Sentiment Driven Strategy
Project Proposal

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1 ABSTRACT

We want to generate sentimental indicator from market news, test if sentiment among professionals correlates with price fluctuation in stock market and how they correlate. After that we want to fit the sentiment indicator in trading models, see if additional sentiment indicator makes model better. Finally we expect to modify and optimize the model to make it usable in trading.

2 QUESTIONS WE CARE ABOUT

Investigation about tweets' sentimental implication has revealed correlation between public opinions and stock prices, while major players in stock market are institutions and professionals. Will information and sentiment from professional channels be more effective in predicting stock trends? Can we put this into use in trading strategy?

3 DATASET WE USE

We'll use financial news provided by Interactive Broker and corresponding market index as training set. Use streaming data as test set.