

1. High-Level Design (HLD) Document

High-Level Design Overview

Project Title: *Cryptocurrency Liquidity Prediction for Market Stability*

Purpose:

To build a system that predicts the **liquidity level** (how easily a coin can be traded) of cryptocurrencies using machine learning. This helps traders, investors, and exchanges identify market risk and make better decisions.

Main Components:

1. **Data Source:**

- Historical cryptocurrency data (price, volume, etc.)
- Used two files from CoinGecko (CSV format)

2. **Preprocessing Module:**

- Cleans the data (removes errors or missing values)
- Normalizes values so the model can understand them

3. **Feature Engineering:**

- New columns are created, like:
 - Moving Average (trend)
 - Volatility (price fluctuation)
 - Liquidity Ratio (how actively it's traded)

4. **Model:**

- A machine learning model (Linear Regression) is trained to predict 24h_volume (used as a proxy for liquidity)

5. **Prediction System:**

- A web interface created using **Flask** allows users to enter values and get predicted liquidity