

# Swissnoise: a stock market for prediction

## Semester project

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### Description

We have developed a prediction market platform. A prediction market is a trading platform (like the stock market) for making prediction of events. Users trade shares of the outcomes for an event with virtual money. The current market price of an outcome is interpreted as an estimate of the probability of the outcome.

For instance, we want to predict the outcome of the US presidential election. The event is: “Who will win the 2012 election for President of the United States?” The possible outcomes are “Barack Obama” or “Mitt Romney”. Users buy or sell shares of “Barack Obama” or “Mitt Romney” with virtual money. If a user is very confident that “Barack Obama” (“Mitt Romney”) is going to be elected, he buys a lot of “Barack Obama” (“Mitt Romney”) shares. Of course, if he changes his mind because for instance he saw one debate on TV, and he thinks that actually it is not going to be “Barack Obama” (“Mitt Romney”), he will sell his “Barack Obama” (“Mitt Romney”) shares, and maybe buy “Mitt Romney” (“Barack Obama”) shares. It is possible for the user to make a profit when he buys then sells the shares. If the current market price of the shares is higher than at the time of when he bought the shares, then he can sell them and make a virtual profit! At any time, the prediction market gives us the probability that “Barack Obama” (“Mitt Romney”) is elected.

It has been reported that prediction markets are as accurate as other prediction methods such as opinion poll.

The goal of this project is to implement a mobile version (Android and/or iThing), and possibly improve the platform.

### Tasks

1. Design and implement a mobile version.
2. optional: improve the platform.