

# Analysis of Trader Behavior and Market Sentiment

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## Objective

Explore how Bitcoin market sentiment influences trader performance using historical trading data and sentiment analysis.

## Datasets Used

1. Bitcoin Market Sentiment Dataset: Date and Fear/Greed classification.
2. Historical Trading Dataset: Includes account info, trade size, leverage, PnL, etc.

## Data Preprocessing

Handled missing data, merged datasets by date, and created aggregated features like total PnL and trade volume.

## Exploratory Data Analysis

Analyzed PnL vs sentiment, trade volume trends, leverage effects, and correlations between metrics.

## Key Insights

Fear periods show higher variability and losses; Greed periods have higher trade volumes and risk-taking.

## Recommendations

Integrate sentiment signals for better decision-making and implement risk management strategies during high volatility.

## Future Scope

Develop predictive models and sentiment-based algorithms to enhance trading strategies.

## Conclusion

Sentiment-driven insights can guide smarter trading and risk management in Web3 markets.