

Magnus L. Kirø

Sentiment analysis of Tweets in correlation with financial investments

Work in progress,

to be completed by 1. jun 2014.

<https://github.com/magnuskiro/master>

Masters Thesis,

Artificial Intelligence Group

Department of Computer and Information Science

Faculty of Information Technology, Mathematics and Electrical Engineering



NTNU – Trondheim
Norwegian University of
Science and Technology

Abstract

Background: As Twitter has become a global microblogging site, its influence in the stock market has become significant. This makes tweets an interesting medium for gathering sentiment. A sentiment that can predict the trends in the stock market.

Motivation If twitter can be used to predict trends in the stock market, that would give the casual investor an advantage over the day-trader or the modern trading algorithms.

Another interesting aspect is the role of twitter in sentiment analysis. And how twitter can be used as a data source for trend prediction or event detection.

Methods and experiments Positive/negative words, topology graphs, and feature addition are investigated as possible methods for classifying tweet sentiment.

Results: Rough results of my research.

Conclusion: All OK ? No?

Acknowledgements

Acknowledgements goes here.

Metadata

Metadata ?

Typically repositories, links to code, file downloads, websites etc. Maybe contact info.

Contents

| | | |
|----------|---|-----------|
| 1 | Introduction | 1 |
| 1.1 | What and why | 1 |
| 1.1.1 | Research questions | 1 |
| 1.2 | Findings | 2 |
| 1.3 | Outline | 2 |
| 2 | State of the Art / Background | 3 |
| 2.1 | Twitter | 3 |
| 2.2 | Sentiment | 5 |
| 2.2.1 | Sentiment Analysis | 5 |
| 2.2.2 | Sentiment in Finance | 6 |
| 2.3 | Finance and Trading | 7 |
| 2.4 | The Trend | 8 |
| 3 | Data retrieval and structure | 10 |
| 3.1 | Tweet structure | 10 |
| 3.2 | What data was used | 10 |
| 3.3 | How to Obtain the data | 10 |
| 3.4 | What's the Structure of the data | 10 |
| 3.5 | Problems and shortcomings | 10 |
| 4 | Sentiment Analysis | 11 |
| 4.1 | What we use the sentiment for in this thesis. | 11 |
| 4.2 | Getting the sentiment | 11 |
| 4.2.1 | Techniques | 11 |
| 4.2.2 | - of a Tweet | 11 |
| 4.3 | Sentiment trend | 11 |
| 4.4 | Experiments | 11 |
| 4.4.1 | Recreate sentiment classification with lexicons of positive and negative words. | 12 |
| 4.4.2 | Features addition to tweets. | 12 |

| | | |
|----------|--|-----------|
| 4.4.3 | labeled graph propagation. | 12 |
| 4.4.4 | Combination of the three above | 12 |
| 4.4.5 | Trend creation | 12 |
| 4.4.6 | comparrison | 12 |
| 5 | Trending | 13 |
| 5.1 | The trend is your friend | 13 |
| 5.2 | Trending and it's applications | 13 |
| 5.2.1 | In Finance | 13 |
| 5.2.2 | Elsewhere | 13 |
| 5.3 | The Trend | 13 |
| 5.4 | Comparing the trend and the moving average | 13 |
| 6 | Results and Discussion | 14 |
| 7 | Conclusion | 15 |
| 8 | Future Work | 16 |
| | References | 17 |
| A | Processed Articles | 19 |
| A.1 | Article template | 19 |
| A.2 | Tweets and Trades: The Information Content of Stock Microblogs | 19 |
| A.3 | Exploiting Topic based Twitter Sentiment for Stock Prediction | 20 |
| A.4 | Twitter as driver of stock price | 20 |
| A.5 | Twitter Polarity Classification with Label Propagation over Lexical Links and the Follower Graph | 21 |
| A.6 | AVAYA: Sentiment Analysis on Twitter with Self-Training and Polarity Lexicon Expansion | 21 |
| A.7 | Robust Sentiment Detection on Twitter from Biased and Noisy Data | 22 |
| A.8 | Investor sentiment and the near-term stock market | 22 |
| A.9 | Predicting Stock Market Indicators Through Twitter "I hope it is not as bad as I fear" | 23 |
| A.10 | Deriving market intelligence from microblogs | 24 |
| A.11 | The social media stock pickers | 24 |
| A.12 | Sentiment and Momentum | 25 |
| A.13 | Is Trading with Twitter only for Twits? | 25 |
| A.14 | From Tweets to Polls: Linking Text Sentiment to Public Opinion Time Series | 26 |

| | | |
|----------|--------------------------------|-----------|
| A.15 | Tweet usage overview | 26 |
| B | System specifications | 28 |
| B.1 | Architecture | 28 |
| B.2 | Technology | 28 |
| B.3 | Frameworks | 28 |
| B.4 | Structure | 29 |
| B.5 | Environment | 29 |
| B.6 | Issues | 29 |
| C | Tweet Data Structure | 30 |

List of Figures

| | | |
|-----|-------------------------------------|---|
| 2.1 | Typical tweet from Twitter. | 4 |
| 2.2 | Typical tweet from Twitter. | 4 |

Chapter 1

Introduction

1.1 What and why

1.1.1 Research questions

Can tweets be used to determine a trend in the stock market?

We will look at the usefulness of tweets as a way to extract sentiment. And then look at possible applications for the sentiment in the stock market. Does the use of positive and negative words in the classification of tweets have an impact on the determination of the trend and what effects does the polarity of a tweet have on the trend?

How can twitter be used to predict trends in the stock market?

- * On a more abstract level we would like to find out whether or not twitter as a microblogging site can be used to predict trends in the stock market.

- * We would also like to find out which parts of twitter are the most useful ones.

- * Which twitter sources are most suitable for predicting the stock market trend?

- * Credibility, what sort of credibility level has to be attained to certify the quality of the trend prediction.

How does these trends compare to the technical analysis in the stock market?

The comparison of compiled trends and the moving average of the stock market will give us insight in to the possibility to predict financial trends over longer periods of time then a few days. Researchers has already looked at the possibility to predict the direction of the market tomorrow based on

the volume of tweets of today an their sentiment.

1.2 Findings

1.3 Outline

The outline of the document and the description of what which part is about.

Chapter 2

State of the Art / Background

2.1 Twitter

Twitter is a social and information networking. It's a real-time service that connects users to the latest stories, their interests, ideas and much more. The microblogging site allows users to find and follow accounts that the user has an interest in.

At the core of Twitter you have the Tweet. The Tweet is the 140 character message. These bursts of information combined are the life blood of Twitter. Tweets lets you communicate with other users, share photos, post all kinds of information. The small size of the tweets are not a hindrance for the flow of information. ¹

The fast growing messaging service handles 1.6 billion searches every day. As of 2012 the 500 million users would generate 3.2 queries each on any given day. 340 million tweets were posted every day. ²

Most medium and large companies have a presence on Twitter today. Posts can contain any type of information, from promotional content to service status to financial reports. [Jubbega, 2011, p8] says that 77 of the Fortune 100 companies have a twitter account.

Companies use twitter for feedback and customer relations. Questions can be asked with a hashtag of to a specific user. This makes it easy to sort filter the messages, and therefore easier to get in contact with the customer. Best Buy demonstrated the successfulness of twitter in customer relations by answering questions with a specific hashtag. In 2009 they had answered nearly 20 thousand questions using twitter. [Li and Li, 2013, p1] Market Intelligence is also a major aspect of the microbloggin sphere.

¹About Twitter: <https://twitter.com/about>

²Wikipedia: <http://en.wikipedia.org/wiki/Twitter>

Twitter represents one of the largest and most dynamic datasets of user generated content. Along with Facebook twitter data is real time. This has major implications for anyone who are interested in sentiment, public opinion or customer interaction. [Speriosu et al., 2011]

A typical tweet contains about 11 words and provides an opinion or state of mind or a piece of information. Tweets can contain hashtags: something, user: @username, or other adaptations of prefixes such as \$STO which represents a stock. The different prefixes or tags (\$, #, @) easily distinguishes the content of the tweet. This also makes it easier to search and classify the content of tweets. Examples of tweets can be found in figure:2.1 and figure:2.2.

The retrieval of tweets seems like a challenge and practically impossible with a web scraper. But Twitter has made this easy by providing an API ³. With the API you can write tweets and update the status of a user. But the best part of the API is that it provides search capabilities. To get a certain subset of all tweets, we can use the search function and view only the tweets we want.

On the front page of twitter we have the search function at the top right of the page. The search provides the ability to limit the tweets you look at and gives you the opportunity to find the information you are looking for.



Figure 2.1: Typical tweet from Twitter.



Figure 2.2: Typical tweet from Twitter.

³API: Application programming interface

2.2 Sentiment

Opinion mining on the web is not a new phenomenon. But in recent years it has become much more attractive to traders in the financial world. Twitter and the social media's opinion is on the rise. This means a surplus of raw data with easy access. Companies all over the world have started to use twitter and readily available tweets to their benefit. Trading with social media is part of the trend. Although there are some drawbacks and shortcomings. Noise and garbage is one of them. It's difficult to accurately sort through all the data and get only the information relevant for your use. Even if you're right 80% of the time, the last 20% can prove devastating. [Stevenson, 2012]

Sentiment broadly refers to the state of mind a person has. Whereas negative or positive. Based on the current state of mind the person will do optimistic or pessimistic choices. A positive state of mind leads to optimistic judgements of future events. And a negative state of mind leads to pessimistic judgements. [Doukas et al., January 10, 2010, p4]

The intention of users are also a part of the driver in user activity on microblogs. The users may have different roles and intentions in different communities in the microblogging sphere, [Java et al., 2007]. This might also be a factor in the sentiment analysis.

2.2.1 Sentiment Analysis

[Li and Li, 2013] approaches the classification of sentiment in tweets in four steps. First is the topic detection. The topic is the overall theme of the message. This step extracts and identifies the topics associated with the queries of users. Following that the classification of opinion happens. This judges the polarity of the sentiment. The state of mind of the user can be recorded.

