

Model Development Phase Template

Date	15 March 2024
Team ID	740115
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.

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.

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 benchmark 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.