Key inferences

1. Risk and profitability (success rate)

- Trading during extreme sentiment states introduces the highest risk (large potential PnL swings).
- Traders have the highest trade success rate when the market is at peak exuberance (Extreme Greed).

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2. Profitability distribution

- The median Closed PnL is consistently near zero across all sentiment classifications, suggesting most trades are small gains/losses, or break-even.
- Outliers (extreme positive and negative PnLs) are present in all states, meaning a few trades drive overall aggregate profit/loss, regardless of sentiment.

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3. Trading volume and size

- The highest level of aggregate trading activity occurs during Fear, followed by Greed.
- Larger individual capital deployment occurs during Fear, suggesting institutional or confident traders are active when the market is fearful.

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4. Directional bias (trade side)

- Selling bias in extremes. During periods of Fear, Greed, and Extreme Greed, the count of SELL trades is higher than BUY trades.
- In Extreme Fear and Neutral states, the BUY and SELL trade counts are nearly equal, suggesting balanced directional conviction during peak panic or calm.

Strategic implications

The data suggests a strong element of contrarian trading may be effective:

Exploit Extreme Greed

- The highest success rate occurs in Extreme Greed, which aligns with a selling bias. This indicates that traders who are successfully selling into market euphoria are performing well.

Trade Fear with caution

- While the largest average trade size and highest trade count occur in Fear, this state also carries significantly high PnL volatility (risk).

Risk management

- The extreme PnL volatility in both Extreme Fear and Extreme Greed suggests that trades taken during these periods require the tightest risk management to avoid large losses.

Summary table

Aspect	Observation	Implication
Profitability	Highest during Extreme Greed	Experienced traders exploit market euphoria
PnL Volatility	Max in Extreme Fear & Greed	Requires strong risk management
Trade Size	Largest during Fear	Confident traders accumulate positions
Trade Direction	Selling bias in extremes	Profit-taking and hedging behavior
Median PnL	~0 across all states	Few trades drive most outcomes