**Model Development Phase Template**

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| Date | 15 March 2024 |
| Team ID | 740012 |
| Project Title | **Predicting IMF-Based Exchange Rates: Leveraging Economic Indicators for Accurate Regression Modeling** |
| Maximum Marks | 5 Marks |

**Feature Selection Report Template**

In the forthcoming update, each feature will be accompanied by a brief description. Users will indicate whether it's selected or not, providing reasoning for their decision. This process will streamline decision-making and enhance transparency in feature selection.

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| Feature | Description | Select(Yes/No) | Reasoning |
| GDP Growth Rate | Annual growth rate of the GDP | Yes | GDP growth rate is a significant indicator of economic health |
| Inflation Rate | Percentage  Increase in general price levels | Yes | Inflation affects exchange rates through purchasing power parity. |
| Interest Rate | The central bank’s bench mark interest rate | Yes | Interest rates impact currency value through investment flows. |
| Trade Balance | The difference between exports and imports | Yes | Trade balance influences demand for a currency. |
| Unemployment | The percentage of the labour force that is unemployed | Yes | High unemployment can weaken a currency. |
| Political Stability Index | Measure of political stability | Yes | Political stability affects investor confidence and currency value |
| Loan ID | Unique identification for each loan | No | For predicting exchange rates, a Loan ID is not required. |