

MScFE 600 FINANCIAL DATA \ Group Work Project #2 \

For collecting and organizing Google Trends data, we make use of the pytrends library which is a Python interface for Google Trends.

This allows for the automated fetch of search data for a given keyword which is then saved as a pandas DataFrame for the financial analysis.

```
# libraries
from pytrends.request import TrendReq
import pandas as pd

# Initialize the Pytrends connection
pytrends = TrendReq hl='en-US', tz=360)

# timeframe
kw_list = ["AAPL"] # Apple stock ticker
timeframe = "2024-10-01 2025-10-01"

#payload
pytrends.build_payload(kw_list, timeframe=timeframe)

# Retrieve Search Volume Index (SVI) over time
search_interest_df = pytrends.interest_over_time()

# Display first rows
print("SVI over time:")
print(search_interest_df.head())

# Rearch Interest by Region
regional_interest = pytrends.interest_by_region(resolution='COUNTRY', inc_low_vol:

# Display first rows
print("\nInterest by Region:")
print(regional_interest.head())
```

```
SVI over time:
           AAPL  isPartial
date
2024-09-29    33      False
2024-10-06    31      False
2024-10-13    36      False
2024-10-20    34      False
2024-10-27    48      False
```

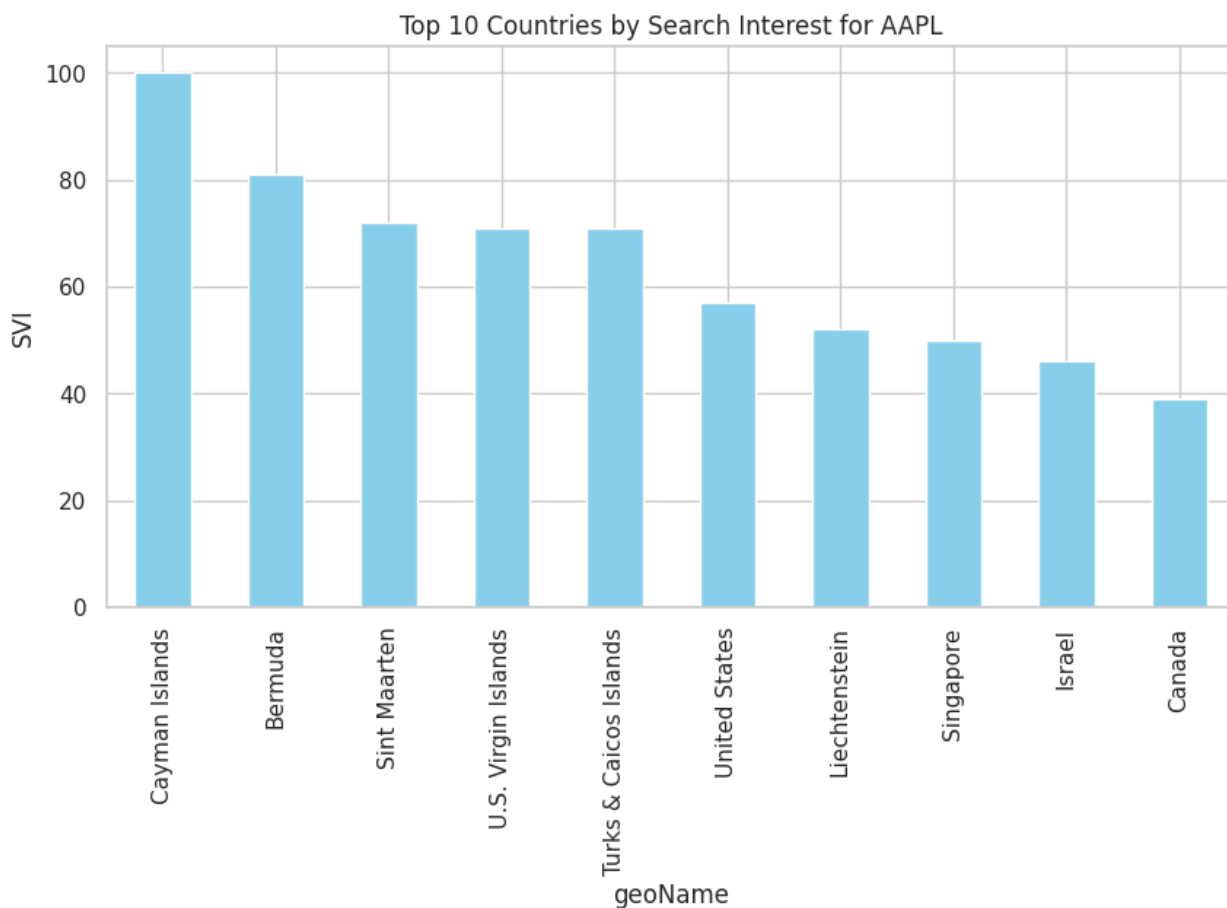
```
Interest by Region:
```

	AAPL
geoName	
Afghanistan	0
Albania	9
Algeria	1
American Samoa	0
Andorra	0

