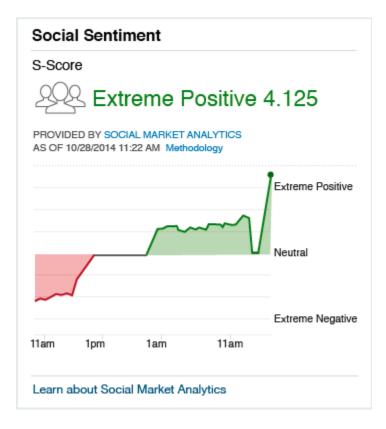# Introducing Social Sentiment

Over the past several years, social media sources like Twitter are being used more frequently to distribute company news, information, and analysis of stocks. Social media often raises awareness of news and information more quickly than traditional news sources. Can social media be another research tool to assist you in making investment decisions? Our newest enhancement can help you find out. Social Sentiment is measured by the S-Score^{TM} calculated by Social Market Analytics (SMA), an independent third-party, based on a patented proprietary model analyzing Twitter and StockTwits messages.

What is it?

The S-Score is a normalized representation of social media sentiment over a lookback period. The S-Score measures the deviation of changes in sentiment intensity of a given stock. The S-Score answers the question, "Is the conversation on Twitter about a particular stock significantly more positive or negative than normal?" Higher levels of sentiment indicate a stronger reaction. High positive sentiment indicates a security is statistically likely to move higher. High negative sentiment indicates the security is statistically likely to go lower.

Please note that rapid movement in the S-Score may make this information more time sensitive and the volume of posting on a particular stock at any one time may also be limited.

How does it work?

The Social Market Analytics model has a few key components:

Extract: SMA monitors the Twitter and Stock Twits message streams for messages about 4200 different publicly-traded companies on a minute-by-minute basis.

Evaluate: The tweets are analyzed for financial market relevance to companies in the SMA stock universe, content related to market sentiment for these stocks, identify and remove spam, and determine whether the message is from sources SMA believes to be relevant.

Calculate: The selected messages are then placed into a process to bucket and weigh the sentiment, and then group into time periods. SMA's normalization and scoring process calculates the S-Score for each stock with active content. S-Scores range from -4.25 to 4.25. Scores between 0 and 1 or 0 and -1 are considered to be neutral. Please reference the methodology document for additional information about the S-Score.

Making it work for you

There are many ways to use the Social Sentiment S-Score. You can use it as a screening criterion to help identify stocks you may want to include or exclude for further analysis with other types of research. You can also use it to monitor the Social Sentiment of stocks your currently hold in your portfolio or that are part of a watchlist you are following.

Important information to consider

This information provider uses the data from public social media sites to provide information about specific stocks. Social media can involve statements which may be made anonymously by the public that may not or cannot be verified for accuracy or completeness.   Social media may be used illegitimately to impersonate established sources of market information to engage in market manipulation such as spreading false or misleading information or rumors about a company to affect the stock's share price. In addition, the volume of social media content covering a particular stock is unpredictable and the amount of available information used to calculate a score may be limited. In accessing this information, you should carefully consider the risks associated with social media and whether to integrate information from social media into your research and investment thinking.

This information is provided by Social Market Analytics, an unaffiliated third party vendor which uses its own proprietary methodology to analyze data from public social media sites to provide information about specific stocks, and Fidelity has not validated the integrity of this data.