

CHAPTER 2: END-TO-END MACHINE LEARNING PROJECT

New Hire: Data Scientist

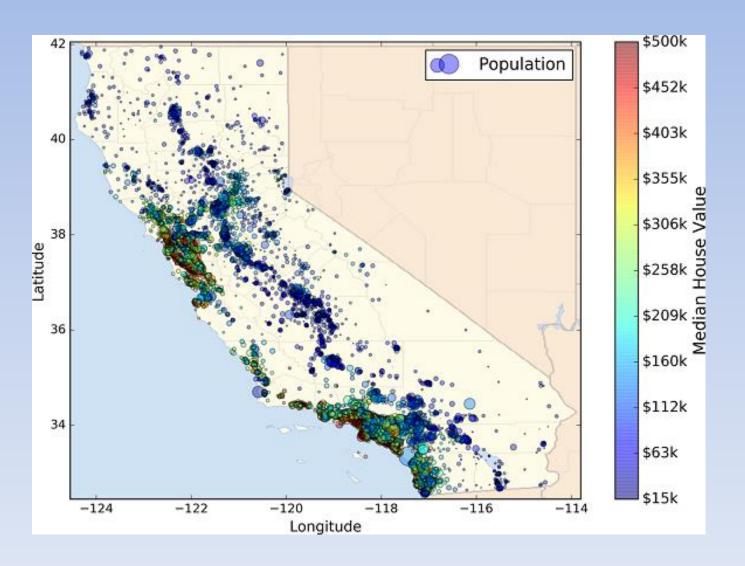
Real Estate Company



Project High Level Steps

- 1. Look at the big picture.
- 2. Get the data.
- 3. Discover and visualize the data to gain insights.
- 4. Prepare the data for Machine Learning algorithms.
- 5. Select a model and train it.
- 6. Fine-tune your model. Present your solution.
- 7. Launch, monitor, and maintain your system.

The Data!



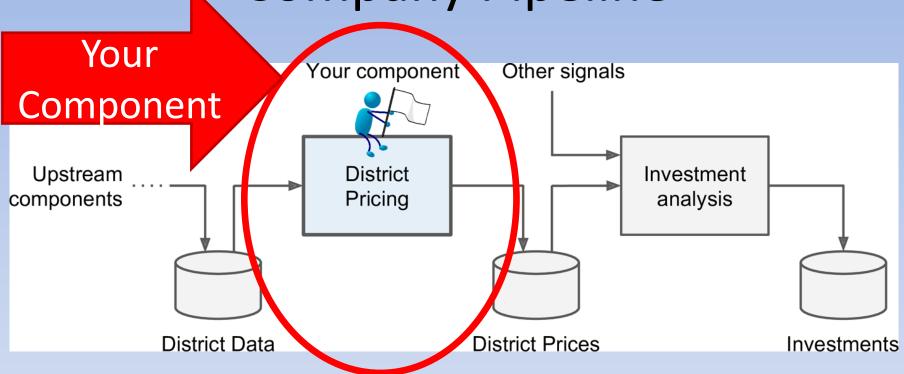
Welcome to Machine Learning Housing Corporation!

- The first task: build a model of housing prices in California using the California census data.
- Metrics such as: population, median income, median housing price, and so on for each block group in California.
 - Block groups are the smallest geographical unit for which the US Census Bureau publishes sample data
 - (a block group typically has a population of 600 to 3,000 people).
 - We will just call them "districts" for short.
- Your model should learn from this data:
 - Be able to predict the median housing price in any district, given all the other metrics.

Framing Problem

- The first question: what exactly is the business objective;
 - building a model is probably not the end goal.
 - How does the company expect to use and benefit from this model?
- This will determine:
 - how you frame the problem,
 - what algorithms you will select,
 - what performance measure you will use to evaluate your model,
 - how much effort you should spend tweaking it.
- Boss' answer:
 - model's output (a prediction of a district's median housing price) will be fed to another Machine Learning system, along with many other signals.
 - This downstream system will determine whether it is worth investing in a given area or not.
 - Getting this right is critical, as it directly affects revenue.

Company Pipeline



How About Current Solution??

- Current solution will give you a reference performance, as well as insights on how to solve the problem.
- Your boss answers that the district housing prices are currently estimated manually by experts:
 - a team gathers up-to-date information about a district, and when they cannot get the median housing price, they estimate it using complex rules.
 - Costly and time-consuming, and their estimates are not great;
 - in cases where they manage to find out the actual median housing price, they
 often realize that their estimates were off by more than 10%.
- Company thinks that it would be useful to train a model to predict a district's median housing price given other data about that district.
- The census data looks like a great dataset to exploit for this purpose
 - it includes the median housing prices of thousands of districts, as well as other data.

