

# Brain Market Sentiment

## Product Summary

The objective of Brain Market Sentiment (BMS) Indicator is to give a score on the general mood of the market by automatically selecting and analysing thousand of news from the most popular financial media.

The BMS is an aggregate score for the sentiment of news topic of the previous day and it varies between 0 and 100. An aggregation by region is available: global, US, Europe and Asia.

## Methodology

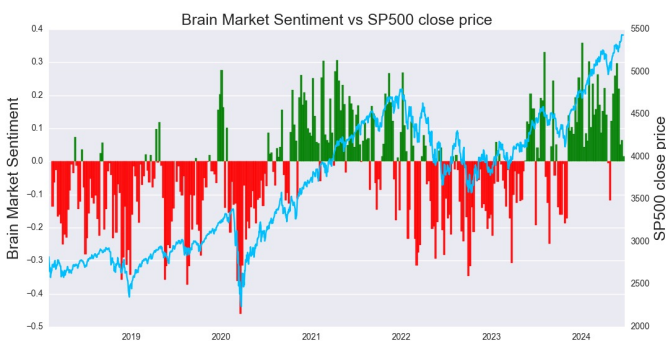
1. Financial news are collected every few minutes from various financial media;
2. All relevant news are clustered by topic in order to account for news repetition;
3. A sentiment score is assigned to each topic using proprietary BRAIN NLP engine;
4. The BMS provides an aggregate score for the news topic sentiment for the previous day.
5. Intraday values are also available and can be accessed through a dedicated Dashboard.

## Frequency and Delivery Settings

The Brain Market Sentiment (BMS) Indicator can be delivered through S3 bucket, FTP, API, email report or visualized on a dashboard on daily frequency and intraday frequency with updates every 5 minutes.

## Brain Market Sentiment vs SP500

The following plot shows the Brain Market Sentiment (BMS) time series for the global region versus the price of the S&P 500 Index. In the plot, the BMS value is averaged on a weekly basis and rescaled between -1 and +1 for better readability.



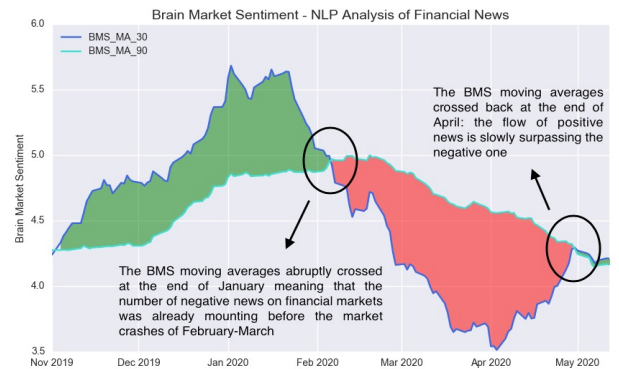
Last update: 19/06/2024

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## Use Case: BMS after Covid Outbreak

As use case we show the trend of BMS indicator after the Covid outbreak by charting the moving averages of the BMS over time:

1. January – March 2020: Negative news surrounding financial markets already began mounting almost a month before the market crash. We see a crossing of the 30-day moving average over the 90-day moving average as soon as the end of January.
2. January – May 2020: positive financial news slowly increased throughout April, with the 30-day moving average crossing back over the 90-day moving average at the end of the month.



## Example of Intraday Calculation

The following snapshot of our Market Monitor Dashboard shows the intraday value of BMS for a sample date with update frequency of 5 minutes (blue line)



## Contacts

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