

Artist tests superstition on the stock market with robot analyst

August 6 2012, by Bob Yirka

(Phys.org) -- Shing Tat Chung, a designer, artist and graduate of the Royal College of Art, has partnered with Jim Hunt, computer programmer with a British trading group, to create what appears to be the world's first computer controlled investment fund buyer/seller program that uses superstition to make its choices, rather than math, or science. Called Sid the Superstitious Robot, the program is the result of The Superstitious Fund Project, which Chung started to raise interest, and funds, for his initiative.

Chung has a lifelong interest in <u>superstition</u>; his mother was a big influence (and one of his investors). Growing up he became fascinated by the decisions people make that have no real basis in science, such a fear of black cats, or walking under a ladder. After graduation, he started a blog detailing his ideas and thoughts on the topic which included his musings following the Flash Crash of 2010, which was when worldwide stock markets took a dive, apparently because of issues with the automated buy/sell programs now used routinely throughout the world by large investment companies. This got him to wondering if such a program built on algorithms that followed superstition, rather than logic, might turn up some surprising results.

Not being a programmer himself, Chung partnered with Hunt, and together the two of them decided on the kinds of superstitious events that might impact stock purchasing decisions, i.e. Friday the thirteenth, full moons, new moons, etc. Hunt then coded those along with other standard stock trading procedures into an <u>open source</u> investment



program and then the two turned to the internet to see if anyone would be willing to add real money to their cause. There were, they managed to garner £4828.88 via 144 investors, just prior to their official start date of June 1st, which was deemed an appropriately superstitious "good" day, by a fortune teller Chung consulted.

Thus far, the fund hasn't done very well, it's down about five percent, but Chung has been diligent in reminding investors that the project could result in total loss of an investment. The point is, after all, he says, to see if stock market purchasing and selling decisions are as susceptible to suggestion as are many of the other financial decisions people make on a daily basis. He also points out that the program Hunt wrote is designed to learn as it goes, thus making it potentially smarter at recognizing good and bad days, and in the end, finding out if it's possible to make money in the stock money, using superstition as a guide.

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