

# Predict Stock Price From LinkedIn Profiles

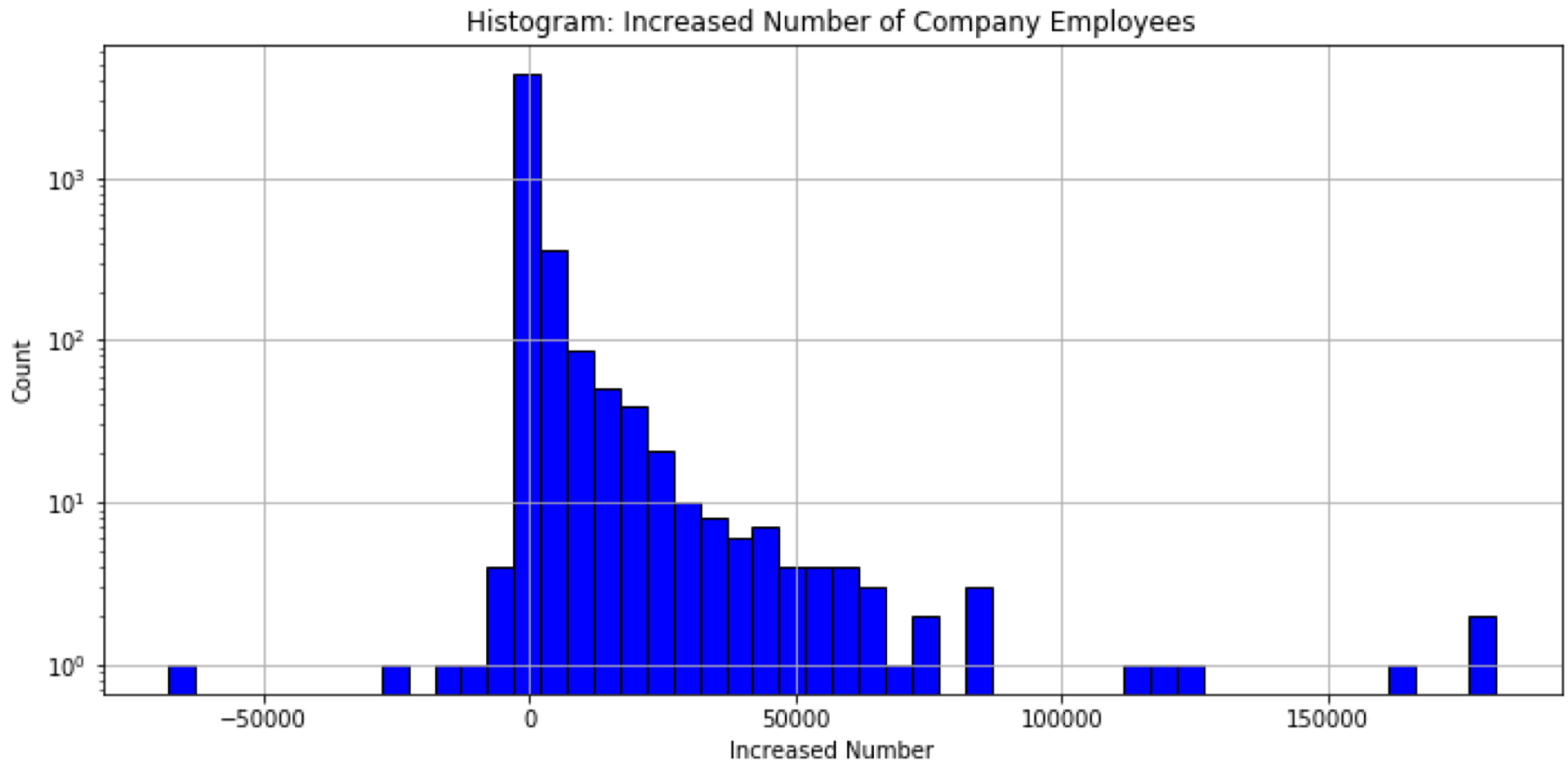
Yichao Zhang



**VS**



# Companies Expansion 2015 - 2018



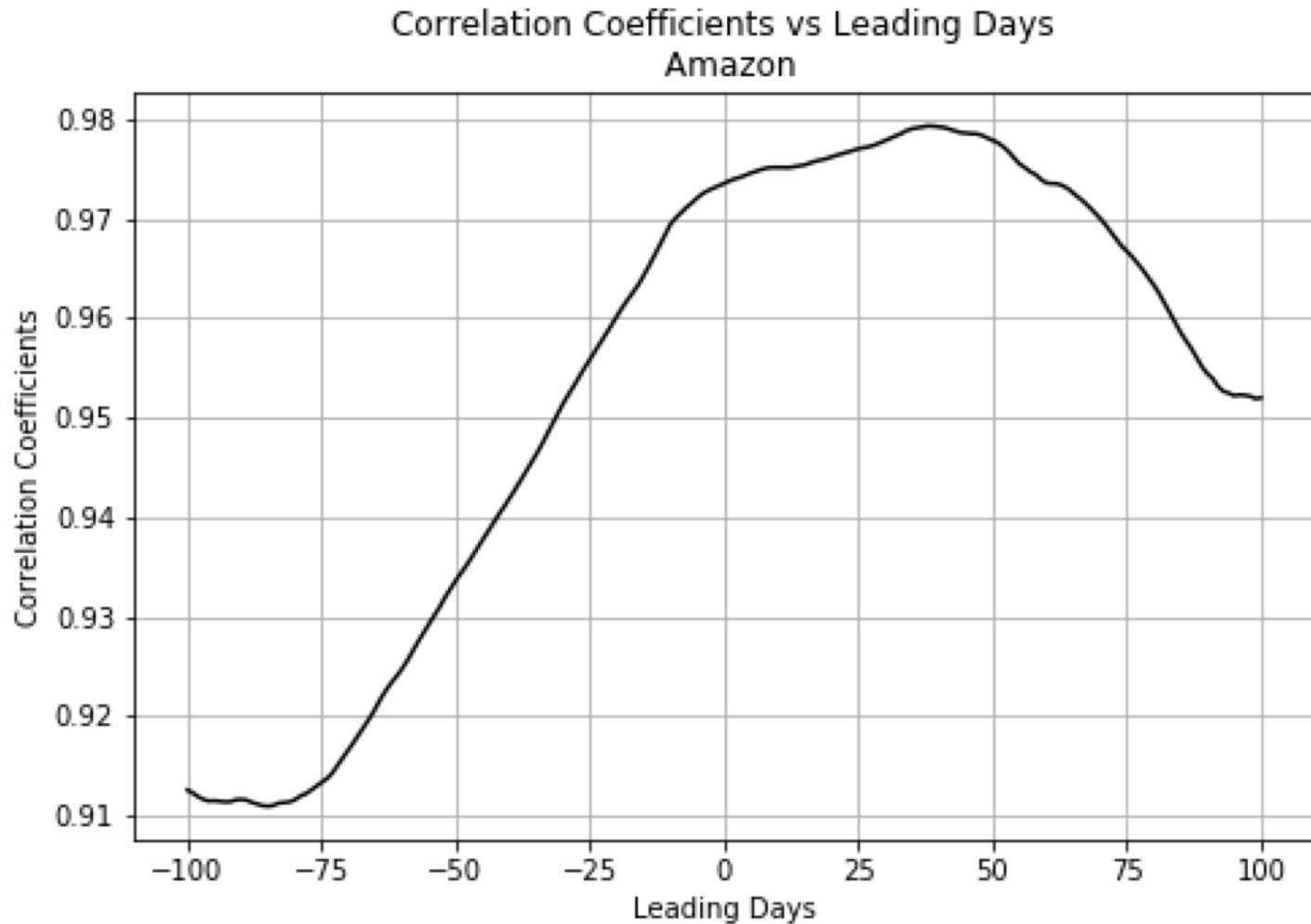
# Top 20 Companies

	expand_num	expand_ratio
company_name		
Walmart	181442.0	0.790146
Amazon	176769.0	2.087716
IBM	163813.0	0.395551
Accenture	122157.0	0.473460
McDonald's	119906.0	1.160497
Marriott International	115879.0	1.861959
Cognizant	85812.0	0.543995
Ford Motor Company	84251.0	1.024702
Apple	82126.0	0.790251
Google	72997.0	1.078529
JPMorgan Chase & Co.	71919.0	0.379084
HSBC	69610.0	0.501513
Vodafone	65685.0	0.839307
Citi	63873.0	0.441759
Bank of America	63626.0	0.321339
Sprint	61329.0	1.599484
Starbucks	60479.0	1.015907
GE	58862.0	0.332875
AT&T	58101.0	0.337875
Wells Fargo	56078.0	0.303592

