Abstract

Stock prediction has been one of the major target problems of the artificial intelligence domain. Since its beginning, people have tried to predict the share price values of stocks based on various parameters. However, predicting the exact value of any share is a near impossible task as it governed by infinitely many variables. Historical data, government policies, budgets, natural disturbances, to name a few of them. Hence, instead of predicting the exact value of a given share, we propose to predict the direction and intensity of change in the value of stock indices of India based on historical data. We propose to build a network of patterns seen in the 3 major stock indices of our country namely – SENSEX, NIFTY50 and NIFTY Consumption. After using the centrality measures of this network, we propose to use them as input variables to various classification methods such as KNN, SVM, certain deep learning strategies such as use of neural networks as well in order to classify the patterns of our test data. We also propose to use the results of these algorithms in real stock simulators in order to test their consistency using varying strategies.

Datasets

The dataset used in this research consists of the closing prices of 3 stock indices of India namely SENSEX, NIFTY50 and NIFTY Consumption everyday from 01-01-2014 to 31-12-2023 (10 years). SENSEX is a free-float market capitalization consisting of 30 most traded and relatively liquid stocks which contribute towards the balance of the country’s equity market. NIFTY50 on the other hand is a benchmark index of 50 companies. NIFTY Consumption reflects the performance of companies in the domestic consumption sector. The data for SENSEX and NIFTY50 is taken from MarketWatch and NIFTY Consumption is taken from Yahoo Finance.

Introduction

Literature Work

Preliminaries

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Results

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