This code produces a pandas DataFrame containing both search intensity and stock returns, forming the foundation for exploratory and correlation analysis. The resulting structure allows analysts to visualize how shifts in investor attention (SVI) precede or follow price movements.

```
# Sort top 10 regions
top_regions = regional_interest.sort_values(by='AAPL', ascending=False).head(10)

# Bar plot of top regions
top_regions['AAPL'].plot(kind='bar', figsize=(10,5), color='skyblue')
plt.title('Top 10 Countries by Search Interest for AAPL')
plt.ylabel('SVI')
plt.show()
```



```

import yfinance as yf
import pandas as pd

# Download historical AAPL data
stock_df = yf.download("AAPL", start="2024-10-01", end="2025-10-01", interval="1d")

# Flatten MultiIndex columns if present
if isinstance(stock_df.columns, pd.MultiIndex):
    stock_df.columns = ['_'.join(col).strip() if col[1] != '' else col[0] for col in stock_df.columns]

# Reset index
stock_df = stock_df.reset_index()

# Rename adjusted close column to simple name
if 'Adj Close_AAPL' in stock_df.columns:
    stock_df.rename(columns={'Adj Close_AAPL': 'Adj_Close'}, inplace=True)
elif 'Adj Close' in stock_df.columns:
    stock_df.rename(columns={'Adj Close': 'Adj_Close'}, inplace=True)

# Check the columns
print(stock_df.columns)
print(stock_df.head())

```

```

/tmp/ipython-input-1604158872.py:5: FutureWarning: YF.download() has changed arguments
stock_df = yf.download("AAPL", start="2024-10-01", end="2025-10-01", interval="1d")
[*****100%*****] 1 of 1 completedIndex(['Date',
      'Volume_AAPL'],
      dtype='object')

```

	Date	Close_AAPL	High_AAPL	Low_AAPL	Open_AAPL	Volume_AAPL
0	2024-10-01	225.162094	228.586146	222.703535	228.456758	63285000
1	2024-10-02	225.729462	226.316725	221.986885	224.843585	32880600
2	2024-10-03	224.624588	225.759306	222.285483	224.097044	34044200
3	2024-10-04	225.749359	226.943797	223.091730	226.844254	37245100
4	2024-10-07	220.663025	224.644495	220.304692	223.460005	39505400

```
stock_df = stock_df[['Date', 'Close_AAPL']]
```

```
# --- 1. Fetch Google Trends SVI ---
pytrends = TrendReq hl='en-US', tz=360)
kw_list = ["AAPL"]
timeframe = "2024-10-01 2025-10-01"
pytrends.build_payload(kw_list, timeframe=timeframe)

# Get SVI
search_interest_df = pytrends.interest_over_time().reset_index()
search_interest_df = search_interest_df.rename(columns={'AAPL': 'SVI'})
search_interest_df['date'] = pd.to_datetime(search_interest_df['date'])
# Drop partial weeks if any
if 'isPartial' in search_interest_df.columns:
    search_interest_df = search_interest_df[search_interest_df['isPartial']==False]

# Resample SVI weekly (Monday)
svi_weekly = search_interest_df.set_index('date').resample('W-MON').mean().reset_index()
print("SVI weekly head:")
print(svi_weekly.head())

# --- 2. Fetch Stock Prices ---
stock_df = yf.download("AAPL", start="2024-10-01", end="2025-10-01", interval="1d")

# Flatten MultiIndex columns if present
if isinstance(stock_df.columns, pd.MultiIndex):
    stock_df.columns = ['_'.join([str(i) for i in col]).strip() if col[1] != '' else col[0]]

# Detect price column
possible_cols = ['Adj Close', 'Adj_Close', 'Close', 'Close_AAPL', 'Adj Close_AAPL']
price_col = None
for col in possible_cols:
    if col in stock_df.columns:
        price_col = col
        break
if price_col is None:
    raise ValueError("No suitable price column found in stock data!")

stock_df['date'] = pd.to_datetime(stock_df['Date'])
stock_df = stock_df[['date', price_col]].rename(columns={price_col: 'Adj_Close'})

# Resample stock weekly (Monday) to match SVI
stock_weekly = stock_df.set_index('date').resample('W-MON').last().reset_index()
print("Stock weekly head:")
print(stock_weekly.head())

# --- 3. Merge SVI and Stock Weekly Data ---
merged_df = pd.merge(svi_weekly[['date', 'SVI']], stock_weekly, on='date', how='inner')
# Drop any rows with NaN
merged_df = merged_df.dropna(subset=['SVI', 'Adj_Close'])
print("Merged DataFrame head:")
print(merged_df.head())
```

```
# --- 4. Correlation ---
corr = merged_df[['SVI', 'Adj_Close']].corr()
print("Correlation matrix:\n", corr)
```

```
[*****100%*****] 1 of 1 completedSVI weekly head:
```

```
   date  SVI  isPartial
0 2024-09-30 33.0      0.0
1 2024-10-07 31.0      0.0
2 2024-10-14 36.0      0.0
3 2024-10-21 34.0      0.0
4 2024-10-28 48.0      0.0
```

```
Stock weekly head:
```

```
   date  Adj_Close
0 2024-10-07 220.663025
1 2024-10-14 230.228516
2 2024-10-21 235.384506
3 2024-10-28 232.318771
4 2024-11-04 220.981537
```

```
Merged DataFrame head:
```

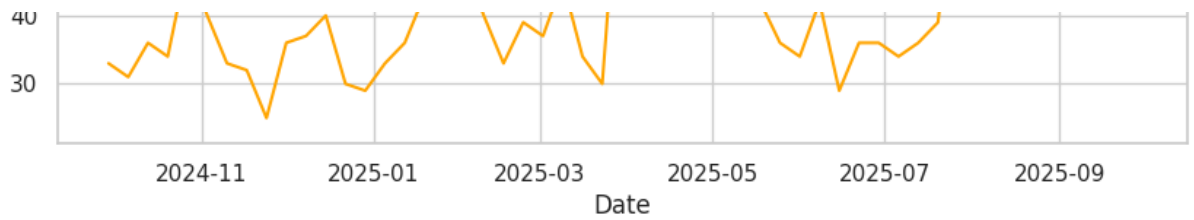
```
   date  SVI  Adj_Close
0 2024-10-07 31.0 220.663025
1 2024-10-14 36.0 230.228516
2 2024-10-21 34.0 235.384506
3 2024-10-28 48.0 232.318771
4 2024-11-04 40.0 220.981537
```

```
Correlation matrix:
```

