Project 4 NLP Proposal: Trump's Tweets and the Financial Markets

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Domain

Introduction

No other president has used social media, in particular Twitter, as freely or frequently as Donald Trump. In fact, his penchant for the platform has many calling him the "Tweeter-in-Chief".

Project Details

The goal of my project is to analyze how Trump's Twitter habits affect the financial markets. Trump's tweets could create potential trading opportunities, therefore, understanding the relationship between his tweets and the financial markets could give trading insight. For example, if a company's stock price tends to increase after Trump tweets about the company in a positive light, I could trade the company's stock as soon as he puts down his phone. On the other hand, if Trump's negative sentiment about a company tanks their stock price, I could try to sell before the damage is fully realized.

Data

The dataset I will use consists of all of Trump's tweets during his presidency which I can get from the <u>Trump Twitter Archive</u>.

Depending on the subject matter of his tweets, I can look at values of various financial instruments such as stock indices like the S&P 500 or the DJIA, individual stocks, currencies, treasuries, commodities, etc.

Considerations

• Is there a difference in effect between his tweets versus tweets from his staff?