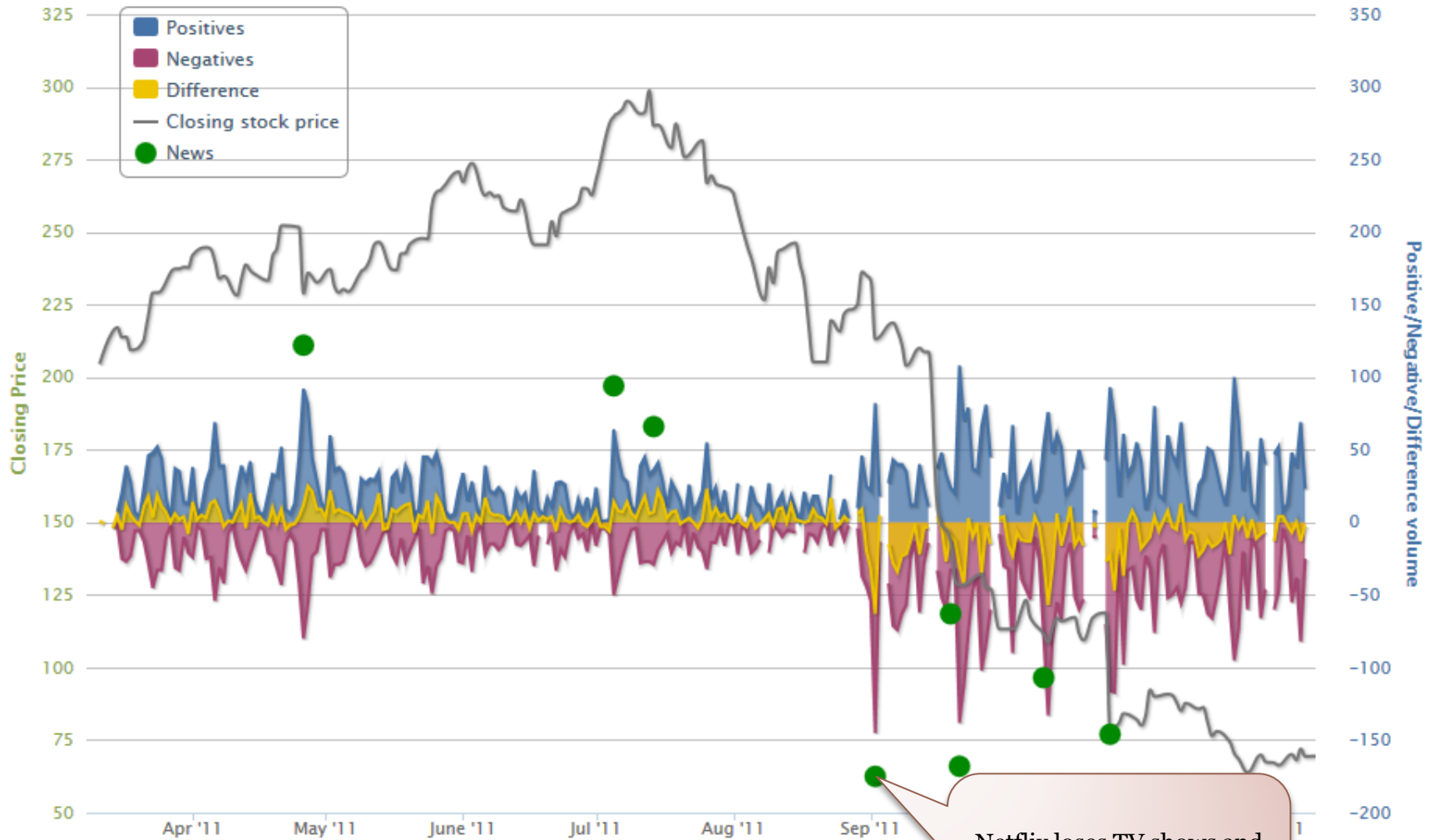


Volume peaks likely represent important events

Positives, negatives, and difference volume graph



Netflix sentiment analysis
Closing price vs. positive/negative tweets volume

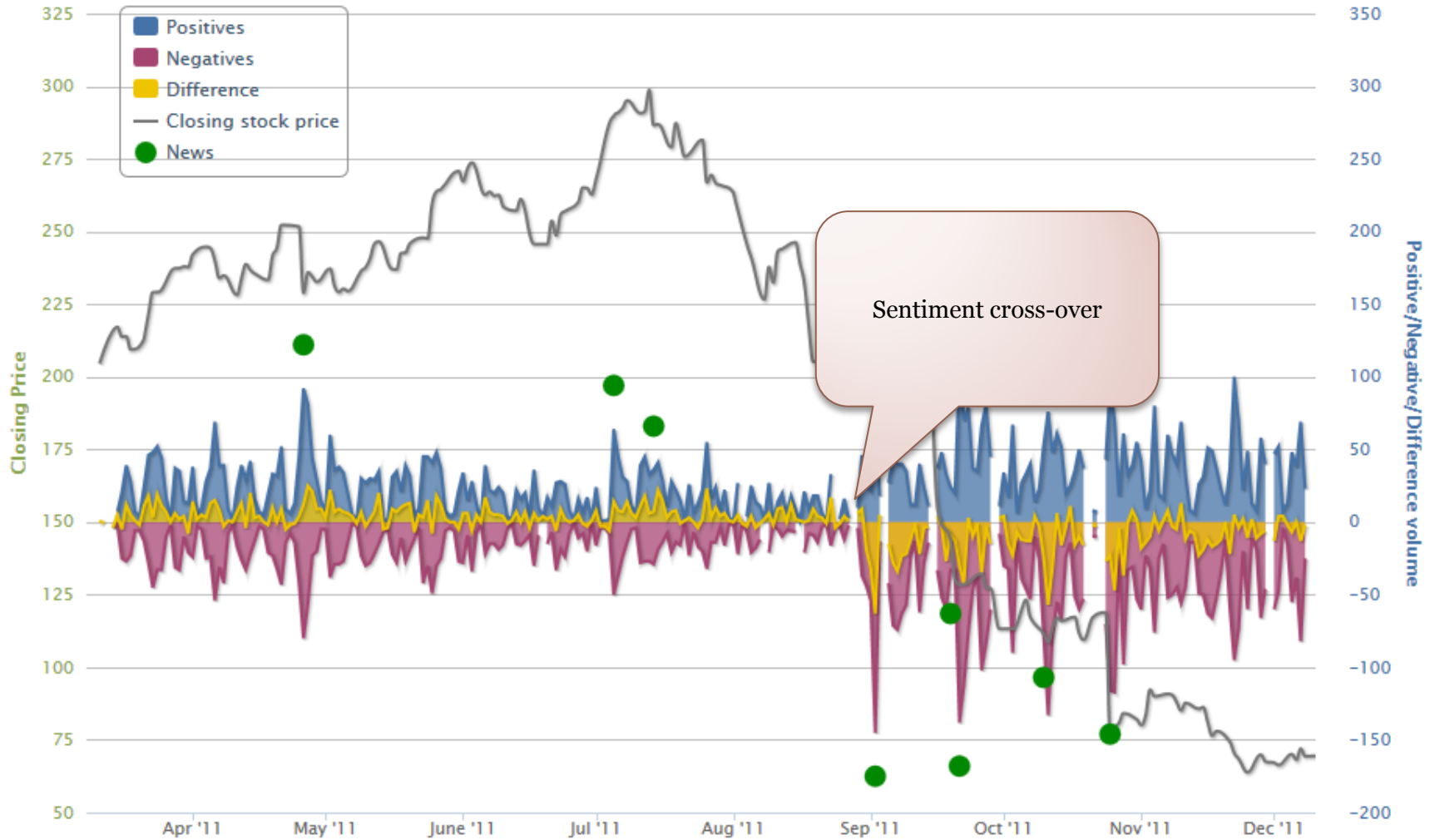


Netflix loses TV shows and films, Netflix loses the Starz deal

Positives, negatives, and difference volume graph



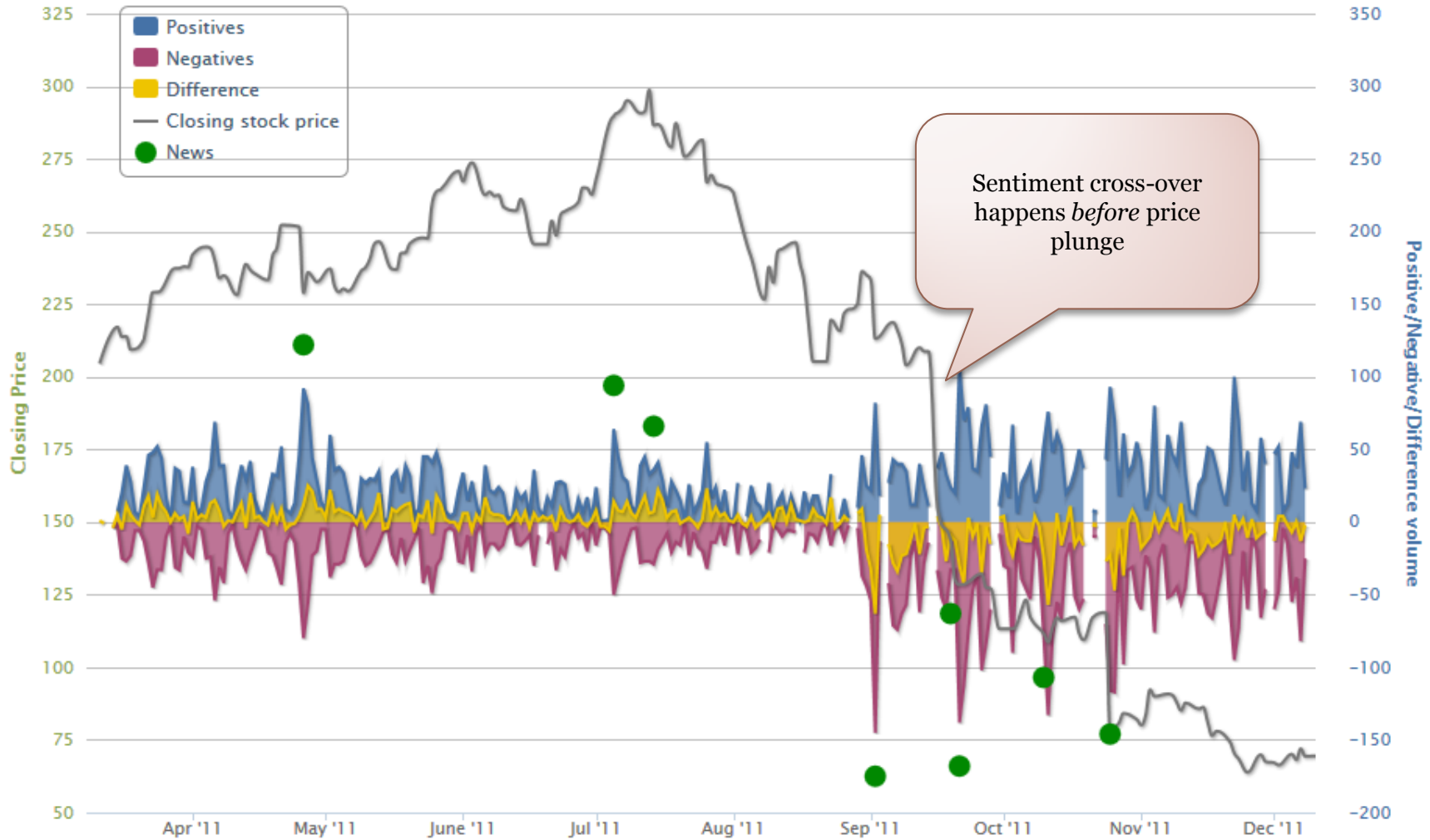
Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Positives, negatives, and difference volume graph

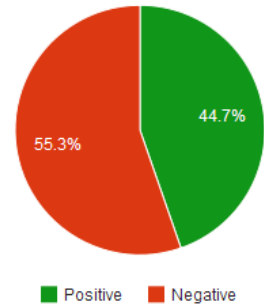


Netflix sentiment analysis
Closing price vs. positive/negative tweets volume



Sentiment cross-over happens *before* price plunge

- On Twitter, people are expressing opinions/sentiments about stocks
- We acquire stock-related tweets and analyze them to determine whether they contain positive or negative vocabulary (sentiment)
- “Sentiment timeline” allows us to observe sentiment trends through time
- Preliminary causality tests are “positive”...





FIRST

Large scale information extraction and integration
infrastructure for supporting financial decision making.

My inflation pressure gauge rose at a good clip over the first half of this year on the strength of a rally in the commodity market. **commodity_market** seasonally adjusted, increased by 2.7% for the year through Aug. However, the pressure gauge has flattened out in recent months as the rally in commodities has stalled. In fact, **NeutralAdj** and in the commodities market for '09 is being tested presently (chart).

There could be several reasons for the stall out in the upward momentum. The obvious one is that with a global economy just starting from low levels, supplies are ample. But I suspect players are also being influenced by the OFTC ingoing into the trading structure of these markets as well as the recent weakness of China **thing** market and concerns about how strongly credit driven business recovery may proceed.

The quick moderation of inflation thrust has helped the bond market in recent months, and it may also account for the more stable US dollar seen in **PosSub** couple of weeks. Normally, the prospect of a moderation of inflation pressure as economic recovery commences **PosVerd** be cheered by stock **NegVerd**, and we have seen that although there could be some backlash potential, players begin to worry again about **NeutralAdj** why some traders are concerned that a rising **NegSub** could be bad for stocks in that it would signify a flight to quality in anticipation of a failed economic recovery. **NegSub** itself, but interesting nonetheless.

Acknowledgement

The research leading to these results has received funding from the European Community's Seventh Framework Programme (FP7/2007-2013) under Grant Agreement No. 257928.

THANKS ☺