let's create a requirements.txt file that lists the dependencies we wish to install for the application. The requirements.txt file is a common practice in Python development, used to specify the libraries that your project relies on and their versions. This file helps ensure that anyone working on the project can recreate a similar development environment, making it a convenient component for maintaining consistency.

We will install FastAPI for creating the app, [uvicorn](https://www.uvicorn.org/" \t "_blank) to work as the server, and [Redis](https://redis.io/) and type-redis for handling data storage and interacting with a Redis database.

Create a new file in VS Code (**File** > **New Text File** or Ctrl+N).

Add the following content to it:

fastapi

redis

types-redis

uvicorn

Save the file (Ctrl+S) and name it requirements.txt.

Create a virtual environment by opening the Command Palette (Ctrl+Shift+P) and running the **Python: Create Environment** command.

**Note**: This step may take a couple of minutes to complete.

When asked for the environment type, select **Venv**:

<https://code.visualstudio.com/assets/docs/python/environments/create_environment_dropdown.png>

Then select the latest version of Python available on your machine:

<https://code.visualstudio.com/assets/docs/python/fastapi-tutorial/create_environment_interpreters_list.png>

Select the requirements.txt file from the dropdown list, so the dependencies are automatically installed, and then select **OK**:

<https://code.visualstudio.com/assets/docs/python/fastapi-tutorial/create_environment_select_requirements.png>