

# Final Report: Trader Performance vs Market Sentiment

This report examines how market sentiment (Fear and Greed Index) influences trader profitability based on Hyperliquid historical trading data. Analysis includes timestamp alignment, sentiment classification, and PnL behavior comparison.

## ***Data Sources***

Two CSV datasets were analyzed: Fear-Greed Index sentiment data and Hyperliquid trader execution data. Columns were cleaned, and timestamps converted for proper merging.

## ***Sentiment Behavior***

Sentiment fluctuates between fear and greed, impacting trader strategy. Extreme greed periods often increase risk-taking behavior.

## ***Profitability Findings***

Initial results indicate mixed profitability under greed conditions and increased losses during strong fear.

## ***Leverage Influence***

Performance worsens under high leverage during fear sentiment. Moderate leverage appears safer in neutral sentiment environments.

## ***Conclusion***

Market sentiment significantly correlates with volatility and risk behavior. Strategic leverage adjustment based on sentiment can improve outcomes.