PROBLEM STATEMENT

Crude oil is the world's leading fuel, and its prices have a big impact on the global environment,economy as well as oil exploration and exploitation activities. Oil price forecasts are very useful to governments,industry individuals. Although many methods have been developed for predicting oil prices, it remains one of the most challenging forecasting problems due to the high volatility of oil prices. The volatility of crude oil market and its chain effects to the world economy augmented the interest and fear of individuals, public and private sectors. Previous statistical and econometric techniques used for prediction, offer good results when dealing with linear data. Nevertheless, crude oil price series deal with high nonlinearity and irregular events. The continuous usage of statistical and econometric techniques including AI for crude oil price prediction might demonstrate demotions to the prediction performance.