

Presented by Mark Benhaim



# OVERVIEW &

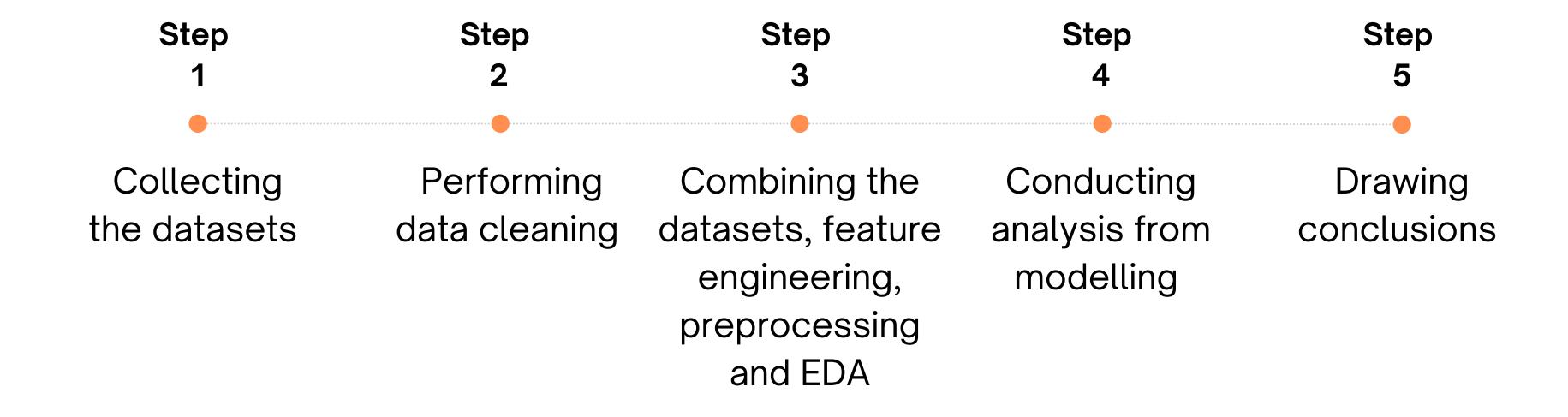
#### PROBLEM STATEMENT

Project Focus: This project aims to forecast the price of Bitcoin and analyze sentiment related to Bitcoin on Twitter using machine learning techniques. The project utilizes historical Bitcoin price data, Google search trends for Bitcoin, and a large collection of tweets about Bitcoin to build predictive models.





## PROPOSED VISION FOR TACKLING THE PROBLEM





# ESTIMATE IMPACT OF SOLUTION

This study has the potential to reveal insights about the influence of public sentiment on Bitcoin prices. The predictive models built from this research could be beneficial to investors, providing a more holistic view of market conditions by incorporating public sentiment. This project also contributes to the broader field of study regarding the influence of social media on financial markets.



# DATASET AFTER CLEANING (+ Google Trends)

|    | Colmn Name                               | Data Type | Description                                       |
|----|--|-----------|---|
| 0  | Time                                     | String    | Time in days                                      |
| 1  | Open                                     | Float     | Open price of bitcoin                             |
| 2  | Percent change in price (close/open)     | Float     | The percent change of the open price to the cl    |
| 3  | Close                                    | Float     | Close price of bitcoin                            |
| 4  | BTC Dominance Open                       | Float     | The opening percent marketshare of Bitcoin        |
| 5  | Percent change in dominance (close/open) | Float     | The percent change in Bitcoin marketshare each    |
| 6  | BTC Dominance Close                      | Float     | The closing percent marketshare of Bitcoin        |
| 7  | Volume                                   | Float     | The total bitcoin volume per day on the exchan    |
| 8  | RSI (relative strength index)            | Float     | The Relative Strength Index (RSI) is a well ve    |
| 9  | HV (historical volatility)               | Float     | Historical volatility is a statistical measure    |
| 10 | Cleantext                                | String    | Text of each individual tweet                     |
| 11 | bitcoin_tweetcount                       | Integer   | Total tweets including the keyword bitcoin per    |
| 12 | btc_tweetcount                           | Integer   | Total tweets including the keyword btc per day    |
| 13 | crypto_tweetcount                        | Integer   | Total tweets including the keyword crypto per day |
| 14 | cryptocurrency_tweetcount                | Integer   | Total tweets including the keyword cryptocurre    |
| 15 | project_tweetcount                       | Integer   | Total tweets including the keyword project per    |
| 16 | total count_tweetcount                   | Integer   | Total tweets per day                              |
| i  |  |           |   |