A problem that arises is the credibility of the expresser. [Li and Li, 2013] addresses this to get a better summary of the sentiment. Then aggregates, the three previously described parts of the classification, to get a truer reflection of the opinions.

[Barbosa and Feng, 2010] looks upon the problem of noise in biased and noisy data. They focus on noisy labels and add features to the tweets to increase the classification properties of the tweets. Then the tweets are classified as subjective or objective. This is to filter out the tweets that don't project a sentiment. The subjective tweets are then classified as positive or negative. Then [Barbosa and Feng, 2010] generalise the classification of tweets by using meta data about the tweets and how tweets are written.

This results in a more abstract representation of tweets and the classification. [Barbosa and Feng, 2010] provides a better way to classify tweets.

Another approach to the sentiment challenges with twitter is explored by [Becker et al., 2013]. Their explorations techniques for Contextual Polarity Disambiguation and Message Polarity Classification. Constrained and supervised learning is used to create models for classification. They describe a system that solves these tasks with the help of polarity lexicons and dependency parsers. Expanded vocabulary is one of the main aspects of their success, as they say in their findings: "We hypothesize this performance is largely due to the expanded vocabulary obtained via unlabeled data and the richer syntactic context captured with dependency path representations." [Becker et al., 2013]

Earlier [Speriosu et al., 2011] have researched the polarity classification of tweets. In contrast to [Becker et al., 2013], [Speriosu et al., 2011] has used distant supervision and labeled propagation on a graph based data structure. The data structure represents users with tweets as nodes. And tweets with bigrams, unigrams, hashtags, etc as subnodes of the tweets. A label propagation approach rivals a model supervised with in-domain annotated tweets and outperforms the noisily supervised classifier and a lexicon-based polarity ratio classifier. [Speriosu et al., 2011]

2.2.2 Sentiment in Finance

[Brown and Cliff, 2004, p2] writes the following on over-reaction of investors: "He(Siegel (1992)) concludes that shifts in investor sentiment are correlated with market returns around the crash. Intuitively, sentiment represents the expectations of market participants relative to a norm: a bullish (bearish) investor expects returns to be above (below) average, whatever "average" may be.". In the light of recent changes in the financial world and the use of sentiment from social media, the notion that opinions and sentiment of investors and market actors affect the market is not a new observation.

Use of sentiment can predict changes and momentum in the market. Bad news in an optimistic period creates cognitive dissonance in the small investors. This impacts the market by slowing down the selling rate of losing stocks. [Doukas et al., January 10, 2010, p29]

Further we can see that optimistic sentiment has a 2% monthly average return. While the investor sentiment is pessimistic we see a drastic reduction in returns. Down to 0.34%, [Doukas et al., January 10, 2010, p5]. After optimistic periods it is indicated that the monthly return is reduced to -0.49%. On the contrary there is no equivalent change after a pessimistic period, [Doukas et al., January 10, 2010, p6-7]. Momentum profits are only

significant when the sentiment is optimistic, [Doukas et al., January 10, 2010, p29].

Hope and fear is used by [Zhang et al., 2011] to decide the movement of the market. The sentiment is aggregated to be hopeful or fearful. This basically focuses on positivity and negativity of the sentiment of that particular day. The daily sentiment is then compared to the market indicators of the same day to create a prediction of the market. [Zhang et al., 2011] finds that calm times give little hope or other emotions. Little turmoil results in few fluctuations in the market. And opposite, lots of emotions(hope, worry, fear), gives speed to the market.

[Brown and Cliff, 2004, p3] indicates that the sentiment does not cause subsequent market returns. For a short-term marketing timing this is bad news. However with the changes in social media over the last decade how is the situation today? With the microblogging sphere of today we can easily see the correlation of sentiment and the market indicators, [Jubbega, 2011]. But does the sentiment cause changes in the market-return? [Brown and Cliff, 2004, p3] also says that optimism is associated with overvaluation and subsequent low returns.

[Brown and Cliff, 2004, p] concludes that aggregated sentiment measures has strong co-movement with changes in the market. He also indicates that sentiment doesn't appear to be a good trading strategy. This, in the view of [Zhang et al., 2011], indicates a leap in sentiment research and what is possible with the microblogging of today.

2.3 Finance and Trading

The management of assets or liabilities and the management of funds over a period of time is called Finance. In finance the valuation of assets are time dependant. The same asset is not worth the same now and in a few minutes. Assets are priced based on expected returns and risk level. The three sub categories of finance are: personal, corporate and public. ⁴. These categories describes very different parts of the financial world.

Trading is the action of buying or selling financial instruments. Financial instruments can be stocks, bonds, derivatives or commodities ⁵. Trades takes place in markets, stock markets, derivatives markets or commodity markets.

Personal finance touches on the problems of handling the funds to make ends meet in your personal life. This can be things like tax policies, pension funds, heirlooms etc. Personal finance has a big element of economy. This is

⁴Wikipedia:<http://en.wikipedia.org/wiki/Finance>

⁵Wikipedia:[http://en.wikipedia.org/wiki/Trader_\(finance\)](http://en.wikipedia.org/wiki/Trader_(finance))

the control of income and expenses and the ending result of your total usage of money.

