### **Understanding Your Model's Settings**

This guide explains the key terms and settings you can adjust in the stock predictor application. Understanding these will help you fine-tune the model for better performance.

# Core Training Parameters

These are the most fundamental settings that control how the model learns.

## **Epochs**

- What it is: One complete pass through the entire training dataset.
- **Simple Analogy**: Imagine you're studying a textbook for an exam. Reading the entire book from cover to cover one time is **one epoch**.

#### Effect:

- Too Low: The model doesn't get enough chances to learn the patterns (like skimming the book once).
- Too High: The model might "memorize" the training data instead of learning the general patterns, which hurts its ability to predict future prices (overfitting).
- Optimum Value: A range of 30-75 is usually a great starting point.

#### **Batch Size**

- What it is: The number of data samples (in this case, days) the model looks at before updating its internal knowledge.
- **Simple Analogy**: Instead of studying the whole textbook at once, you study it one chapter at a time. The size of the chapter is the **batch size**. The model learns a little from each "chapter."

### Effect:

- Too Low: Learning can be unstable, like trying to understand a book by reading one random sentence at a time.
- Too High: Learning is stable but can be slow and sometimes less effective.
- Optimum Value: 32, 64, or 128 are very common and effective choices.

## **Learning Rate**

• What it is: Controls how much the model adjusts its knowledge based on the errors it makes. It's the most sensitive setting.

• **Simple Analogy**: You're adjusting a thermostat. The learning rate is how much you turn the dial each time.

#### Effect:

- o **Too High:** Like yanking the dial aggressively. You'll constantly overshoot the perfect temperature. The model's learning will be unstable.
- o **Too Low**: Like turning the dial by a microscopic amount. You'll get there eventually, but it will take a very long time.
- **Optimum Value**: **0.001** is an excellent and widely used default. It's best to start here and only change it if you have a specific reason.

## **Model Performance Metrics**

These numbers tell you how good your model's predictions are.

## MAE (Mean Absolute Error)

- What it means: On average, how many dollars off is the prediction from the actual price?
- Goal: Lower is better. An MAE of 5.0 means the model is off by an average of \$5.

## RMSE (Root Mean Squared Error)

- What it means: Similar to MAE, but it penalizes large errors more heavily. If your RMSE is much higher than your MAE, it means the model made a few very bad predictions.
- Goal: Lower is better.

## R<sup>2</sup> (R-squared)

- What it means: How much of the stock's price movement can the model explain? It's like a percentage score of its accuracy.
- Goal: Higher is better.
  - o **1.0**: Perfect score.
  - o **0.5**: The model explains 50% of the price movement (a good result).
  - Negative: The model is worse than just guessing the average price.

# Hybrid Model Parameters

These sliders control the two "experts" inside your Hybrid model.

### LSTM Settings (The Sequence Expert)

- **LSTM Units**: The size of the model's **short-term memory**. A higher number lets it remember more complex historical patterns. A value of **64 or 128** is a strong choice.
- **LSTM Dropout**: A technique to prevent the model from "cheating" by memorizing the data. It randomly ignores a small fraction of information during training to force it to learn more robustly. A value between **0.1 and 0.3** is typical.

## **Transformer Settings (The Relationship Expert)**

- Transformer Blocks: The number of analytical layers. More blocks allow the model to find deeper and more complex patterns. A value of 1 or 2 is usually sufficient.
- Attention Heads: The number of different things the model can focus on at the same time. More heads allow it to find hidden relationships between multiple features (e.g., how price, volume, and RSI all affect each other simultaneously). A value of 2 or 4 is a powerful starting point.