## DATA QUALITY CONCERNS



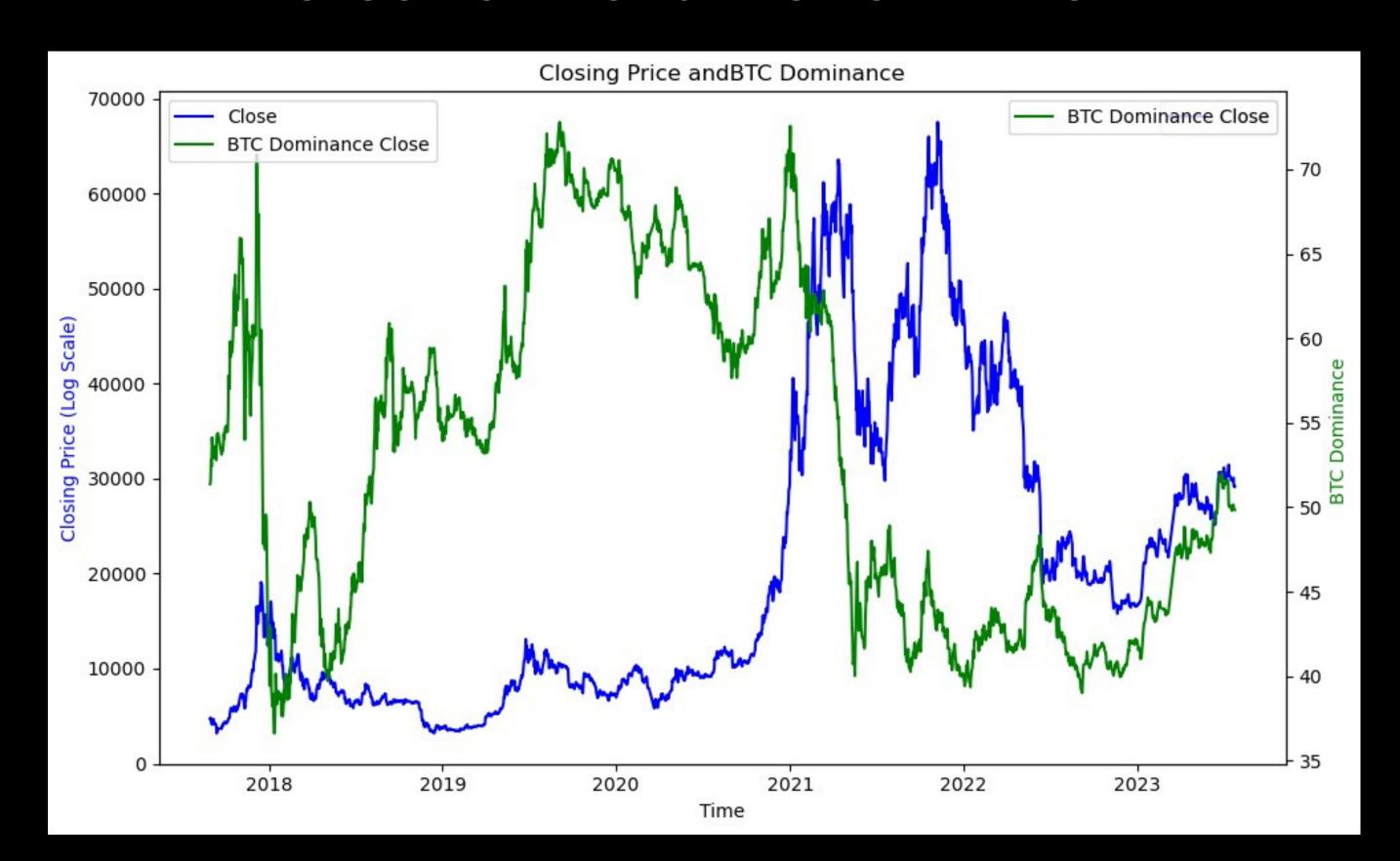




Only on monthly timeframe

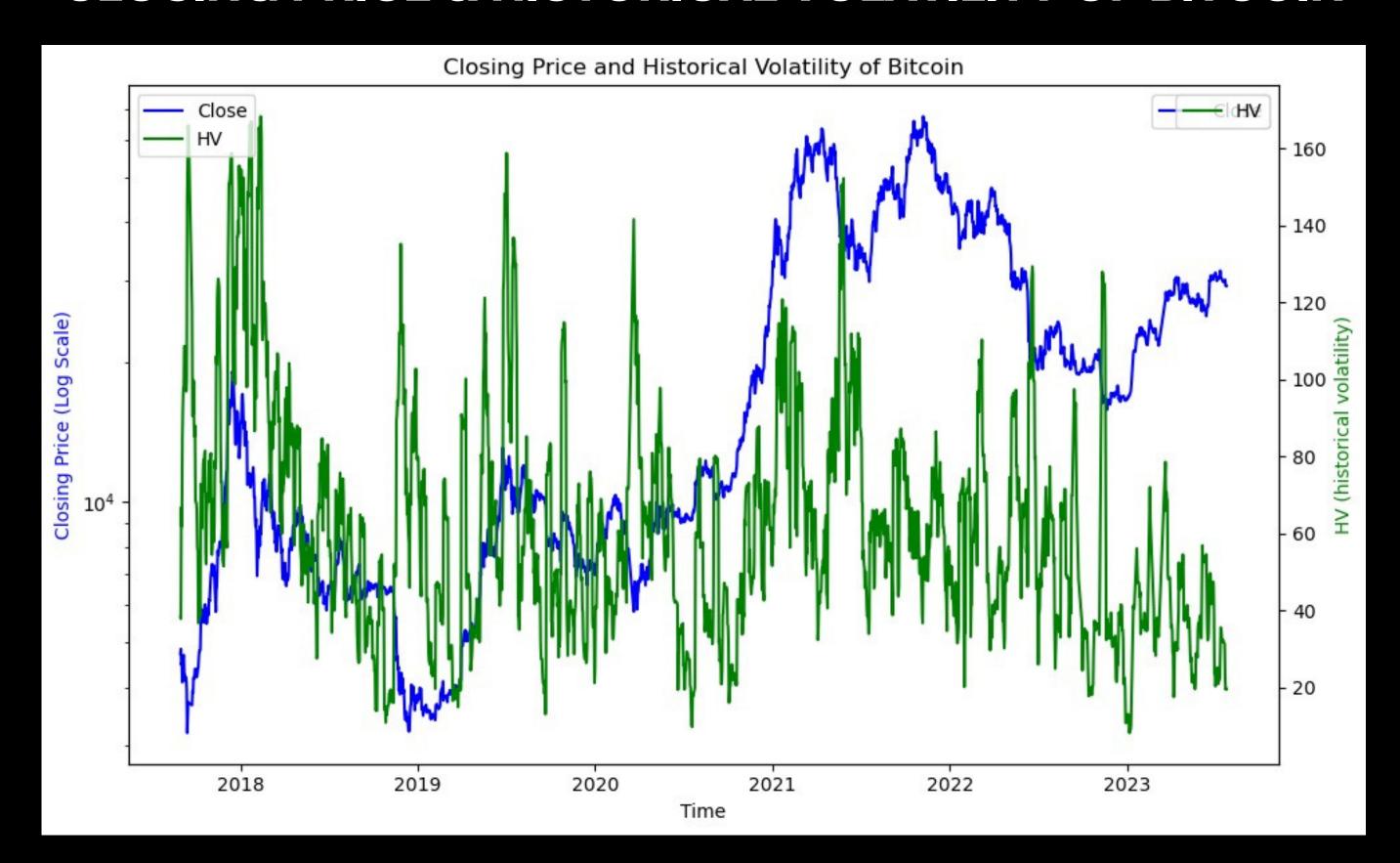


#### **CLOSING PRICE & BTC DOMINANCE**



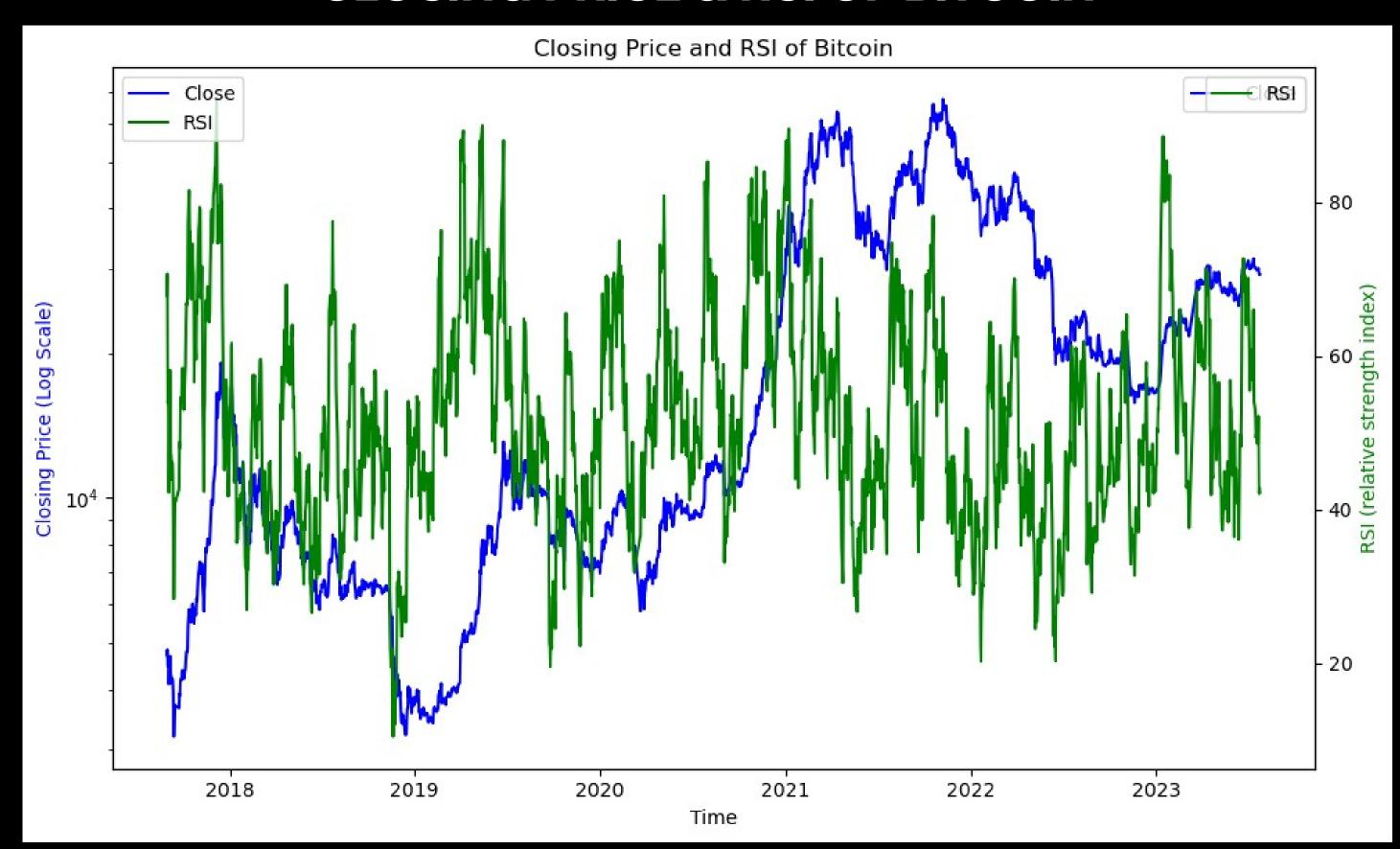


#### **CLOSING PRICE & HISTORICAL VOLATILITY OF BITCOIN**



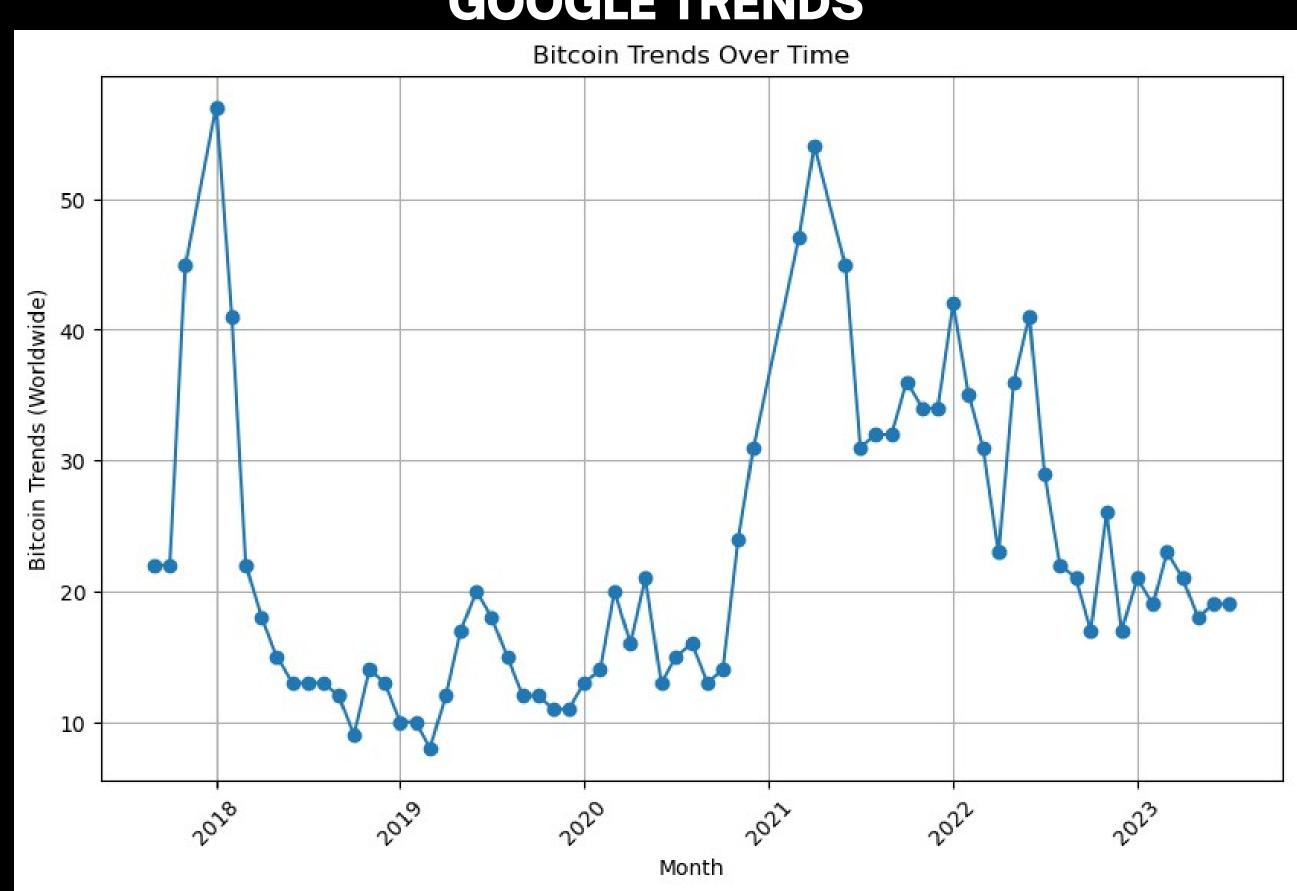


#### CLOSING PRICE & RSI OF BITCOIN



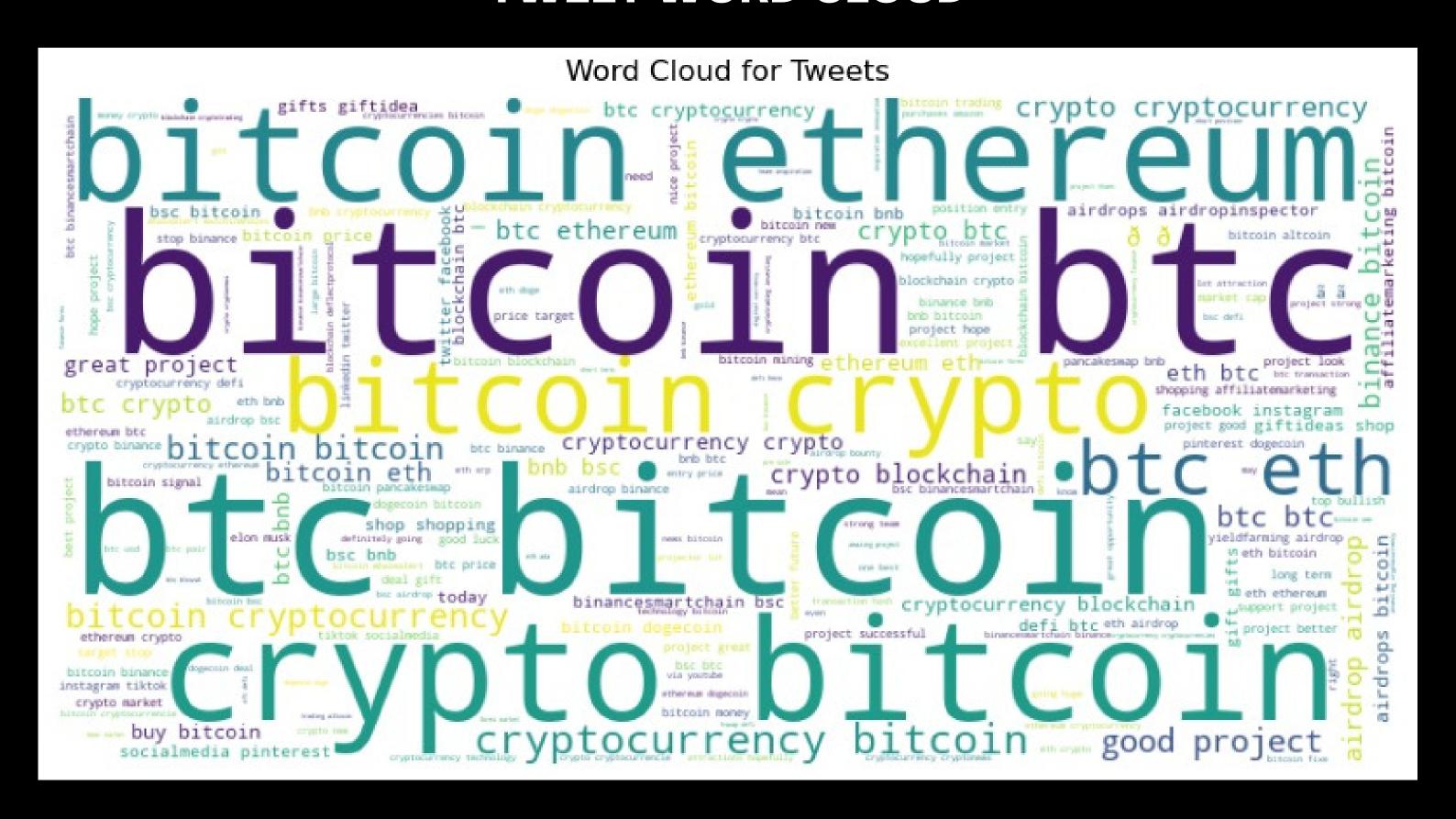


#### **GOOGLE TRENDS**



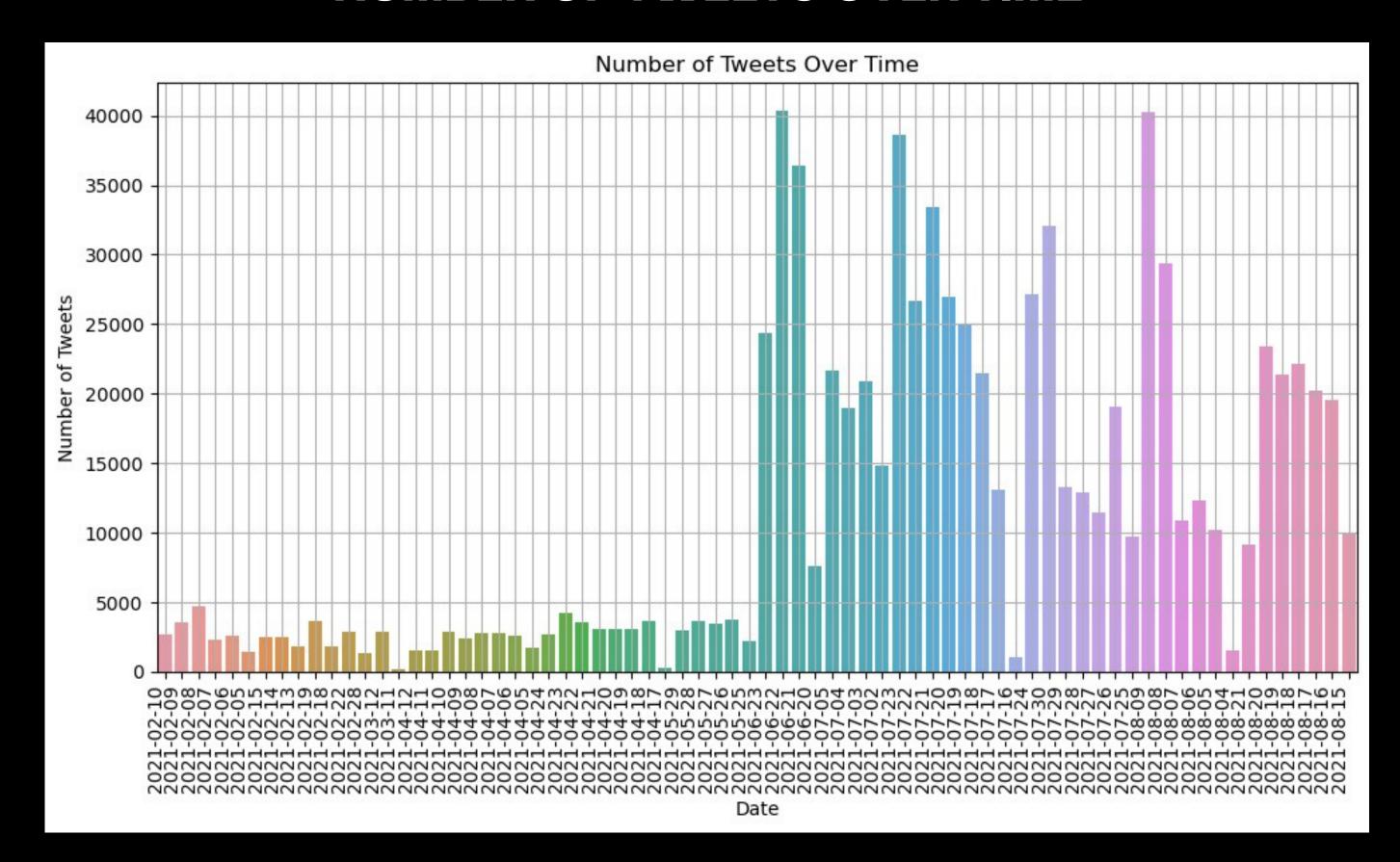


#### **TWEET WORD CLOUD**





#### **NUMBER OF TWEETS OVER TIME**





#### **TWEET WORD CLOUD**





## HEATMAP OF DATASET

|  | Correlation Heatmap |                                      |       |                    |                                      |                     |        |                               |                            |                    |                |                   |                           |                    |                        |
