# Exercise 6A: Headline Sentiment Classification

## MGMT 675: Generative AI for Finance

Collect 20 recent financial news headlines from sources such as Reuters, Bloomberg, or Yahoo Finance. For each headline, use Claude to classify:

- **Sentiment**: positive, negative, or neutral
- **Magnitude**: strong or weak
- **Relevance** to the stock price: high, medium, or low

Then look up the actual stock price movement on the day of each headline (e.g., using the Rice Data Portal's SEP table or Yahoo Finance). Record the one-day return.

Calculate Claude's classification accuracy: what fraction of positive-sentiment headlines corresponded to positive returns (and vice versa)? Discuss where the model gets it right and where it fails — pay attention to cases where nuance matters (e.g., "revenue beat expectations but guidance disappointed").

**Deliverables.**

- Spreadsheet with headlines, classifications, price movements, and accuracy (`6A-Sentiment.xlsx`)
- Screenshot of Claude's classification output for at least 5 headlines (`6A-Screenshot.png`)