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[Market Prophit Finds Predictability in Social Media](#)

By THERESA W. CAREY

A new feature on Market Prophit's site ranks bloggers who tweet on their ability to be correct.

Is there predictability in the stock market in social media? Igor Gonta of Market Prophit believes so, and has introduced a new feature to his company's website that helps you find financial bloggers who have crystal balls that are polished and ready to go.

We looked at Market Prophit earlier this year, and liked what we saw ("[Check the Buzz on Apple](#)," July 15, 2013), noting that it generated bullish or bearish signals about stocks based on posts being made to Twitter. The sentiment calculations are generated in real-time, based on proprietary analytics, and are updated every minute. Ranging from +1 (bullish) to -1 (bearish), you can view heat maps that translate the sentiment calculation into shades of red and green by sector or exchange.

The firm just launched its Market Prophit Score, which helps identify individuals who provide content that is predictive of market behavior. Each financial maven also receives a Market Prophit Rank, showing how each blogger ranks relative to his or her peers. If a person has a good predictability, a positive score is generated. If they have a negative correlation to stock-price movements, they get a negative score. If they're just noisy, they get a 0.

Gonta believes that some bloggers may attain high scores in the twos and threes, while the lower-quality posters may end up in the negative two to three range. The analytics ignore a poster's popularity, measured in terms of followers and retweets, because, as Gonta says, "We don't think popularity has anything to do with predictability. Just because someone has 100,000 followers and tweets constantly about stocks doesn't necessarily make them good."

One feature Gonta points to is that the scoring mechanism can discover people you may never have heard of in the sea of millions of Twitter posters.

Clicking on the Top Ten Market Prophits links brings up a page with information about the current top ten prognosticators. In first place overall earlier this week was the Twitter account attached to The Options Pros, with a Market Prophit Score of 2.282, which had recently mentioned [Amazon](#) (ticker: AMZN), [Illumina](#) (ILMN), [Costco](#) (COST) and [Twitter](#) (TWTR) itself.

Each stock analyzed on Market Prophit also provides details about the bloggers who are more focused. Poking around Market Prophit's detail page for Apple, for example, the top three Market Prophits early this week had the Twitter usernames of [@MW_AAPL](#) (with a Market Prophit Score of 0.696), [@DBainySun](#) (0.587) and [@A_Karunaratne](#) (0.374). The first account, [@MW_AAPL](#), is focused solely on

Apple and is managed by MarketWatch, which is owned by Dow Jones, the parent of Barron's. The other two are individuals. Clicking on a Twitter handle opens a new browser page with the most recent tweets displayed. You can also look at each maven's user stats, which details the ticker symbols mentioned and the ticker-specific return and ranking.

ONCE YOU'VE IDENTIFIED BLOGGERS who provide information via Twitter that is positively correlated with a particular stock or sector's return, you can add that maven to your Market Proffit dashboard and keep an eye on what they're saying. You can also create an alert so that you receive an e-mail when they've put up a new tweet about your stock.

You can flip your display about a particular stock from what the crowd is saying to what the mavens are saying with a mouse click. Market Proffit is currently in its late beta testing phase and is free for now. Eventually, Gonta expects the site will offer subscriptions and premium content, and also provide an interface for brokers and other financial sites so that their content can be integrated with other third-party data.

If you're using social media at all in your investing strategy, Market Proffit is well worth adding to your toolkit.