**CAPSTONE PROJECT 2: Forecast Foreign Exchange Price for EUR/USD**

**PROBLEM**

This capstone project aims to forecast Foreign Exchange price for EUR/USD.

**CLIENT**

This project is beneficial to two categories of users namely:

The First category is institutions such as investment banks and hedge funds who trade foreign exchange positions for profit and also as hedge against currency risk. There is currently a proliferation of algorithmic trading as institutions seek to maximize profit opportunities and reduce their exposure to currency risk

The next category of users are independent players in the currency exchange markets. These are individuals who trade for profit. 95% of players in this category are reputed to be unsuccessful because they play against institutional investors with the resources to move the market and wipe out individual traders. A successful Forex prediction model could potentially give individual traders an edge and help them to be more successful.

DATA

Data required is the OCLH (Open, Close, High, Low data points for the EUR/USD and data can be obtained from yahoo finance:

APPROACH

Compare the effectiveness of traditional regression method of time series analysis (ARIMA) with Neural Networks like LSTM to predict forex prices.

DELIVERABLES

Code

Slide Deck