|--|---------------------|--------------------------------------|-------|--------------------|--------------------------------------|---------------------|--------|-------------------------------|----------------------------|--------------------|----------------|-------------------|---------------------------|--------------------|------------------------|
| open                                     | 1.00                | -0.35                                | 0.93  | -0.56              | -0.30                                | -0.60               | -0.36  | -0.16                         | -0.76                      | 0.49               | 0.49           | 0.59              | 0.59                      | 0.53               | 0.57                   |
| Percent change in price (close/open)     | -0.35               | 1.00                                 | 0.03  | 0.10               | 0.43                                 | 0.19                | -0.07  | 0.42                          | 0.12                       | -0.05              | -0.01          | -0.05             | -0.05                     | -0.09              | -0.05                  |
| dose                                     | 0.93                | 0.03                                 | 1.00  | -0.55              | -0.16                                | -0.56               | -0.43  | -0.00                         | -0.76                      | 0.51               | 0.53           | 0.61              | 0.61                      | 0.53               | 0.59                   |
| BTC Dominance Open                       | -0.56               | 0.10                                 | -0.55 | 1.00               | 0.12                                 | 0.98                | 0.21   | 0.33                          | 0.56                       | -0.30              | -0.38          | -0.43             | -0.40                     | -0.39              | -0.38                  |
| Percent change in dominance (close/open) | -0.30               | 0.43                                 | -0.16 | 0.12               | 1.00                                 | 0.33                | 0.24   | 0.13                          | 0.20                       | -0.16              | -0.20          | -0.19             | -0.20                     | -0.21              | -0.20                  |