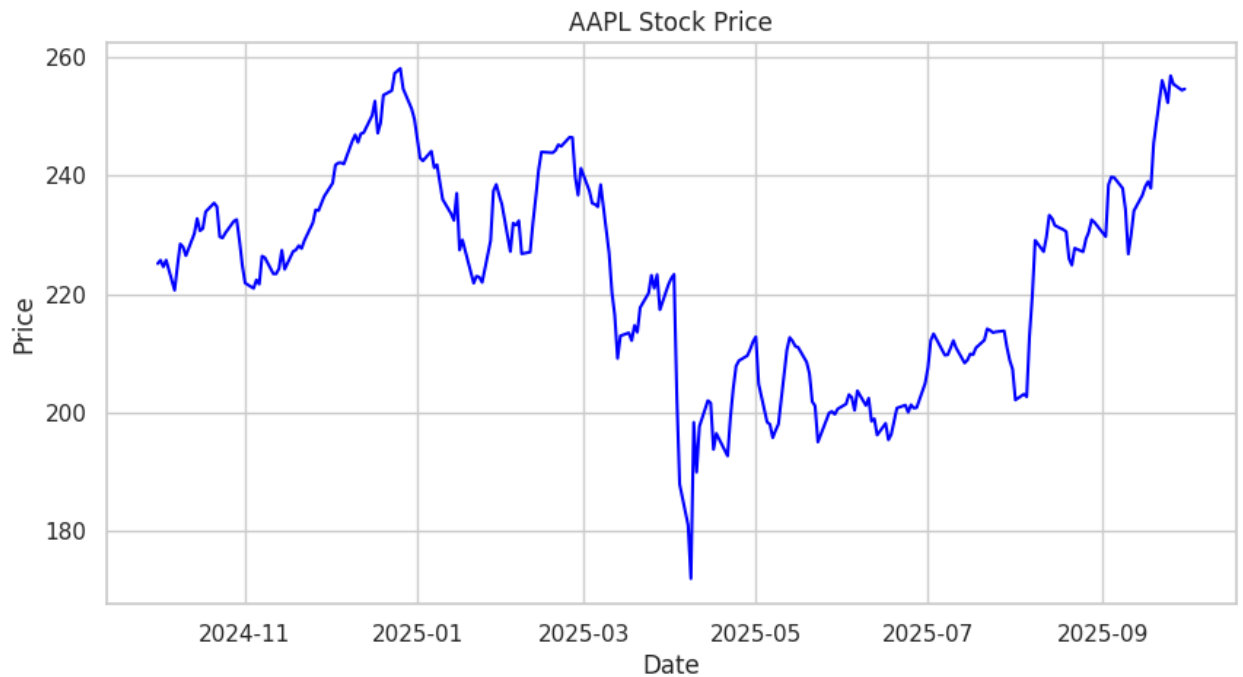
```
           SVI  Adj_Close
SVI      1.000000 -0.128975
Adj_Close -0.128975  1.000000
```

```
plt.figure(figsize=(10,5))
plt.plot(search_interest_df['date'], search_interest_df['SVI'], color='orange')
plt.title('Google Search Volume Index (SVI) for AAPL')
plt.xlabel('Date')
plt.ylabel('SVI')
plt.show()
```





```
# --- Plot Stock Price only ---  
plt.figure(figsize=(10,5))  
plt.plot(stock_df['date'], stock_df['Adj_Close'], color='blue')  
plt.title('AAPL Stock Price')  
plt.xlabel('Date')  
plt.ylabel('Price')  
plt.show()
```



```
# avoid overwriting
df = merged_df.copy()

# -Generate SVI trading signals
svi_threshold = 60
df['Signal'] = 0
df.loc[df['SVI'] <= svi_threshold, 'Signal'] = 1

# Calculate strategy returns
df['Returns'] = df['Adj_Close'].pct_change()
df['Strategy_Returns'] = df['Signal'].shift(1) * df['Returns'] # Shift to avoid 1

# Compute cumulative returns
df['Cumulative_BuyHold'] = (1 + df['Returns']).cumprod()
df['Cumulative_SVI_Strategy'] = (1 + df['Strategy_Returns']).cumprod()

# Identify buy/sell points
df['Signal_Change'] = df['Signal'].diff()
buy_signals = df[df['Signal_Change'] == 1]
sell_signals = df[df['Signal_Change'] == -1]

# Plot cumulative returns with buy/sell markers
plt.figure(figsize=(12,6))
plt.plot(df['date'], df['Cumulative_BuyHold'], label='Buy & Hold', color='blue')
plt.plot(df['date'], df['Cumulative_SVI_Strategy'], label='SVI Strategy', color='orange')

# Plot Buy/Sell markers
plt.scatter(buy_signals['date'], buy_signals['Cumulative_SVI_Strategy'], marker='^', color='green')
plt.scatter(sell_signals['date'], sell_signals['Cumulative_SVI_Strategy'], marker='v', color='red')

plt.title('SVI-Based Strategy vs Buy & Hold on AAPL with Buy/Sell Signals')
plt.xlabel('Date')
plt.ylabel('Cumulative Returns')
plt.legend()
plt.xticks(rotation=45)
plt.grid(True)
plt.tight_layout()
plt.show()
```



