Comments on “The Sentiment Hidden in Italian Texts through the lens of a new dictionary” by Giuseppe Bruno, Juri Marcucci, Attilio Mattiocco, Marco Scarno, Donatella Sforzini

The views expressed in this discussion are my own. No responsibility for them should be attributed to the Bank of Canada.

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Key Lessons Learned

- Sentiment expressed in Economic Bulletin follows general economic conditions
- Sentiment can vary significantly throughout a Bulletin although start and end are consistently positive
- LCA can help isolate the most important themes in a Bulletin.
Comments

- Economic Bulletin goes back to 1998. Why not use full sample?
  - Can we get a better baseline for “normal” times?
- Main question: What can be done with these results?
  - Does the Bulletin move market sentiment?
  - Is the Bulletin consistent with market sentiment?
  - What part of the Bulletin is getting market attention?
Comments

- Correlations with real variables interesting but
  - Correlations with growth rates
  - Correlations by Bulletin section
    • Real sections more with GDP than financial sections?
    • Forecasts more with T+? than other sections?
  - Correlations with real time data
    • Higher with real-time or revised data?
Comments
Comments

- Difference between Low and High Sentiment
  - In Overview, Financial Markets and Economic Developments, and Forecasts sections
  - But not in Italian Economy (e.g. Labour, Financial Markets, Banks, etc) sections
  - Why?
- Why are the start and end so much more positive?
Comments

- Do the LCA based on a polarity-based TDM matrix instead of or in addition to word count
- How much more explanatory power when using three dimensions?
## Comments

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Next Steps

- What do the results mean?
- Benchmarking the results against other texts
  - Are Bulletins more or less positive than subsequent speeches and press coverage?
  - Does sentiment in the press move up or down as a result of the Bulletins?
  - Does the English version represent the same sentiment using other ‘standard’ dictionaries?
Thank you