| BTC Dominance Close                      | -0.60               | 0.19                                 | -0.56 | 0.98               | 0.33                                 | 1.00                | 0.25   | 0.34                          | 0.57                       | -0.31              | -0.40          | -0.44             | -0.42                     | -0.41              | -0.40                  |
| Volume                                   | -0.36               | -0.07                                | -0.43 | 0.21               | 0.24                                 | 0.25                | 1.00   | 0.14                          | 0.49                       | -0.23              | -0.46          | -0.35             | -0.34                     | -0.30              | -0.34                  |
| RSI (relative strength index)            | -0.16               | 0.42                                 | -0.00 | 0.33               | 0.13                                 | 0.34                | 0.14   | 1.00                          | 0.27                       | -0.27              | -0.25          | -0.32             | -0.33                     | -0.33              | -0.31                  |
| HV (historical volatility)               | -0.76               | 0.12                                 | -0.76 | 0.56               | 0.20                                 | 0.57                | 0.49   | 0.27                          | 1.00                       | -0.41              | -0.55          | -0.55             | -0.54                     | -0.50              | -0.53                  |
| bitcoin_tweetcount                       | 0.49                | -0.05                                | 0.51  | -0.30              | -0.16                                | -0.31               | -0.23  | -0.27                         | -0.41                      | 1.00               | 0.47           | 0.95              | 0.96                      | 0.88               | 0.96                   |
| btc_tweetcount                           | 0.49                | -0.01                                | 0.53  | -0.38              | -0.20                                | -0.40               | -0.46  | -0.25                         | -0.55                      | 0.47               | 1.00           | 0.70              | 0.66                      | 0.57               | 0.70                   |
