

## Abstract

This thesis intends to uncover the linkages between the emotions contained within remarks of the president of the United States expressed on Twitter and movements of the stock market indices. The daily comments of the two consecutive presidents, Barack Obama and Donald Trump are annotated with sentiment intensity values using the lexicon-based model called VADER. Our analysis further focuses on testing for Granger causality using the bivariate vector autoregression. Overall, three major stock market indices are employed in testing, namely DJIA, S&P 500 and NASDAQ. The results yield a statistically significant Granger causal relationship in the case of the first differences of DJIA and S&P 500 logarithms with time series of Barack Obama's sentiment values.