The Role of Media News and Analysts’ Revision on Stock Returns

Keywords: [Textual Analysis, Data Science]

Introduction

Analysts’ Forecasts are considered a key source of information in the capital markets. Extant literature has shown that analysts’ revisions (i.e., changes in analysts’ forecasts) are a good predictor of stock returns. However, the literature does not show which type of news or information leads analysts to change their expectations.

Project description

This project has four steps:

1. Create a tool to collect analysts’ reports automatically
2. Merge our media News database with the analysts’ reports
3. Use textual analysis to interpret the role of news in analysts’ reports
4. Use this outcome to create a trading strategy

This IDP is directly related to scientific research in asset pricing at the Chair of Financial Management and Capital Markets. As part of this project you will be able to apply your skills in web scraping and data analytics to transform unstructured data filed with regulatory bodies into valuable structured data.

What we are looking for

- Experience with merging databases, cropping data, and textual analysis
- Strong analytical and project management skills
- Determination and passion for your areas of expertise
- Interest to learn something about finance

What we offer

- Kick-off session including introduction to relevant finance and/or business topics
- Large Experience with IDPs
- Open dialogue and support
- Access to prime capital markets databases (Bloomberg, Datastream, Thomson Reuters, etc)
- Both single and group projects are possible

Interested?

Please send an e-mail with CV, academic transcript and your preference for this project to lisa.knauer@tum.de.

Questions?

In case of any (e.g. topic related) questions, please contact Lisa Knauer (lisa.knauer@tum or call +49 89 289 25485).