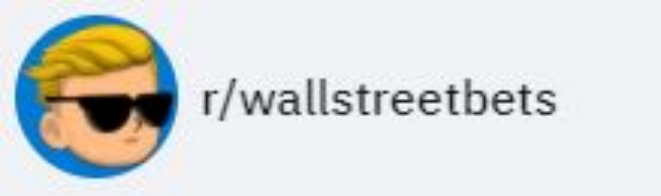
Reddit Classification

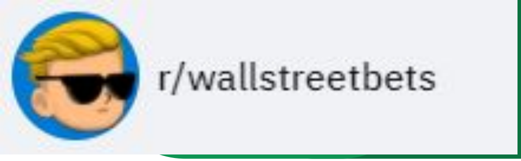
John DSI 22

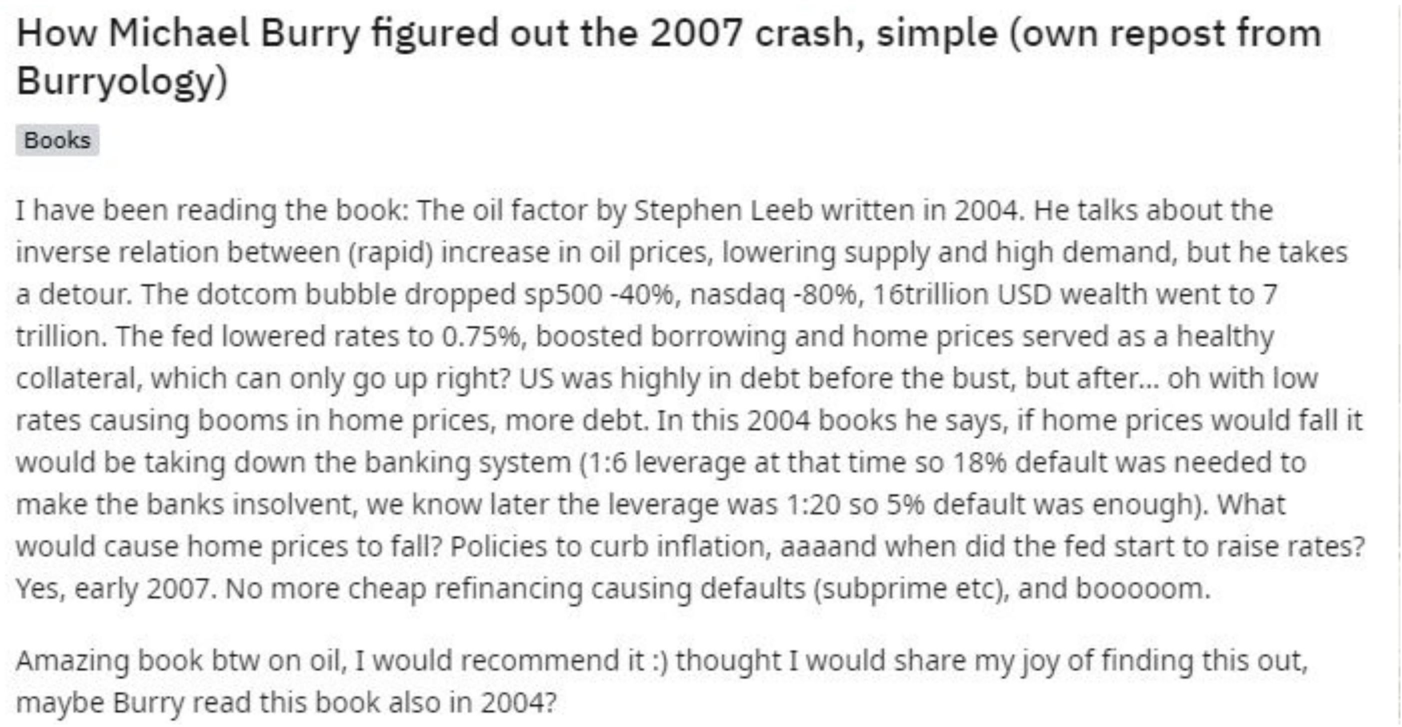


r/wallstreetbets

r/ValueInvesting

Introducing subreddits

	Similarities	Difference
r/ValueInvesting	Both investment forum Common topics: Investment questions, Investment pitch	● Focuses fundamental analysis ● Looks up to Warren Buffet
 r/wallstreetbets		● “Social momentum” investing 🚀 ● Looks up to Elon Musk



How Michael Burry figured out the 2007 crash, simple (own repost from Burryology)

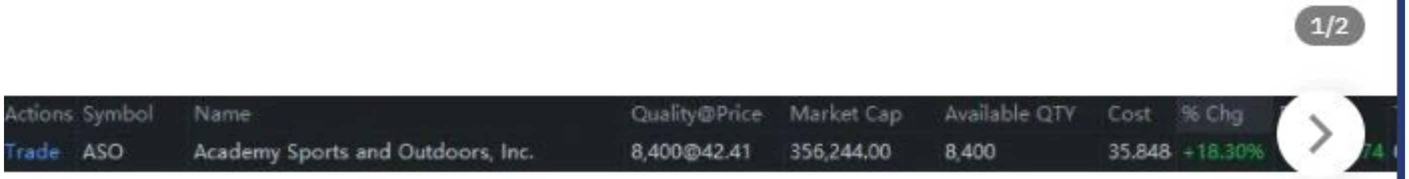
Books

I have been reading the book: The oil factor by Stephen Leeb written in 2004. He talks about the inverse relation between (rapid) increase in oil prices, lowering supply and high demand, but he takes a detour. The dotcom bubble dropped sp500 -40%, nasdaq -80%, 16trillion USD wealth went to 7 trillion. The fed lowered rates to 0.75%, boosted borrowing and home prices served as a healthy collateral, which can only go up right? US was highly in debt before the bust, but after... oh with low rates causing booms in home prices, more debt. In this 2004 books he says, if home prices would fall it would be taking down the banking system (1:6 leverage at that time so 18% default was needed to make the banks insolvent, we know later the leverage was 1:20 so 5% default was enough). What would cause home prices to fall? Policies to curb inflation, aaaand when did the fed start to raise rates? Yes, early 2007. No more cheap refinancing causing defaults (subprime etc), and booooom.

