

# Web3 Trading Team: Data Science Report

## Summary of Insights

1. Traders tend to take higher or lower positions based on market sentiment.
2. Profitability tends to be higher during periods of 'Greed'.
3. 'Extreme Fear' correlates with high-risk or conservative trades.
4. Trade volume shifts dramatically between Fear and Greed phases.
5. Trader participation fluctuates with sentiment.

## Visuals Saved

1. profitability\_by\_sentiment.png - Closed PnL by Sentiment
2. trade\_volume\_by\_sentiment.png - Trade Value by Sentiment
3. leverage\_proxy\_by\_sentiment.png - Position Change vs. Sentiment

## Recommendations

- Use sentiment signals in algorithmic models.
- Apply tighter risk controls during Fear periods.
- Backtest strategies that react to sentiment shifts.