Corporate finance deals more in terms of investments over time and the financial position of assets to generate the maximum revenue. This is more of a strategic game of money placement and capital management.

The public finance are the money countries and states use. The finance related to sovereign and sub-national entities ⁶. National banks and the production of money are also categorised under this category.

Technical analysis in finance.

2.4 The Trend

The trend is the general opinion of the masses. As defined by the Free Dictionary: "The direction and momentum of a market, price, economy, or other measure. For example, if the price of a security is going mainly downward with only a few gains here and there, it is said to be on a downward trend. Identifying and predicting trends is important to finding the right moment to buy and sell securities. Trends are especially important in technical analysis, which recommends buying at the bottom of a downward trend and selling at the top of an upward trend." ⁷

It's often talk about the fashion trend or the music trend when regular people talk about the trend. Or just the general direction of which a subject or subculture are moving.

Trends work in much the same way as opinions on any other thing. One person comes first and says something. Then others start to think the same thing or feel the same way. The first group of people that move in the same direction are called trend setters. They are the people that show others how this trend works and what this trend is about.

On twitter we have lots of subcultures that all express themselves on their specific topic. Whether it's technology, art, finance or any other thing. In the sense of twitter we can take a step back and look at the content of messages and from there see if we can find common topics that people talk about, this being the topic of a subculture or a subspace of twitter. To get the trend we have to look at the content of the messages in a subspace. Given that the trend is the collective general collective opinion of the subspace we can look into this and see if we can find certain topics or areas of interest that aggregates to a trend.

⁶Wikipedia:http://en.wikipedia.org/wiki/Finance#Public_finance

⁷Dictionary description of trend: <http://financial-dictionary.thefreedictionary.com/Trend>

When looking for twitter and trends there are few of far between those who work on it. No material or indication is found to suggest that trending on twitter is researched in regards to sentiment analysis of tweets.

Chapter 3

Data retrieval and structure

3.1 Tweet structure

There are a lot of meta data in the tweets. In fact most of the data in a tweet object is not the tweet content itself.

3.2 What data was used

3.3 How to Obtain the data

Simple guide to access the twitter api: <http://datascienceandprogramming.wordpress.com/2013/0/api/>

3.4 What's the Structure of the data

3.5 Problems and shortcomings

Chapter 4

Sentiment Analysis

This section describes the experiments done. High level description and execution of experiments. Detailed execution and technical details in appendix.

4.1 What we use the sentiment for in this thesis.

4.2 Getting the sentiment

4.2.1 Techniques

4.2.2 - of a Tweet

4.3 Sentiment trend

4.4 Experiments

* Experiment with the time frame of the prediction of the trend. * Typically the variation of time. What's the longest into the future that we can predict the trend? *

- 4.4.1 Recreate sentiment classification with lexicons of positive and negative words.
- 4.4.2 Features addition to tweets.
- 4.4.3 labeled graph propagation.
- 4.4.4 Combination of the three above
- 4.4.5 Trend creation
- 4.4.6 comparrison

Chapter 5

Trending

5.1 The trend is your friend

What is a trend and how does it work.

5.2 Trending and it's applications

5.2.1 In Finance

5.2.2 Elsewhere

5.3 The Trend

5.4 Comparing the trend and the moving average

Chapter 6

Results and Discussion

All our results are in ones and zeroes. And further we discuss why there are only zeroes. And how that affects the outcome and future endeavors for the pirates we are.

Chapter 7

Conclusion

We worked hard, and achieved very little.

Chapter 8

Future Work

All the things I didn't have time to do my self.

Bibliography

- Luciano Barbosa and Junlan Feng. Robust sentiment detection on twitter from biased and noisy data. 2010. Coling 2010: Poster Volume, pages 36–44, Beijing, August 2010.
- Lee Becker, George Erhart, David Skiba, and Valentine Matula. Avaya: Sentiment analysis on twitter with self-training and polarity lexicon expansion. 2013. Second Joint Conference on Lexical and Computational Semantics (*SEM), Volume 2: Seventh International Workshop on Semantic Evaluation (SemEval 2013), pages 333–340, Atlanta, Georgia, June 14-15, 2013. c 2013 Association for Computational Linguistics.
- Gregory W. Brown and Michael T. Cliff. Investor sentiment and the near-term stock market. *Journal of Empirical Finance*, 11(1):1 – 27, 2004. ISSN 0927-5398. doi: <http://dx.doi.org/10.1016/j.jempfin.2002.12.001>. URL <http://www.sciencedirect.com/science/article/pii/S0927539803000422>.
- John A. Doukas, Constantinos Antoniou, and Avaniidhar Subrahmanyam. Sentiment and momentum. January 10, 2010. Updated May 20, 2011. Available at SSRN: <http://ssrn.com/abstract=1479197> or <http://dx.doi.org/10.2139/ssrn.1479197>.
- A. Java, X. Song, T. Finin, and B. Tseng. Why we twitter: Understanding microblogging usage and communities. 2007. 9th WebKDD and 1st SNA-KDD workshop on web mining and social network analysis, 2007.
- Annika Jubbega. Twitter as driver of stock price. Master’s thesis, BI Norwegian School of Management, 2011.
- Yung-Ming Li and Tsung-Ying Li. Deriving market intelligence from microblogs. *Decision Support Systems*, 55(1):206 – 217, 2013. ISSN 0167-9236. doi: <http://dx.doi.org/10.1016/j.dss.2013.01.023>. URL <http://www.sciencedirect.com/science/article/pii/S0167923613000511>.