System Design

- Type of Task:
 - is it supervised, unsupervised, or Reinforcement Learning?
 - Is it a classification task, a regression task, or something else?
 - Should you use batch learning or online learning techniques?
- Typical supervised learning task since you are given labeled training examples
 - each instance comes with the expected output,
 - i.e., the district's median housing price.
- Typical regression task, since you are asked to predict a value.
 - Multivariate regression problem since the system will use multiple features to make a prediction
 - it will use the district's population, the median income, etc.
- Finally, batch learning should do just fine
 - there is no continuous flow of data coming in the system,
 - there is no particular need to adjust to changing data rapidly
 - the data is small enough to fit in memory, so plain.

Performance Measures

- Need to decide on measures of accuracy of model.
- Root-Mean-Square Error
- Mean Absolute Error

Performance Measure Root-Mean-Square Error

RMSE (**X**, h) =
$$\sqrt{\frac{1}{m}} \sum_{i=1}^{m} (h(\mathbf{x}^{(i)}) - y^{(i)})^2$$

Performance Measure Mean Absolute Error

MAE (X, h) =
$$\frac{1}{m} \sum_{i=1}^{m} |h(\mathbf{x}^{(i)}) - y^{(i)}|$$

Performance Measures

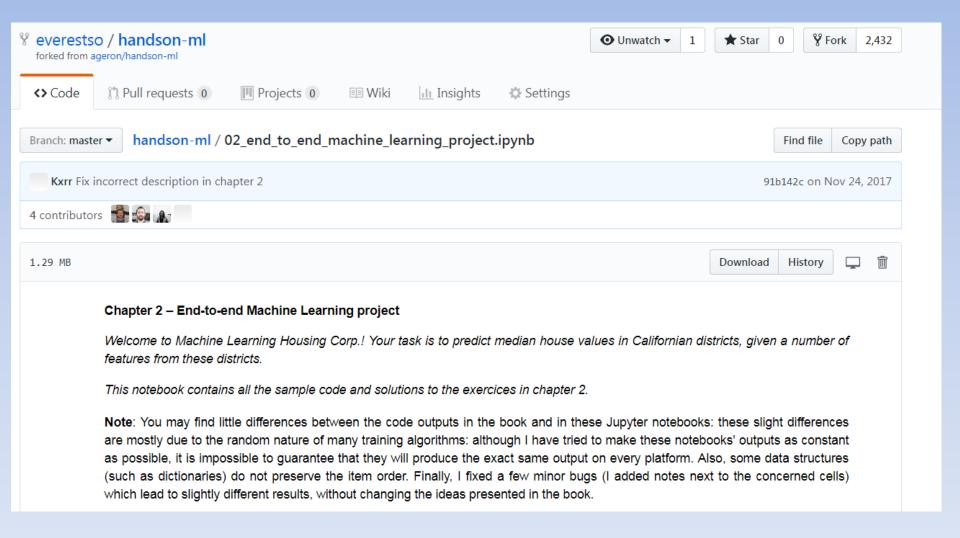
RMSE (X, h) =
$$\sqrt{\frac{1}{m}} \sum_{i=1}^{m} (h(\mathbf{x}^{(i)}) - y^{(i)})^2$$

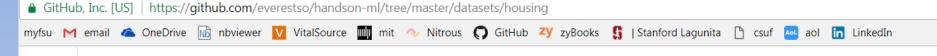
MAE (X, h) =
$$\frac{1}{m} \sum_{i=1}^{m} |h(\mathbf{x}^{(i)}) - y^{(i)}|$$

Verify Assumptions

- Lastly, list and verify assumptions made (by you or others);
 - this can catch serious issues early on.
- For example, district prices that your system outputs are going to be fed into a downstream Machine Learning system, and we assume that these prices are going to be used as such.
 - But what if the downstream system actually converts the prices into categories (e.g., "cheap," "medium," or "expensive") and then uses those categories instead of the prices themselves?
 - In this case, getting the price perfectly right is not important at all;
 your system just needs to get the category right.
 - If that's so, then the problem should have been framed as a classification task, not a regression task.
- You don't want to find out a classification system was needed after working on a regression system for months.

Now Code





California Housing

Source

This dataset is a modified version of the California Housing dataset available from [http://www.dcc.fc.up.pt/~ltorgo/Regression/cal_housing.html](Luís Torgo's page) (University of Porto). Luís Torgo obtained it from the StatLib repository (which is closed now). The dataset may also be downloaded from StatLib mirrors.

This dataset appeared in a 1997 paper titled *Sparse Spatial Autoregressions* by Pace, R. Kelley and Ronald Barry, published in the *Statistics and Probability Letters* journal. They built it using the 1990 California census data. It contains one row per census block group. A block group is the smallest geographical unit for which the U.S. Census Bureau publishes sample data (a block group typically has a population of 600 to 3,000 people).

Pandas for Data











home // about // get pandas // documentation // community // talks // donate

Python Data Analysis Library

pandas is an open source, BSD-licensed library providing high-performance, easy-touse data structures and data analysis tools for the Python programming language.

pandas is a NumFOCUS sponsored project. This will help ensure the success of development of pandas as a world-class open-source project, and makes it possible to donate to the project.

A Fiscally Sponsored Project of



VERSIONS

Release

0.22.0 - December 2017 download // docs // pdf

Development 0.23.0 - 2018 github // docs

- Read in our data.
- Explore the data a bit.
- Download a tgz file, uzip, and save a csv

Python Code

```
DOWNLOAD ROOT = "https://raw.githubusercontent.com/ageron/handson-ml/master/"
In [4]:
        HOUSING_PATH = os.path.join("datasets", "housing")
        HOUSING URL = DOWNLOAD ROOT + "datasets/housing/housing.tgz"
        print (HOUSING URL)
        print (HOUSING PATH)
        def fetch housing data(housing url=HOUSING URL, housing path=HOUSING PATH):
            if not os.path.isdir(housing path):
                os.makedirs(housing path)
            tgz path = os.path.join(housing path, "housing.tgz")
            urllib.request.urlretrieve(housing url, tgz path)
            housing tgz = tarfile.open(tgz path)
            housing_tgz.extractall(path=housing_path)
            housing tgz.close()
        https://raw.githubusercontent.com/ageron/handson-ml/master/datasets/housing/housing.tgz
        datasets/housing
In [5]: fetch housing data()
```

Now the data

X 🗔	4) • (> -	Ŧ					ho	using.csv - Microso	ft Excel	
File	Home	Insert	Page Layout Formula	as Data Re	eview View	_	_			
高	χ Cut	C	alibri - 11 -	A . = =	- ≫ - -	Wrap Text	General		No No	rmal
	Copy +			A A		map rex				
Paste	Format F	Painter	3 I U - 🖽 - 🐠	· A · = =	三三 年 年 四	Merge & Cen	ter - \$ - 5		onditional Format as Go ormatting * Table *	od
C	lipboard	15	Font	6	Alignment		li N	lumber 5		Styles
A20614 ▼ (- £ -121.56										
4	Α	В	С	D	Е	F	G	Н	1	J
1	longitude	latitude	housing_median_age	total_rooms	total_bedrooms	population	households	median_income	median_house_value	ocean_pro
2	-122.23	37.88	41	880	129	322	126	8.3252	45260	NEAR BAY
20614	-121.56	39.08	26	1377	289	761	267	1.4934	4830	INLAND
20615	-121.55	39.09	31	1728	365	1167	384	1.4958	5340	INLAND
20616	-121.54	39.08	26	2276	460	1455	474	2.4695	5800	INLAND
20617	-121.54	39.08	23	1076	216	724	197	2.3598	5750	INLAND
20618	-121.53	39.08	15	1810	441	1157	375	2.0469	5510	INLAND
20619	-121.53	39.06	20	561	109	308	114	3.3021	7080	INLAND
20620	-121.55	39.06	25	1332	247	726	226	2.25	6340	INLAND
20621	-121.56	39.01	22	1891	340	1023	296	2.7303	9910	INLAND
20622	-121.48	39.05	40	198	41	151	48	4.5625	10000	INLAND
20623	-121.47	39.01	37	1244	247	484	157	2.3661	7750	INLAND
20624	-121.44	39	20	755	147	457	157	2.4167	6700	INLAND
20625	-121.37	39.03	32	1158	244	598	227	2.8235	6550	INLAND
20626	-121.41	39.04	10	1698	300	731	291	3.0739	8720	INLAND
20627	-121.52	39.12	37	102	17	29	14	4.125	7200	INLAND
20628	-121.43	39.18	36	1124	184	504	171	2.1667	9380	INLAND
20629	-121.32	39.13	5		65	169	59	3	16250	INLAND
20630	-121.48	39.1	19	2043	421	1018	390	2.5952	9240	INLAND
20631	-121.39	39.12	28	10035	1856	6912	1818	2.0943	10830	INLAND
20632	-121.32	39.29	11	2640	505	1257	445	3.5673	11200	INLAND
20633	-121.4	39.33	15	2655	493	1200	432	3.5179	10720	INLAND
20634	-121.45	39.26	15	2319	416	1047	385	3.125	11560	INLAND
20635	-121.53	39.19	27		412	1082	382	2.5495	9830	INLAND
20636	-121.56	39.27	28		395	1041	344	3.7125	11680	INLAND
20637	-121.09	39.48	25	1665	374	845	330	1.5603	7810	INLAND
20638	-121.21	39,49	18	697	150	356	114	2.5568	7710	INLAND
20639	-121.22	39.43	17	2254	485	1007	433	1.7	9230	INLAND
20640	-121.32	39.43	18	1860	409	741	349	1.8672	8470	INLAND
20641	-121.24	39.37	16	2785	616	1387	530	2.3886	8940	INLAND

Pandas for Data









home // about // get pandas // documentation // community // talks // donate

Python Data Analysis Library

pandas is an open source, BSD-licensed library providing high-performance, easy-to-use data structures and data analysis tools for the Python programming language.

pandas is a NumFOCUS sponsored project. This will help ensure the success of development of pandas as a world-class open-source project, and makes it possible to donate to the project.

A Fiscally Sponsored Project of



VERSIONS

Release

0.22.0 - December 2017 download // docs // pdf

Development 0.23.0 - 2018 github // docs

Read the CSV into Pandas Dataframe

Read the csv file

Create a Histogram w/ House Prices

Histogram of Data w/ Pandas & Matplotlib

pandas.DataFrame.hist

pataFrame.hist(data, column=None, by=None, grid=True, xlabelsize=None, xrot=None, ylabelsize=None, yrot=None, ax=None, sharex=False, sharey=False, figsize=None, layout=None, bins=10, **kwds)

Draw histogram of the DataFrame's series using matplotlib / pylab.

[source]

data: DataFrame

column : string or sequence

If passed, will be used to limit data to a subset of columns

by : object, optional

If passed, then used to form histograms for separate groups

grid : boolean, default True

Whether to show axis grid lines

xlabelsize: int, default None

If specified changes the x-axis label size

xrot : float, default None rotation of x axis labels

ylabelsize : int, default None

If specified changes the y-axis label size

yrot : float, default None
rotation of y axis labels

Parameters:

ax: matplotlib axes object, default None

sharex: boolean, default True if ax is None else False

In case subplots=True, share x axis and set some x axis labels to invisible; defaults to True if ax is None otherwise False if an ax is passed in; Be aware, that passing in both an ax and sharex=True will alter all x axis labels for all subplots in a figure!

sharey: boolean, default False

In case subplots=True, share y axis and set some y axis labels to invisible

figsize : tuple

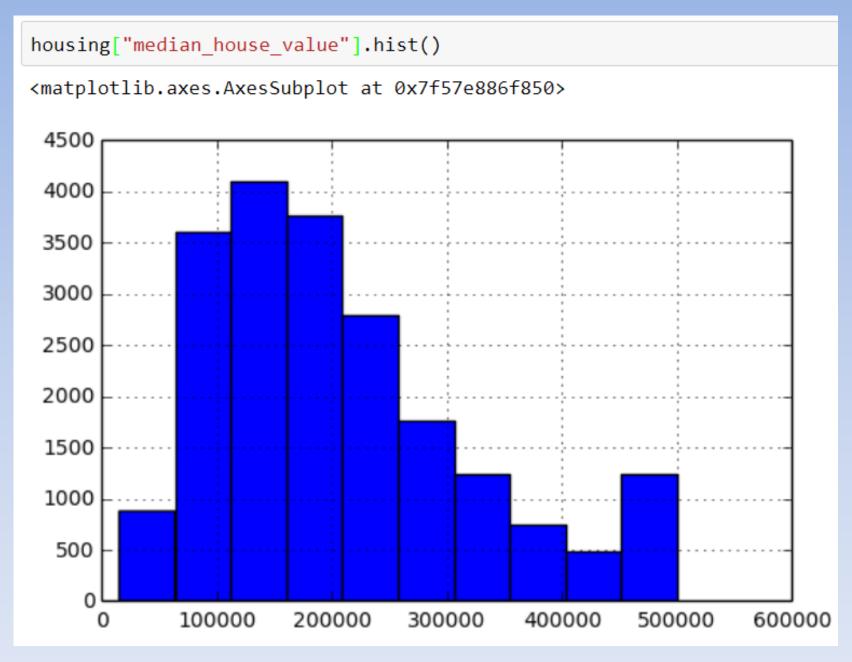
The size of the figure to create in inches by default

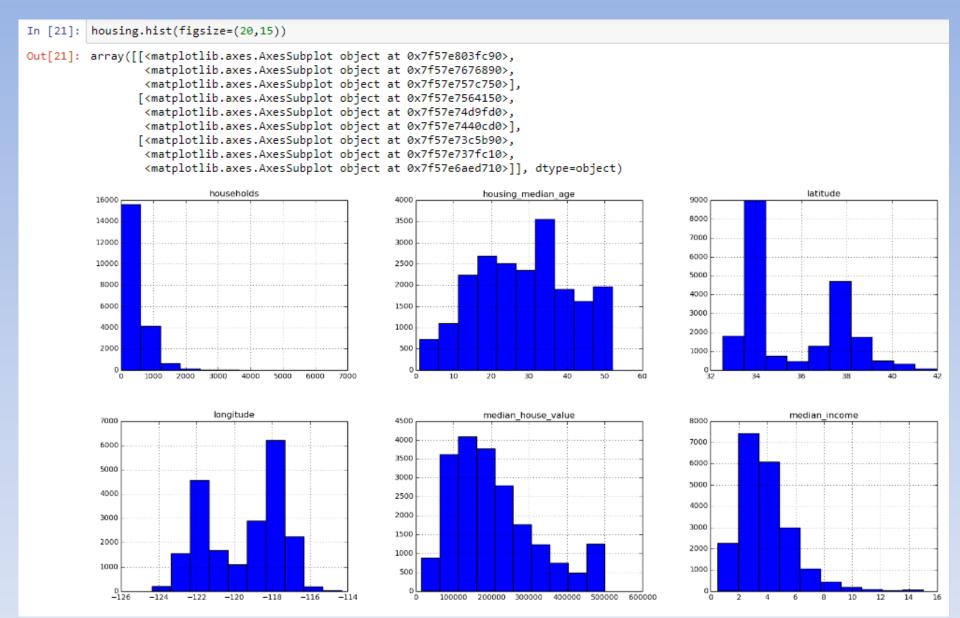
layout : tuple, optional

Tuple of (rows, columns) for the layout of the histograms

bins: integer, default 10

Number of histogram bins to be used kwds: other plotting keyword arguments To be passed to hist function





pandas.DataFrame.describe

DataFrame.describe(percentiles=None, include=None, exclude=None)

[source]

Generates descriptive statistics that summarize the central tendency, dispersion and shape of a dataset's distribution, excluding NaN values.

Analyzes both numeric and object series, as well as DataFrame column sets of mixed data types. The output will vary depending on what is provided. Refer to the notes below for more detail.

percentiles: list-like of numbers, optional

The percentiles to include in the output. All should fall between 0 and 1. The default is [.25, .5, .75], which returns the 25th, 50th, and 75th percentiles.

include: 'all', list-like of dtypes or None (default), optional

A white list of data types to include in the result. Ignored for series. Here are the options:

- · 'all' : All columns of the input will be included in the output.
- A list-like of dtypes: Limits the results to the provided data types. To limit the result
 to numeric types submit numpy.number. To limit it instead to object columns submit
 the numpy.object data type. Strings can also be used in the style of select_dtypes
 (e.g. df.describe(include=['o'])). To select pandas categorical columns, use
 'category'
- . None (default): The result will include all numeric columns.

exclude: list-like of dtypes or None (default), optional,

A black list of data types to omit from the result. Ignored for series. Here are the options:

- A list-like of dtypes: Excludes the provided data types from the result. To exclude numeric types submit numpy.number. To exclude object columns submit the data type numpy.object. Strings can also be used in the style of select_dtypes (e.g. df.describe(include=['o'])). To exclude pandas categorical columns, use 'category'
- None (default): The result will exclude nothing.

