**MINI PROJECT – II**

**(2018-19)**

# Stock Price Predictor

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**SYNOPSIS**



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**About the Project:**

The aim of the project is to examine a number of different forecasting techniques to predict future stock returns based on past returns and numerical news indicators to construct a portfolio of multiple stocks in order to diversify the risk. We do this by applying supervised learning methods for stock price forecasting by interpreting the seemingly chaotic market data.

**Motivation:**

Nowadays, as the connections between worldwide economies are tightened by globalization, external perturbations to the financial markets are no longer domestic. With evolving capital markets, more and more data is being created daily. The intrinsic value of a company’s stock is the value determined by estimating the expected future cash flows of a stock and discounting them to the present, which is known as the book value. This is distinct from the market value of the stock, that is determined by the company’s stock price. This market value of a stock can deviate from the intrinsic value due to reasons unrelated to the company’s fundamental operations, such as market sentiment. The fluctuation of stock market is violent and there are many complicated financial indicators. Only few people with extensive experience and knowledge can understand the meaning of the indicators and use them to make good prediction to get fortune. Most people have to rely solely on luck to earn money from stock trading. However, the advancement in technology, provides an opportunity to gain steady fortune from stock market and also can help experts to find out the most informative indicators to make better prediction. The prediction of the market value is of paramount importance to help in maximizing the profit of stock option purchase while keeping the risk low.

**Requirements:**

1. **Hardware:**

Dual-core 64-bit processor

1. **Software:**

* Dataset
* Jupyter Notebook
* Libraries
  + 1. Numpy
    2. Scipy
    3. Pandas
    4. Matplotlib
    5. Scikit-Learn