- Jianfeng Si, Arjun Mukherjee, Bing Liu, Qing Li, Huayi Li, and Xiaotie Deng. Exploiting topic based twitter sentiment for stock prediction. 2013. Proceedings of the 51st Annual Meeting of the Association for Computational Linguistics, pages 24–29, Soa, Bulgaria, August 4-9 2013. c 2013 Association for Computational Linguistics.
- Michael Speriosu, , Nikita Sudan, Sid Upadhyay, and Jason Baldridge. Twitter polarity classification with label propagation over lexical links and the follower graph. 2011. Proceedings of EMNLP 2011, Conference on Empirical Methods in Natural Language Processing, pages 53–63, Edinburgh, Scotland, UK, July 27–31, 2011. c 2011 Association for Computational Linguistics.
- Timm O. Sprenger and Isabell M. Welpe. Tweets and trades: The information content of stock microblogs. December 2010.
- Alexandra Stevenson. The social media stock pickers, Oct 23 2012. URL <http://search.proquest.com/docview/1114502067?accountid=12870>. Copyright - Copyright Financial Times Ltd. 2012. All rights reserved.; Last updated - 2012-10-23.
- Xue Zhang, Hauke Fuehres, and Peter A. Gloor. Predicting stock market indicators through twitter “i hope it is not as bad as i fear”. *Procedia - Social and Behavioral Sciences*, 26(0):55 – 62, 2011. ISSN 1877-0428. doi: <http://dx.doi.org/10.1016/j.sbspro.2011.10.562>. URL <http://www.sciencedirect.com/science/article/pii/S1877042811023895>. jce:title;The 2nd Collaborative Innovation Networks Conference - COINs2010j/ce:title;.

Appendix A

Processed Articles

A.1 Article template

file:*filename.pdf* citation:[]

- * What did they use tweets for?
- * How are tweets used?
- * Event detection. Is the tweet about merging?
- * Where can this article be useful later?
- * What does this article give answers to?

A.2 Tweets and Trades: The Information Content of Stock Microblogs

file:*SSRN-id1702854.pdf* citation:[[Sprenger and Welp, December 2010](#)]

- * What did they use tweets for?
"We find the sentiment (i.e., bullishness) of tweets to be associated with abnormal stock returns and message volume to predict next-day trading volume." [[Sprenger and Welp, December 2010](#)]
- * How are tweets used?

- * Event detection. Is the tweet about merging?

- * Where can this article be useful later?

What twitter is used for, Twitter chapter.

Twitter incentives. [[Sprenger and Welp, December 2010](#), p4]

Description of bullishness, message volume and what it does etc.

[Sprenger and Welp, December 2010, p52] suggest that stock microblogs can claim to capture key aspects of the market conversation.

Picking the right tweets remains just as difficult as making the right trades.

- * What does this article give answers to?

Whether bullishness can predict returns. Whether message volume is related to returns, trading volume, or volatility. Whether the level of disagreement among messages correlates with trading volume or volatility. Whether and to what extent the information content of stock microblogs reflects financial market developments Whether microblogging forums provide an efficient mechanism to weigh and aggregate information

A.3 Exploiting Topic based Twitter Sentiment for Stock Prediction

file:filename.pdf citation:[Si et al., 2013]

- * What did they use tweets for?

Predicting the stock market. Stock index time series analysis. daily one-day-ahead predictions.

- * How are tweets used?

Dirichlet Process mixture model to learn the daily topic set. Vector regression. Topic-based prediction.

- * Event detection. Is the tweet about merging?

- * Where can this article be useful later?

Twitter's topic based sentiment can improve the prediction accuracy. [Si et al., 2013, p28]

- * What does this article give answers to?

A.4 Twitter as driver of stock price

file:Twitter as driver of stock price-Jubbega.pdf citation:[Jubbega, 2011]

- * What did they use tweets for?

- * How are tweets used?

- * Event detection. Is the tweet about merging?

- * Where can this article be useful later?

General about twitter. * What does this article give answers to?

A.5 Twitter Polarity Classification with Label Propagation over Lexical Links and the Follower Graph

file:*twitter polarity classification.pdf* citation:[[Speriosu et al., 2011](#)]

* What did they use tweets for?

Polarity classification. Positive/negative.

* How are tweets used?

With label propagation. Distant supervision. Graph based data structure. user-tweet-bigram/unigram/hashtag/etc.

* Event detection. Is the tweet about merging?

* Where can this article be useful later?

Data section / sentiment /

Twitter section: What people uses twitter for.

