Cryptocurrency Terms

Cryptocurrency - a digital form of money that exist only in the digital world. They are decentralized, which means they are not controlled by any central authority like a government or a bank. Contrasted with fiat money.

Fiat money (regular money) is a type of currency that is declared legal tender by a government but has no intrinsic or fixed value and is not backed by any tangible asset, such as gold or silver. Basically, it has value because the government says it has value.

Cryptocurrency operates on a technology called blockchain.

Blockchain - a digital ledger that records transactions.

Arbitrage - the practice of taking advantage of a difference in prices in two or more markets. It's a way of making money where one buys something for a low price in one place and then sells it at a higher price somewhere else. The difference in price is profit.

Regression - modeling the relationship between variables. This is what was used in this analysis.

Machine Learning - a type of artificial intelligence (AI) that allows computers to learn and make predictions based on patterns and relationships without being explicitly programmed.

Supervised Learning - involves training a model on labeled data. Used for this analysis.

R^2 Score (R-squared score) - use to evaluate how well the model is likely to make accurate predictions. It's a number between 0 and 1, with 1 indicating the model perfectly predicts the dependent variable.

Cryptocurrency Values

Cardano (ADA)
Highest Value: $3.1 on 9/2/2021
Lowest Value: $.03 on 3/18/2020
Current Value: $.38

Bitcoin (BTC)
Highest Value: $68789.62 on 11/10/2021
Lowest Value: $211.73 on 1/17/2015
Current Value: $27,253.20

Ethereum (ETH)
Highest Value: $ 4891.70 on 11/16/2021
Lowest Value: $ 85.34 on 12/15/2018
Current Value: $1,907.83

Litecoin (LTC)
Highest Value: $ 412.96 on 5/10/2021
Lowest Value: $ 1.34 on 1/20/2015
Current Value: $95.29

Tether (USDT)
Highest Value: $ 1.08 on 3/13/2020
Lowest Value: $ 0.98 on 10/17/2018
Current Value: $1.00

Methodology

The model was created using supervised learning methodology, inputing all columns in the data frame except for Close and Adjusted Close.