NATIONAL UNIVERSITY OF SINGAPORE

School of Computing

I S   S E M I N A R

Title:	**Which Investment Advice Do You Follow? Studying the Moderation Effects in Social Media Stock Opinions on Stock Return**

Speaker:	Associate Professor Michael Chau, School of Business, University of Hong Kong
Date/Time:	23 August 2016, Tuesday, 10:30 AM to 12:00 PM
Venue:	Executive Classroom, COM2-04-02
Chaired by:	Associate Professor Tan Chuan Hoo (chtan@comp.nus.edu.sg)

ABSTRACT:

Social media are becoming more prevalent for investors to seek information for making investment decisions. Although previous research has shown that sentiment analysis in social media may help predict future stock returns, the results could be inconsistent and there is a lack of research in applying data analytics on understanding the effect of moderators in stock opinions on future stock performance.

Investigating such effect can be crucial in understanding why inconsistent results exist and creating a strategic value for investors and shareholders. Using social media data from an investment forum, we explore the effect of moderators in stock opinions on stock returns in terms of three aspects involving the quality of articles, author's position, and author's popularity. We find that a subset of good quality articles can be helpful for investment advice in social media. In terms of author's position, we discover that the stated long and short position by the author can have a dominating effect on stock returns irrespective of the sentiment level in the related articles. In addition, articles written by authors with more followers can have a larger impact on future stock performance.

BIODATA:

Dr. Michael Chau is an Associate Professor in the School of Business, Faculty of Business and Economics, and the Warden of Lee Chi Hung Hall, at the University of Hong Kong. His research centers at the cross-disciplinary intersection of information systems, computer science, and information science, with a focus on the applications of data, text, and web mining in various business, education, and social domains. Dr. Chau's research has been well published and recognized. His research has resulted in over 120 publications in high-quality journals and conferences and has received more than 4,000 citations. He is the recipient of the HKU Outstanding Young Research Award (2014) and Knowledge Exchange Award

(2013, 2016), and is highly ranked in several research productivity studies. He is the Program Co-chair of ICIS 2013 and the Founding Co-Chair of the PAISI Workshop series. He received his Ph.D. degree in management information systems from the University of Arizona and his B.Sc. degree in computer science and information systems from the University of Hong Kong.