# Stock vs Number of Employees

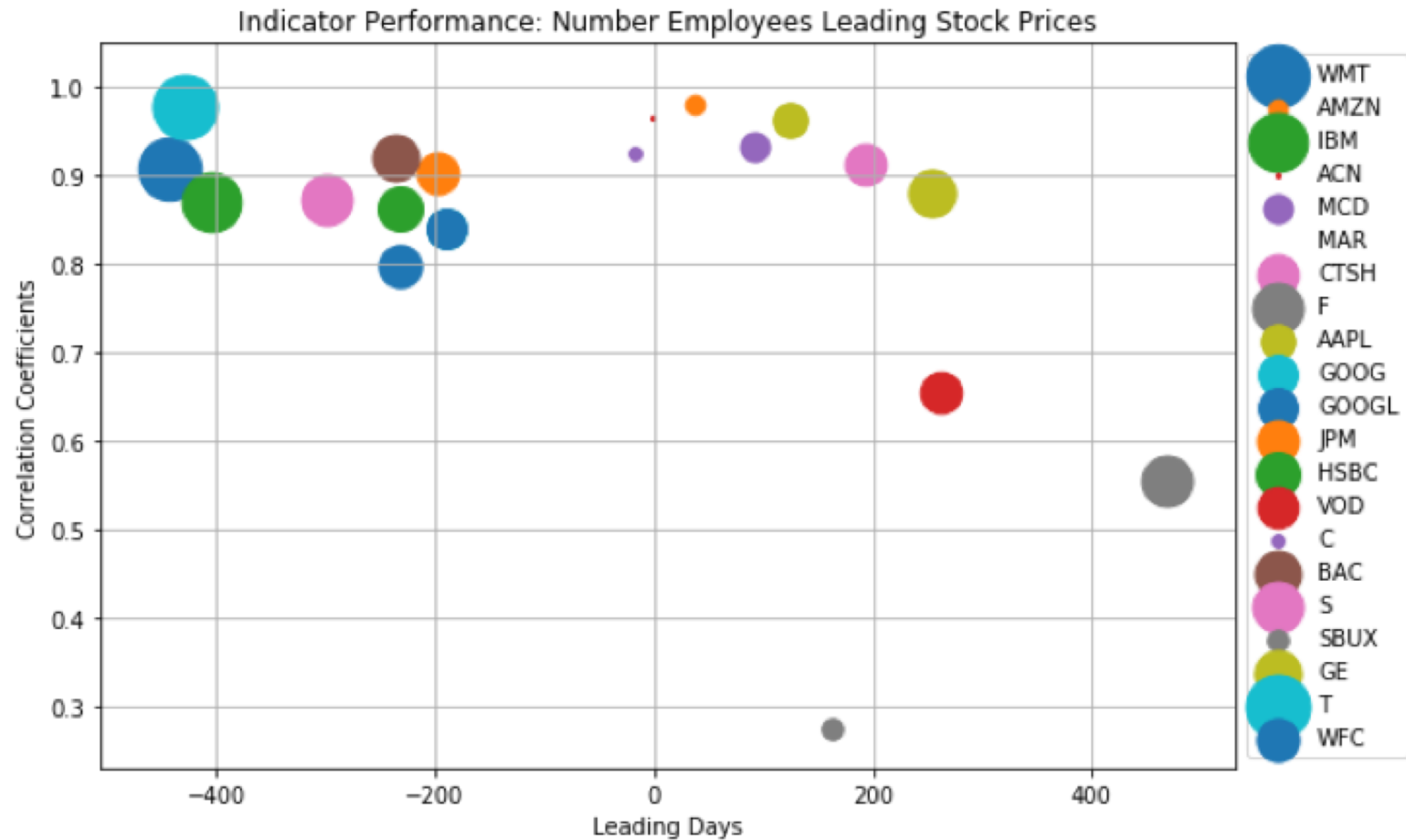


# Correlation Coefficients **vs** Leading Days



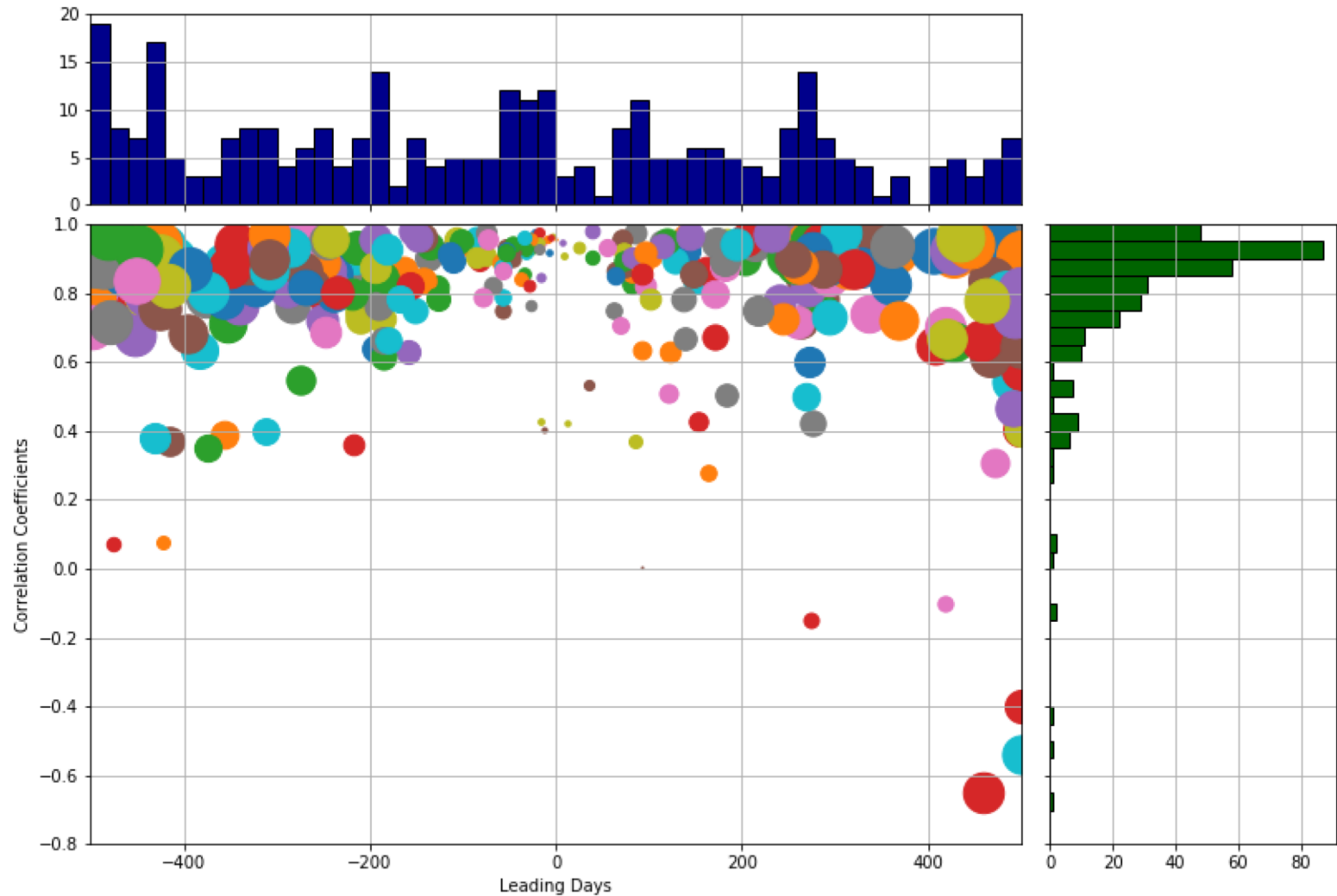
# Indicator Performance of Top 20:

## Number Employees Leading/Lagging Stock Prices



# Indicator Performance

Search 1900+ companies, whose data cover 2016-2017



# Further Steps and Approach:

- Split the date range into in sample period ( for training ) and out of sample period ( for testing )
- **Predictive modeling** ( Naive Bayes, Random Forest, LSTM, etc.). Based on the expansion of a company is leading or lagging the stock price, we build 2 different type of models:
  - **Leading model**: select companies with high correlation coefficients leading indicators, and build a machine learning model to predict the stock price from the number of employees
  - **Lagging model**: select companies with high correlation coefficients lagging indicators, and build a machine learning model to predict the number of employees from the stock price
- Explore the followers\_count, and add it as an additional indicator into the models
- **Backtesting** in sample and out of sample, fine tune the model
- The **performance metric**:
  - For regression model (e.g. predict the stock price values), we use Root Mean Square Error (RMSE)
  - For classification model (e.g. predict of the stock price goes up or down), we use Area Under the Receiver Operating Characteristics (AUROC)