Crude Oil Price Prediction Using Artificial Neural Network

Abstract

Crude oil is amongst the most important resources in today's world, it's the chief fuel and its cost features a direct effect on the worldwide habitat, our economy and oil exploration, exploitation and other activities. Prediction of oil prices has become the necessity of the hour, it's a boon to many large and small industries, individuals, the government. The evaporative nature of petroleum , its price prediction becomes extremely difficult and it's hard to be precise with the same. Several various factors that affect crude oil prices. We propose a up to date and innovative method of predicting petroleum prices using the artificial neural network (ANN). the most advantage of this approach of ANN is that it continuously captures the unstable pattern of the petroleum prices which have been incorporated by finding out the optimal lag and number of the delay effect that controls the costs of crude oil. Variation of lag during a period of time has been finished the most optimum and close results, we then have validated our results by evaluating the basis mean square error and therefore the results obtained using the proposed model have significantly outperformed.

Block Diagram: