

Capstone Project Proposal

Understanding the currency of Future – BITCOIN

PROBLEM STATEMENT

In the current world of economics and globalization, currencies play an important part whether it is USD, EURO, and YEN etc. The reason why currencies have so much importance in context of economical world is because a lot of trade, exchange of goods and services happen between different organizations, nations and individuals across the globe everyday but one thing to notice is that although these currencies help these individuals/organizations, they are being regulated by their respective centralized governments and which is good in many ways but at the same time pose a challenge to be fully transparent in the current global environment.

BITCOIN is a crypto currency, which solves this purpose as this is totally decentralized and can make wonders for achieving a purely functional global environment in trade, finances and can helps investors alike. Having said that, we know that all good things come with a downside and BITCOIN is no exception to this. Since, BITCOIN is purely decentralized, that is, peer to peer transaction with no intervention from world governments, it poses serious threats as it is lively up to it's dream or being abused by anti social elements of society. This paper deals with the future of BITCOIN and what insights can be gathered from it which can help banks, e-commerce firms etc. to know whether would it be a good idea to incorporate BITCOIN in their financial arsenal.

POTENTIAL CLIENT

The potential client for this problem is a major e-commerce provider in United States of America who is approaching to open shops in emerging markets but at the same time, is limited to government and state restriction for global trade policies imposed by local government (in regard to Financial currencies to be used on their platform). As they see BITCOIN as an emerging currency for the global trade and online activity, they are keen to have this as one of their currencies/financial platform to be used online but they are not sure of the audience of BITCOIN and would like to have some insight into it before venturing out and add BITCOIN in their financial store.

DATA GATHERING

The data, which is going to be used in this problem, comes from a STANFORD data store where they maintain an ongoing and ever increasing data for BICOIN based public data transactions comprising of block chains, network graph of peer – peer transactions etc.

APPROACH

Since the data which is to be used here is a collection of csv files with no class and label information, the approach would be catered towards but not limited to Unsupervised learning practices such as clustering, anomaly detection to name a few.

DELIVERABLES

1. A Research paper documenting the finding and conclusion for this problem from the BITCOIN dataset.
2. Git repository containing the entire code and step by step approach including the graphical presentation of findings (using seaborn and matplotlib)
3. A slide deck for presentation purposes.
4. Optional – Data Story for this problem.