Returns: summary: Series/DataFrame of summary statistics

See also: DataFrame.count, DataFrame.max, DataFrame.min, DataFrame.mean, DataFrame.std, DataFrame.select_dtypes

Parameters:

```
In [23]:
         print (housing.describe())
                    longitude
                                   latitude
                                             housing median age
                                                                   total rooms
                               20640.000000
                                                                  20640.000000
         count
                20640.000000
                                                   20640.000000
                 -119.569704
                                  35.631861
                                                      28.639486
                                                                   2635.763081
         mean
         std
                    2.003532
                                   2.135952
                                                      12.585558
                                                                   2181.615252
         min
                 -124.350000
                                  32.540000
                                                       1.000000
                                                                      2.000000
         25%
                 -121.800000
                                  33.930000
                                                      18.000000
                                                                   1447.750000
         50%
                 -118.490000
                                  34.260000
                                                      29.000000
                                                                   2127.000000
         75%
                 -118.010000
                                  37.710000
                                                      37.000000
                                                                   3148.000000
                 -114.310000
                                  41.950000
                                                      52.000000
                                                                  39320.000000
         max
                total bedrooms
                                 population
                                                 households
                                                              median income
                  20433.000000
                                 20640.000000
                                               20640.000000
                                                               20640.000000
         count
         mean
                    537.870553
                                 1425.476744
                                                 499.539680
                                                                   3.870671
         std
                    421.385070
                                 1132.462122
                                                 382.329753
                                                                   1.899822
         min
                       1.000000
                                     3.000000
                                                   1.000000
                                                                   0.499900
         25%
                    296.000000
                                 787.000000
                                                 280.000000
                                                                   2.563400
         50%
                    435.000000
                                  1166.000000
                                                 409.000000
                                                                   3.534800
         75%
                    647.000000
                                  1725.000000
                                                 605.000000
                                                                   4.743250
                   6445.000000
                                35682.000000
                                                6082.000000
                                                                  15.000100
         max
                median house value
                       20640.000000
         count
                      206855.816909
         mean
         std
                     115395.615874
         min
                       14999.000000
         25%
                     119600.000000
         50%
                      179700.000000
         75%
                      264725.000000
                      500001.000000
         max
```

Ocean_Proximity

```
In [26]: print(housing["ocean_proximity"].value_counts())

<1H OCEAN 9136
   INLAND 6551
   NEAR OCEAN 2658
   NEAR BAY 2290
   ISLAND 5
   Name: ocean_proximity, dtype: int64</pre>
```

What Have We Noticed?

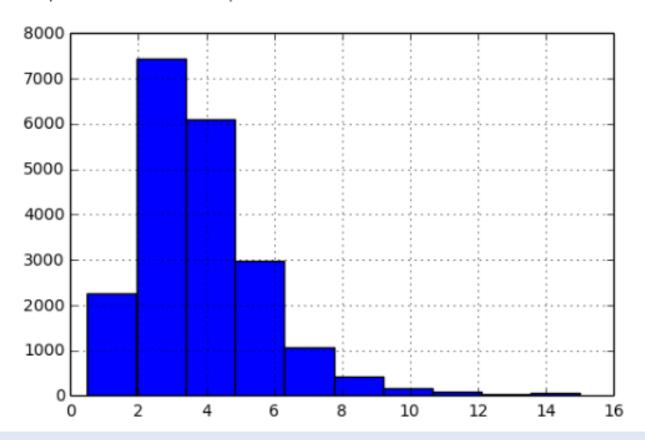
 Median income attribute does not look like it is expressed in US dollars (USD).

In [29]: print(housing["median_income"].describe())
housing["median_income"].hist()

```
20640.000000
count
             3.870671
mean
std
             1.899822
min
             0.499900
25%
             2.563400
50%
             3.534800
75%
             4.743250
max
            15.000100
```

Name: median_income, dtype: float64

Out[29]: <matplotlib.axes.AxesSubplot at 0x7f57e7b6b450>



What Have We Noticed?

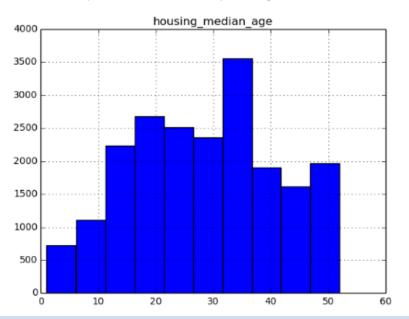
- Median income attribute does not look like it is expressed in US dollars (USD).
- After checking with the team that collected the data, you are told that the data has been scaled and capped at
 - 15 (actually 15.0001) for higher median incomes,
 - 0.5 (actually 0.4999) for lower median incomes.
- Working with preprocessed attributes is common in Machine Learning, and it is not necessarily a problem, but you should try to understand how the data was computed.