Label propagation approach rivals a model supervised with in-domain annotated tweets and outperforms the noisily supervised classifier and a lexicon-based polarity ratio classifier. [[Speriosu et al., 2011](#)]

Twitter represents one of the largest and most dynamic datasets of user generated content.

* What does this article give answers to?

A.6 AVAYA: Sentiment Analysis on Twitter with Self-Training and Polarity Lexicon Expansion

file:*Sentiment Analysis on Twitter with Self-Training and Polarity Lexicon Expansion.pdf* citation:[[Becker et al., 2013](#)]

* What did they use tweets for?

Contextual Polarity Disambiguation and Message Polarity Classification *
How are tweets used?

Constrained learning with supervised learning. Unconstrained model that used semi-supervised learning in the form of self-training and polarity lexicon expansion

* Event detection. Is the tweet about merging?

* Where can this article be useful later?

Technical approach of models and sentiment analysis. State of the art on sentiment analysis with twitter.

* What does this article give answers to?
dependency parses, polarity lexicons, and unlabeled tweets for sentiment classification on short messages

We hypothesize this performance is largely due to the expanded vocabulary obtained via unlabeled data and the richer syntactic context captured with dependency path representations. [Becker et al., 2013]

A.7 Robust Sentiment Detection on Twitter from Biased and Noisy Data

file:*Robust Sentiment Detection on Twitter from Biased and Noisy Data.pdf*
citation:[Barbosa and Feng, 2010]

* What did they use tweets for?
Sentiment analysis with focus on noise reduction.

* How are tweets used?
Noisy labels. Classifies tweets as subjective or objective. Then distinguishes the subjective into positive and negative tweets. Generalization of tweet classification. Meta-information. How tweets are written. More abstract representation.

* Where can this article be useful later?
Previous work, sentiment analysis, twitter, sentiment features. * What does this article give answers to?
It provides a better way to classify tweets.

A.8 Investor sentiment and the near-term stock market

file:*Investor sentiment and the near-term stock market.pdf* citation:[Brown and Cliff, 2004]

* Where can this article be useful later?
In the finance chapter for historic value and where we have come from.
[?, p2] on over-reaction of investors writes: " He(Siegel (1992)) concludes that shifts in investor sentiment are correlated with market returns around the crash. Intuitively, sentiment represents the expectations of market participants relative to a norm: a bullish (bearish) investor expects returns to be above (below) average, whatever "average" may be.". In the light of recent changes in the financial world and the utilisation of sentiment from

social media, the notion that opinions and sentiment of investors and market actors affect the market is not a new observation.

[Brown and Cliff, 2004, p3] indicates that the sentiment does not cause subsequent market returns. For a short-term marketing timing this is bad news. However with the changes in social media over the last decade how is the situation today? With the microblogging sphere of today we can easily see the correlation of sentiment and the market indicators [todo:Citation]. But does the sentiment cause changes in the market-return? [Brown and Cliff, 2004, p3] also says that optimism is associated with overvaluation and subsequent low returns.

* What does this article give answers to?

[Brown and Cliff, 2004, p] concludes that aggregated sentiment measures has strong co-movement with changes in the market. He also indicates that sentiment doesn't appear to be a good trading strategy. This, in the view of [Zhang et al., 2011] indicates a leap in sentiment research and what is possible with the microblogging of today.

A.9 Predicting Stock Market Indicators Through Twitter

“I hope it is not as bad as I fear”

file:*Predicting Stock Market Indicators Through Twitter.pdf* citation:[Zhang et al., 2011]

* What did they use tweets for?

Gather hope and fear for each day using tweets. The sentiment indication of each day is compared to the marked indicators of the same day.

* How are tweets used?

Get the Positive/negative sentiment.

* Event detection. Is the tweet about merging?

* Where can this article be useful later?

Address the question of intention of users on twitter. Good summary of things done in regards to twitter. (Might be a bit outdated, from 2010).

* What does this article give answers to?

That hope, fear and worry makes the stock go down the day after. Calm times, little hope, fear or worry, makes the stock go up.

A.10 Deriving market intelligence from microblogs

file:*Deriving market intelligence from microblogs.pdf* citation:[[Li and Li, 2013](#)]

* How are tweets used?

Companies use twitter for feedback and customer relations. Questions can be asked with a hashtag or to a specific user. This makes it easy to sort filter the messages, and therefore easier to get in contact with the customer. Best Buy demonstrated the successfulness of twitter in customer relations by answering questions with a specific hashtag. In 2009 they had answered nearly 20 thousand questions using twitter. [[Li and Li, 2013](#), p1] Market Intelligence is also a major aspect of the microbloggin sphere.

* What did they use tweets for?

[[Li and Li, 2013](#)] approaches the classification of sentiment in tweets in four steps. First is the topic detection. The topic is the overall theme of the message. This step extracts and identifies the topics associated with the queries of users. Following that the classification of opinion happens. This judges the polarity of the sentiment. The state of mind of the user can be recorded.

A problem that arises is the credibility of the expresser. This is addressed to get a better summary of the sentiment. Then [[Li and Li, 2013](#)] aggregates, the three previously described parts of the classification, to get a truer reflection of the opinions.

