Crypto Trader Behavior vs Market Sentiment - Summary Insights

Execution Price vs Sentiment

- High-volatility coins show strong price fluctuations aligned with sentiment swings.
- Low-volatility coins remain stable even when sentiment changes sharply.
- Sentiment often rises before price rebounds, hinting at lagged trader confidence.
- Fear-driven sentiment dips coincide with price crashes, showing panic exits.

Open Long Size vs Sentiment

- High-price high-volatility coins attract larger longs during Greed phases.
- Low-price low-volatility coins consistently show the largest long sizes, even in Neutral sentiment.
- Speculative bursts appear in low-price high-volatility coins during sentiment recovery.
- Medium-price coins show weaker or muted long activity.

Open Short Size vs Sentiment

- High-volatility coins see spikes in shorts when sentiment dips.
- Low-price low-volatility coins are popular for leveraged shorts in downturns.
- Medium-volatility and stable assets attract little shorting activity.
- Fear strongly drives short positions across volatile assets.

Buy & Sell Size vs Sentiment

- Buying is concentrated in low-price low-volatility coins during Neutral and Greed states.
- High-price and medium-price clusters show minimal buy interest, used more for speculative longs/shorts.
- Selling activity spikes in low-price low-volatility coins when sentiment declines.
- High-price coins remain less affected by sentiment in sell behavior.

Close Long & Close Short vs Sentiment

- Closing longs is most aggressive in high-volatility categories when sentiment weakens.
- Low-price low-volatility coins show heavy close activity regardless of sentiment, due to liquidity.
- Close shorts spike in low-price high-volatility coins during fear phases.
- Traders tend to unwind positions quickly when sentiment falls below Neutral.

PnL vs Sentiment

- High-volatility coins deliver the largest PnL swings, both gains and losses.
- Low-volatility coins are safer but yield limited profits.
- Price level affects magnitude of PnL, but volatility is the key risk driver.
- Fear phases lead to sharp PnL drawdowns, while Greed phases do not guarantee higher profits.

Sentiment Tables (Cluster Analysis)

- Low-price low-volatility coins consistently dominate activity across all sentiment states.
- High-price high-volatility coins show strong reactions, especially under Extreme Fear.
- Medium-price clusters are marginally sensitive and often inactive across sentiments.
- Extreme Fear drives the strongest market-wide reactions across all categories.
- Greed phases tend to have smaller impact compared to Fear phases.