

REPORT: Trader Behavior Insights

1. Objective: To determine if market sentiment (Fear/Greed) acts as a leading indicator for trader profitability.

2. Data Integration: Merged 200k+ trade records with daily sentiment indices. Timestamps were normalized to YYYY-MM-DD.

3. Analysis Results:

- **Profitability:** Data shows a clear "Euphoria Bonus." Average PnL is 96% higher during Extreme Greed than during Extreme Fear.
- **Volume Behavior:** Traders are most reactive during 'Fear' (Total volume ~\$483M), indicating a high frequency of "panic" or "dip-buying" activity.
- **Trade Sides:** A significant shift to SELL orders (55%) occurs during Extreme Greed, marking professional profit-taking.

4. Strategy Recommendation: > Implement a contrarian execution model: Accumulate during high-volume 'Fear' phases and automate sell-triggers when the Index exceeds 75 (Extreme Greed).