# Project: Microsoft Stock Price Prediction with Machine Learning

- Objective: Build a time-series forecasting model using TensorFlow to predict Microsoft's stock price based on historical data.
- Dataset: Microsoft Stock Price Dataset

# **Project Goals:**

- 1. Importing Necessary Libraries and Dataset:
  - Load required Python libraries:
    - Pandas for handling datasets.
    - NumPy for numerical operations.
    - o Matplotlib/Seaborn for data visualization.
    - Sklearn for data preprocessing and model evaluation.
    - o TensorFlow for deep learning-based time series forecasting.
  - Load the dataset using Pandas and explore its structure.

### 2. Data Preprocessing:

- Convert the date column into DateTime format and set it as an index.
- Handle missing values by filling them using interpolation.
- Normalize numerical features using MinMaxScaler to improve model performance.
- Create additional features like:
  - Moving Averages (SMA, EMA)
  - Bollinger Bands
  - RSI (Relative Strength Index)
- Split dataset into training (80%) and testing (20%) sets.
- 3. Exploratory Data Analysis (EDA):
  - Visualize Microsoft stock price trends over time using line charts.
  - Analyze price correlations with trading volume and technical indicators.
  - Identify seasonal patterns and market trends.

## 4. Model Training and Selection:

- Train different machine learning models:
  - o Linear Regression
  - o Random Forest
  - XGBoost
  - LSTM (Long Short-Term Memory) using TensorFlow
- Use LSTM (Deep Learning Model) for accurate time series forecasting.

#### 5. Model Evaluation and Prediction:

- Evaluate the best model using:
  - Mean Absolute Error (MAE)
  - Root Mean Squared Error (RMSE)
  - o R<sup>2</sup> Score
- Predict Microsoft stock prices for the next 30 days using real-time market data.

#### **Conclusion:**

- This model provides an accurate prediction of Microsoft's stock price trends using historical data and deep learning techniques.
- Future improvements can include Transformer-based models (e.g., GPT for time series forecasting).