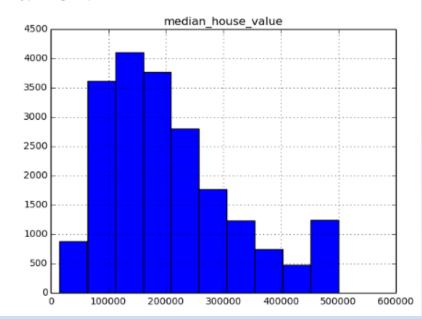
Housing Median Age / Median House Value

 The housing median age and the median house value were also capped.

In [40]: print(housing[["housing_median_age", "median_house_value"]].describe())
 housing[["housing_median_age", "median_house_value"]].hist(figsize=(15,5))

	housing_median_age	median_house_value
count	20640.000000	20640.000000
mean	28.639486	206855.816909
std	12.585558	115395.615874
min	1.000000	14999.000000
25%	18.000000	119600.000000
50%	29.000000	179700.000000
75%	37.000000	264725.000000
max	52.000000	500001.000000





Median House Value Issue?

- The housing median age and the median house value were also capped.
- The latter may be a serious problem since it is your target attribute (your labels).
- Your Machine Learning algorithms may learn that prices never go beyond that limit.
- You need to check with your client team (the team that will use your system's output) to see if this is a problem or not.
- If they tell you that they need precise predictions even beyond \$500,000, then you have mainly two options:
 - Collect proper labels for the districts whose labels were capped.
 - Remove those districts from the training set (and also from the test set, since your system should not be evaluated poorly if it predicts values beyond \$500,000).

Machine Learning Issues?

- These attributes have very different scales. We will discuss this later in this chapter when we explore feature scaling.
- Finally, many histograms are tail heavy:
 - they extend much farther to the right of the median than to the left.
- This may make it a bit harder for some Machine Learning algorithms to detect patterns.
- We will try transforming these attributes later on to have more bell-shaped distributions.

Pause!

- We've taken a quick look at data
- Geron recommends we quickly create a test set.
- Your brain is an amazing pattern detection system, which means that it is highly prone to overfitting:
 - if you look at the test set, you may stumble upon some seemingly interesting pattern in the test data that leads you to select a particular kind of Machine Learning model.
- When you estimate the generalization error using the test set, your estimate will be too optimistic and you will launch a system that will not perform as well as expected.
- This is called data snooping bias.

Scikit Learn

Scikit-Learn provides a few functions to split datasets into multiple subsets in various ways. The simplest function is train_test_split, which does pretty much the same thing as the function split_train_test defined earlier, with a couple of additional features. First there is a random_state parameter that allows you to set the random generator seed as explained previously, and second you can pass it multiple datasets with an identical number of rows, and it will split them on the same indices (this is very useful, for example, if you have a separate DataFrame for labels):

```
from sklearn.model_selection import train_test_split

train_set, test_set = train_test_split(housing, test_size=0.2, random_state=42)
```

```
[52]: from sklearn.model_selection import train_test_split
      train_set, test_set = train_test_split(housing, test_size=0.2, random_state=42)
      print(train_set.describe())
      print( "\nTraining Percentages:\n" )
      print(train_set.count()/housing.count())
                longitude
                               latitude housing_median_age total_rooms \
      count 16512.000000 16512.000000
                                               16512.000000 16512.000000
              -119.582290
      mean
                              35.643149
                                                  28.608285
                                                              2642.004784
      std
                 2.005654
                               2.136665
                                                  12.602499
                                                              2174.646744
              -124.350000
                              32.550000
                                                   1.000000
                                                                 2.000000
      min
      25%
                              33.930000
              -121.810000
                                                  18.000000
                                                              1454.000000
              -118.510000
      50%
                              34.260000
                                                  29.000000
                                                              2129,0000000
      75%
              -118.010000
                              37.720000
                                                  37.000000
                                                             3160.000000
              -114.310000
                              41.950000
                                                  52.000000 39320.000000
      max
             total bedrooms
                               population
                                             households median income \
               16512.000000 16512.000000 16512.000000
                                                          16512.000000
      count
                 538.496851
                             1426.453004
                                             499.986919
                                                              3.880754
      mean
      std
                 419.007096
                              1137.056380
                                             380,967964
                                                              1.904294
      min
                   1.000000
                                 3.000000
                                               1.000000
                                                              0.499900
      25%
                 296.750000
                               789.000000
                                             280.000000
                                                              2.566700
                             1167.000000
                 437.000000
      50%
                                             410.000000
                                                              3.545800
      75%
                 647.000000
                             1726.000000
                                             606.000000
                                                              4.773175
                6445.000000 35682.000000
                                            6082.000000
      max
                                                             15.000100
             median_house_value
                   16512.000000
      count
                  207194.693738
      mean
      std
                  115622.626448
      min
                   14999,0000000
      25%
                  119800.000000
      50%
                  179850.000000
      75%
                  265125,000000
                  500001.000000
      max
      Training Percentages:
      longitude
                            0.800000
      latitude
                            0.800000
      housing median age
                            0.800000
      total rooms
                            0.800000
      total bedrooms
                            0.808105
                            0.800000
      population
      households
                            0.800000
      median income
                            0.800000
      median_house_value
                            0.800000
      ocean_proximity
                            0.800000
      dtvpe: float64
```