| crypto_tweetcount                        | 0.59                | -0.05                                | 0.61  | -0.43              | -0.19                                | -0.44               | -0.35  | -0.32                         | -0.55                      | 0.95               | 0.70           | 1.00              | 0.99                      | 0.93               | 1.00                   |
| cryptocurrency_tweetcount                | 0.59                | -0.05                                | 0.61  | -0.40              | -0.20                                | -0.42               | -0.34  | -0.33                         | -0.54                      | 0.96               | 0.66           | 0.99              | 1.00                      | 0.92               | 0.99                   |
| project_tweetcount                       | 0.53                | -0.09                                | 0.53  | -0.39              | -0.21                                | -0.41               | -0.30  | -0.33                         | -0.50                      | 0.88               | 0.57           | 0.93              | 0.92                      | 1.00               | 0.92                   |
| total count_tweetcount                   | 0.57                | -0.05                                | 0.59  | -0.38              | -0.20                                | -0.40               | -0.34  | -0.31                         | -0.53                      | 0.96               | 0.70           | 1.00              | 0.99                      | 0.92               | 1.00                   |
|  | uedo                | Percent change in price (close/open) | dose  | BTC Dominance Open | ent change in dominance (close/open) | BTC Dominance Close | Volume | RSI (relative strength index) | HV (historical volatility) | bitcoin_tweetcount | btc_tweetcount | crypto_tweetcount | aryptocurrency_tweetcount | project_tweetcount | total count_tweetcount |

- 0.4

- 0.2

- 0.0

- -0.2

## NEXT STEPS

- Time-Series Analysis
- Building predictive models



Conducting sentiment analysis