

Project Design Phase-I
Proposed Solution Template

Date	24 September 2022
Team ID	PNT2022TMID48955
Project Name	Project - Crude Oil Price Prediction
Maximum Marks	2 Marks

Proposed Solution Template:

S.No.	Parameter	Description
1.	Problem Statement (Problem to be solved)	Oil demand is inelastic, therefore the rise in price is good news for producers because they will see an increase in their revenue. Oil importers, however, will experience increased costs of purchasing oil. Because oil is the largest traded commodity, the effects are quite significant. A rising oil price can even shift economic/political power from oil importers to oil exporters. The crude oil price movements are subject to diverse influencing factors. This Project mainly focuses on applying Neural Networks to predict the Crude Oil Price. This decision helps us to buy crude oil at the proper time. Time series analysis is the best option for this kind of prediction because we are using the Previous history of crude oil prices to predict future crude oil.
2.	Idea / Solution description	According to economic theory, the price of crude oil should be easily predictable from the equilibrium between demand and supply, wherein demand forecasts are usually made from GDP, exchange rates and domestic prices, and supply is predicted from past production data and reserve data.
3.	Novelty / Uniqueness	Crude oil price fluctuations have a far reaching impact on global economies and thus price forecasting can assist in minimising the risks associated with volatility in oil prices. Price forecasts are very important to various stakeholders: governments, public and private enterprises, policymakers, and investors.
4.	Social Impact / Customer Satisfaction	<ul style="list-style-type: none">• Increase sales and conversations• Personalize the customer experience• Build brand awareness• Deal with customer queries• Accurate and quick prediction.
5.	Business Model (Revenue Model)	<ul style="list-style-type: none">• Growth opportunities• Fits into the pocket• Economical Development• Uncomplicated interface

6.	Scalability of the Solution	<ul style="list-style-type: none">• Improved user engagement.• Drive sales.• Reduce user acquisition cost.• Immediate response for user.
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