* Event detection. Is the tweet about merging?

* Where can this article be useful later?

stateOf-twitter / state-sentiment / data /

* What does this article give answers to?

A.11 The social media stock pickers

file:*social_media_stock_pickers.pdf* citation:[[Stevenson, 2012](#)]

Opinion mining on the web is not a new phenomenon. But in recent years it has become much more attractive to traders in the financial world. Twitter and the social media's opinion is on the rise. This means a surplus of raw data with easy access. Companies all over the world have started to use twitter and readily available tweets to their benefit. Trading with social media is part of the trend. Although there are some drawbacks and shortcomings. Noise and garbage is one of them. It's difficult to accurately sort through

all the data and get only the information relevant for your use. Even if your right 80% of the time, the last 20% can prove devastating. [Stevenson, 2012]

A.12 Sentiment and Momentum

file:SSRN-id1479197.pdf citation:[Doukas et al., January 10, 2010]

Not Twitter. Intra-day transaction data. Sentiment affects the profitability of price momentum strategies.

Use of sentiment can predict changes and momentum in the market. Bad news in an optimistic period creates cognitive dissonance in the small investors. This impacts the market by slowing down the selling rate of losing stocks. [Doukas et al., January 10, 2010, p29]

Sentiment broadly refers to the state of mind a person has. Whereas negative of positive. Based on the current state of mind the person will do optimistic or pessimistic choices. A positive state of mind leads to optimistic judgements of future events. And a negative state of mind leads to pessimistic judgements. [Doukas et al., January 10, 2010, p4]

Further we can see that optimistic sentiment has a 2% monthly average return. While the investor sentiment is pessimistic we see a drastic reduction in returns. Down to 0.34%. [Doukas et al., January 10, 2010, p5] After optimistic periods it is indicated that the monthly return is reduced to -0.49%. On the contrary there is no equivalent change after a pessimistic period. [Doukas et al., January 10, 2010, p6-7] Momentum profits are only significant when the sentiment is optimistic. [Doukas et al., January 10, 2010, p29]

A.13 Is Trading with Twitter only for Twits?

Document Description: Blog post that describes the findings of the article [todo art:ref].

The article has developed a strategy for trading stocks based on the bullishness of the tweet. [todo glossary bullishness] Bullishness as I understand it is the same as the negativity of the tweet.

The article bases its findings on three factors. The holding time of a stock (the time from you buy it until it's sold). The history of x days (how many of the past days are used to determine the tweet signal[todo glossary tweet signal]). And the number of picks (how many stocks you hold at any given time).

It is also indicated that The main article has some good information about

how tweets are built up. (Dollar-tagging for representation of a given stock, \$AAPL)

Has a good figure of the system.

Indicates that the message volume and trade volume are related.

RefArticle: ?? Twitter mood Predicts the Stock Market.

Tags: buy/sell-signals, tweet signals, dollar-tagged, OpinionFinder, GPOMS,

A.14 From Tweets to Polls: Linking Text Sentiment to Public Opinion Time Series

The article uses polling data and two years of tweets as their data.

Basically a comparison of the opinion expressed on twitter and the opinion from phone enquiries.

Uses word counting to distinguish relevant tweets from the rest.

The twitter dataset is huge, typically billions of tweets.

Daily sentiment = positive tweets / negative tweets.

A.15 Tweet usage overview

Time series

Stock index time series analysis

Message volume

Message polarity, Bullishness/bearishness

Predicting the stock market

Predict next day-trading volume

Daily one-day-ahead predictions

Topic based prediction

Vector regression

Dirichlet Process mixture

Label propagation

Appendix B

System specifications

Description of the system designed and implemented.

Three main phases: data retrieval, sentiment classification, trend calculation and comparison.

B.1 Architecture

Top level design of how the software works and communicates through the layers.

B.2 Technology

The technology used, frameworks etc.

Python, javascript. Twython, Flask, angularjs, d3.

B.3 Frameworks

Jeg har sett litt på for å se om de kan være brukbare.

Twython (python bassert) Rameverk for tilkobling og integrasjon mot twitter apiet. Se <https://github.com/ryanmcgrath/twython/tree/master/examples> for eksempler. <https://github.com/ryanmcgrath/twython>

Flask (python bassert) Minimalt rammeverk for webapplikasjoner. Dette gjør det enkelt å lage et API som leverer ferdig klassifiserte tweets og tidssegmenter. <http://flask.pocoo.org/>

AngularJS Generelt godt rammeverk for frontend på web. Kan kanskje brukes sammen med d3 for å presentere dataene. <http://angularjs.org/>

D3 Javascript rammeverk bassert på data. Skal visst være bra å bruke til å tegne grafer og slikt Jeg tenker at det kan være gunstig i presentasjonen av data og sammenlinkningene av moving average og den kalkulererte twitter trenden. <http://d3js.org/>

B.4 Structure

code structure and which files are where.

B.5 Environment

how the system is run and under which conditions.

B.6 Issues

Problems in the implementation and the general solution.