Amazing book btw on oil, I would recommend it :) thought I would share my joy of finding this out, maybe Burry read this book also in 2004?

13,900 Shares ASO YOLO

YOLO



Actions	Symbol	Name	Quality@Price	Market Cap	Available QTY	Cost	% Chg
Trade	ASO	Academy Sports and Outdoors, Inc.	8,400@42.41	356,244.00	8,400	35.848	+18.30%

Ape interested in IPO's specifically DNUT (Krispy Kreme)

Discussion

Hey gang, I have not gotten in on any IPO's yet but browsing the upcoming IPO calendar on NASDAQ looks like good ole KRISPY KREME is on the list for the first of July!

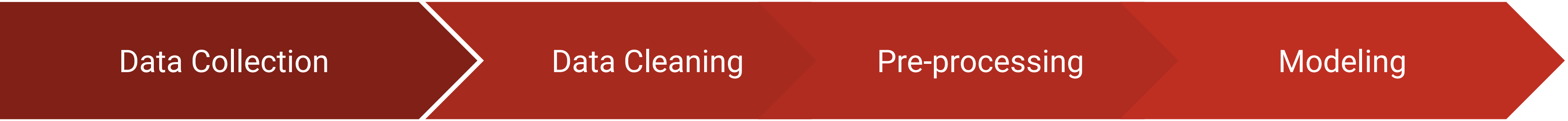
I am blinded by my love and nostalgic memories of Krispy Kreme growing up in NC so I was wondering if any of you have experience with IPO's on opening day?

Seems like well known, and tech companies usually do well but they can also take a dive from the paper hands making a quick buck.

Bullish or Bearish on this one? or any other upcoming IPO suggestions? This is not a DD or financial advice

Use case?

Model workflow



Data Collection

Data Cleaning

Pre-processing

Modeling

From Reddit API
1070 r/valueinvesting post
1789 r/wallstreetbets post

Drop null ‘selftext’
Drop word length <20
705 r/valueinvesting
825 r/wallstreetbets

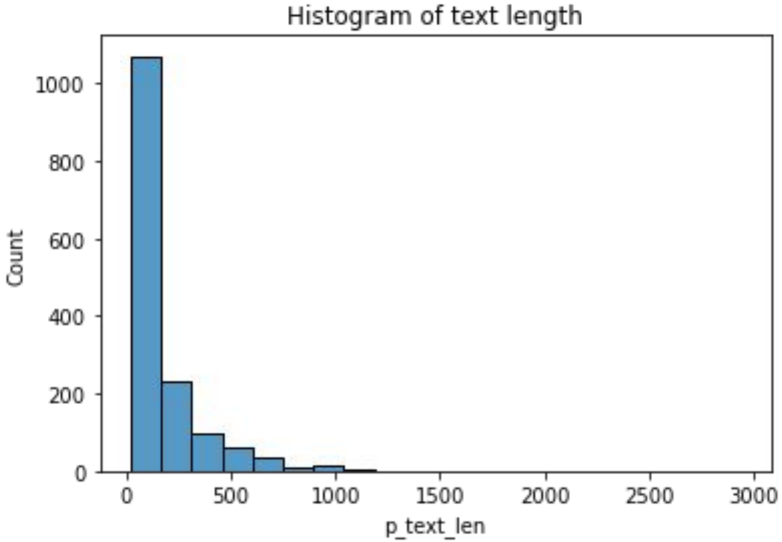
Steps taken

- Remove URLs
- Remove symbols
- Convert to lowercase
- Remove stopwords
- Lemmatize

Vectorizer:
CountVectorizer
TfidfVectorizer

Model:
Logistic Regression
SVM
Naive Bayes

Exploratory Data Analysis - Text Length



Mean word count:

r/valueinvesting: 103

r/wallstreetbets: 226

Exploratory Data Analysis - Top 10 words

Common top 10 words

Company, Stock, Market, Year, Price, Like, Share

Model Comparison

Vectorizer	Model	Accuracy*
Count	Logistic	87.9%
TFIDF	Logistic	90.3%
Count	SVM	87.4%
TFIDF	SVM	90.9%
Count	Naive Bayes	90.3%
TFIDF	Naive Bayes	89.5%

*Baseline score: 54%

Hyperparameters

C = 100

Kernel = rbf

Max_df = 0.8

Min_df = 2

Ngram_range = (1,2)

Model Evaluation

Overfitting

Train score > Test score for all model

Suboptimal hyperparameters

Reduce hyperparameters in GridSearch due to processing time

SVM blackbox

Blackbox model means cannot get insights, to intuitively understand what features matters

Side note: Logistic Regression Coefficient

A few notable words with high coefficients

r/valueinvesting

Ratio, operating, cash, performance, market cap

r/wallstreetbets

CLOV, short, meme, china, tl dr

Thank you