**Project: Exponential Smoothing**

Many time series values give spiked results. This is difficult to develop a forecast on due to the erratic nature. Exponential smoothing can smooth this out so predictions are more stable.

1. **What do you believe will happen if alpha is equal to 1?**

The closer the value of alpha gets to 1, the closer the exponential Smoothing gets to look like the erratic prices of the time series only this time moved to the future.

When the alpha gets to 1. It will be like copying the price of the stock and projected into the future as a predicted value.

1. **Why I chose Facebook prices**

I chose Facebook prices due the attention it got from the privacy policies and the sharing of data (to third party companies like Cambridge Analytica), the attention it got and the steady decline the prices have had for the past few months.

1. **How the files are distributed**

The main Python file is called “***EMA\_Calculations”.*** The *CSV* file and the “*function file”* are all called in the main python program when ran; as long as they are all in the same folder everything should run smoothly.