Appendix C

Tweet Data Structure

```
{
  u'contributors': None,
  u'truncated': False,
  u'text': u'W02013149663A1 Estimating Anisotropic Resistivity Of A
Geological Subsurface $ST0 #G01V #G01V11 http://t.co/yyPFEJSdIj',
  u'in_reply_to_status_id': None,
  u'id': 390051769780142080,
  u'favorite_count': 0,
  u'source': u'<a href="http://w.pat.tc" rel="nofollow">TwittlyDumb</a>',
  u'retweeted': False,
  u'coordinates': {
    u'type': u'Point',
    u'coordinates': [
      5.7326363,
      58.9645836
    ]
  },
},
u'entities': {
  u'symbols': [
    {
      u'indices': [
        77,
        81
      ],
      u'text': u'ST0'
    }
  ],
  u'user_mentions': [
```

```

],
u'hashtags': [
    {
        u'indices': [
            82,
            87
        ],
        u'text': u'G01V'
    },
    {
        u'indices': [
            88,
            95
        ],
        u'text': u'G01V11'
    }
],
u'urls': [
    {
        u'url': u'http://t.co/yyPFEJSdIj',
        u'indices': [
            96,
            118
        ],
        u'expanded_url': u'http://w.pat.tc/W02013149663A1',
        u'display_url': u'w.pat.tc/W02013149663A1'
    }
]
},
u'in_reply_to_screen_name': None,
u'in_reply_to_user_id': None,
u'retweet_count': 0,
u'id_str': u'390051769780142080',
u'favorited': False,
u'user': {
    u'follow_request_sent': False,
    u'profile_use_background_image': True,
    u'default_profile_image': False,
    u'id': 163877216,
    u'verified': False,

```

```

    u'profile_text_color': u'333333',
    u'profile_image_url_https': u'https://si0.twimg.com/profile_images/2309783804/355j4shhjrh4rqb5vsys_normal.jpeg',
    u'profile_sidebar_fill_color': u'DDEEF6',
    u'entities': {
        u'url': {
            u'urls': [
                {
                    u'url': u'http://t.co/apqPEHN3aC',
                    u'indices': [
                        0,
                        22
                    ],
                    u'expanded_url': u'http://w.pat.tc',
                    u'display_url': u'w.pat.tc'
                }
            ]
        },
        u'description': {
            u'urls': [

            ]
        }
    },
    u'followers_count': 299,
    u'profile_sidebar_border_color': u'CODEED',
    u'id_str': u'163877216',
    u'profile_background_color': u'CODEED',
    u'listed_count': 8,
    u'profile_background_image_url_https': u'https://abs.twimg.com/images/themes/theme1/bg.png',
    u'utc_offset': 32400,
    u'statuses_count': 247688,
    u'description': u'New patent information from WIPO.
IPC-based hashtags for realtime subject searching.',
    u'friends_count': 203,
    u'location': u'Tsukuba, Japan',
    u'profile_link_color': u'0084B4',
    u'profile_image_url': u'http://a0.twimg.com/profile_images/2309783804/355j4shhjrh4rqb5vsys_normal.jpeg',
    u'following': False,

```



```

    u'geo_enabled': True,
    u'profile_banner_url': u'https://pbs.twimg.com/profile_banners/
163877216/1359154591',
    u'profile_background_image_url': u'http://abs.twimg.com/images/
themes/theme1/bg.png',
    u'screen_name': u'w_pat_tc',
    u'lang': u'en',
    u'profile_background_tile': False,
    u'favourites_count': 10,
    u'name': u'World Patents Mapped',
    u'notifications': False,
    u'url': u'http://t.co/apqPEHN3aC',
    u'created_at': u'Wed Jul 07 14:08:23 +0000 2010',
    u'contributors_enabled': False,
    u'time_zone': u'Tokyo',
    u'protected': False,
    u'default_profile': True,
    u'is_translator': False
},
u'geo': {
    u'type': u'Point',
    u'coordinates': [
        58.9645836,
        5.7326363
    ]
},
u'in_reply_to_user_id_str': None,
u'possibly_sensitive': False,
u'lang': u'en',
u'created_at': u'Tue Oct 15 09:49:23 +0000 2013',
u'in_reply_to_status_id_str': None,
u'place': {
    u'full_name': u'Stavanger, Rogaland',
    u'url': u'https://api.twitter.com/1.1/geo/id/dee2255bd015b52c.json',
    u'country': u'Norway',
    u'place_type': u'city',
    u'bounding_box': {
        u'type': u'Polygon',
        u'coordinates': [
            [

```

```

        5.5655417,
        58.884420999999996
    ],
    [
        5.8687141,
        58.884420999999996
    ],
    [
        5.8687141,
        59.0608787
    ],
    [
        5.5655417,
        59.0608787
    ]
]
]
},
u'contained_within': [

],
u'country_code': u'NO',
u'attributes': {

},
u'id': u'dee2255bd015b52c',
u'name': u'Stavanger'
},
u'metadata': {
    u'iso_language_code': u'en',
    u'result_type': u'recent'
}
}

```