Insuring Good Distributions

Suppose you chatted with experts who told you that the median income is a very important attribute to predict median housing prices. You may want to ensure that the test set is representative of the various categories of incomes in the whole dataset. Since the median income is a continuous numerical attribute, you first need to create an income category attribute. Let's look at the median income histogram more closely (back in Figure 2-8): most median income values are clustered around \$20,000–\$50,000, but some median incomes go far beyond \$60,000. It is important to have a sufficient number of instances in your dataset for each stratum, or else the estimate of the stratum's importance may be biased. This means that you should not have too many strata, and each stratum should be large enough. The following code creates an income category attribute by dividing the median income by 1.5 (to limit the number of income categories), and rounding up using ceil (to have discrete categories), and then merging all the categories greater than 5 into category 5:

```
housing["income_cat"] = np.ceil(housing["median_income"] / 1.5)
housing["income_cat"].where(housing["income_cat"] < 5, 5.0, inplace=True)</pre>
```

Explore Data

```
In [53]:
          train_set.plot(kind="scatter", x="median_income", y="median_house_value",
                       alpha=0.1)
Out[53]: <matplotlib.axes.AxesSubplot at 0x7f57d291c210>
          /usr/lib/pymodules/python2.7/matplotlib/collections.py:548: FutureWarning: el
          ad, but in the future will perform elementwise comparison
            if self._edgecolors == 'face':
               600000
               500000
               400000
           median house value
               300000
               200000
               100000
                     0
              -100000
                                                                10
                                                                       12
                                                                              14
                             0
                                                                                     16
                                               median income
```

Prepare For Machine Learning Algorithms

- Write functions for several good reasons:
 - This will allow you to reproduce these transformations easily on any dataset (e.g., the next time you get a fresh dataset).
 - You will gradually build a library of transformation functions that you can reuse in future projects.
 - You can use these functions in your live system to transform the new data before feeding it to your algorithms.
 - This will make it possible for you to easily try various transformations and see which combination of transformations works best.

Preparation Tasks

- Cleaning Data
- Handling Text and Categorical Attributes
- Feature Scaling

Scikit-Learn Design Principles Consistency w/ Interface

- Estimators. Any object that can estimate some parameters based on a dataset is called an estimator
 - Estimation is performed by the fit()method, and it takes only a dataset as a parameter
 - or two for supervised learning algorithms; the second dataset contains the labels.
 - Any other parameter needed to guide the estimation process is considered a hyperparameter and it must be set as an instance variable (generally via a constructor parameter).
- Transformers. Some estimators can also transform a dataset;
 - Transformation is performed by the transform() method with the dataset a parameter.
 - It returns the transformed dataset.
 - Transformation generally relies on the learned parameters
 - All transformers also have a convenience method called fit_transform() that is equivalent to calling fit() and then transform()
- Predictors. Finally, some estimators are capable of making predictions given a dataset;
 - For example, the LinearRegression model
 - predictor has a predict() method that takes a dataset of new instances and returns a dataset of corresponding predictions.
 - It also has a score() method that measures the quality of the predictions given a test set (and the corresponding labels in the case of supervised learning algorithms)

Now In Kaggle

