

## **In-class assignment**

**March 10, 2017**

**MFIN 841**

### **Social Media and Textual Analysis**

#### **Activity details:**

- Select 10 tweets that appear to have financial content. This can be tweets from companies, CEOs, or general market participants about any stocks (select a mixture).
- For each tweet, identify and record (in Word or Excel) the date and time (in market hours), the number of followers of the Twitter account that tweeted this content, as well as the number of re-tweet and the number of times the tweet is marked as “Favorite”
- Extract the text of each of your 10 tweets and manually classify the tweet as positive, neutral or negative.
- Go to Yahoo or Google Finance (or a similar tool) and record the stock price for the firm in question. Record the stock price on the day of the tweet as well as each of the previous and the next 5 trading days (for a total of 11 days).

#### **Questions:**

1. Overall, do you see evidence of market response to tweeting on the day of the tweet?
2. If you were to expand the window of returns around the tweet (from day -5 to day +5) do you draw similar conclusions?
3. Is there a correlation between the sentiment of the tweet and market response?
4. Do tweets that receive more retweets, or those for accounts with more followers result in greater market response? (note that for retweets, it may be useful to examine the [-5, +5] interval around the tweets.
5. Do you think that the results would look different when using intraday prices?