Demand Forecast

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Eduard Poliakov

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CHAPTER

ONE

SRC_DEMAND_FORECAST

1.1 src_demand_forecast package

1.1.1 Subpackages

1.1.1.1 src_demand_forecast.data package

Submodules

src_demand_forecast.data.split_dataset module

This module contains the function to split the data into train and test sets.

 $src_demand_forecast.data.split_dataset.split_train_test(df: DataFrame, test_days: int = 30) \rightarrow Tuple[DataFrame, DataFrame]$

Split the data into train and test sets. The last *test_days* days are held out for testing.

Parameters

- **df** (*pd.DataFrame*) The input DataFrame containing the data.
- **test_days** (*int*) The number of days to include in the test set (default: 30). use ">=" sign for df_test

Returns

A tuple containing the train and test DataFrames.

Return type

Tuple[pd.DataFrame, pd.DataFrame]

Module contents

1.1.1.2 src_demand_forecast.download package

Submodules

src_demand_forecast.download.download_from_s3 module

This module is used to download the dataset from the Yandex. Cloud storage.

Module contents

1.1.1.3 src demand forecast.entities package

Submodules

src_demand_forecast.entities.feature_params module

This module contains template the class for feature

Bases: object

Class for feature parameters.

features: Dict[str, Tuple[str, int, str, int | None]]

sku_demand_day: List[str]

targets: Dict[str, Tuple[str, int]]

src_demand_forecast.entities.model_params module

This module contains template class for model parameters.

Bases: object

Class for model parameters.

features: List[str]

horizons: List[int]

quantiles: List[float]

src_demand_forecast.entities.split_params module

```
This module contains template for split parameters.
```

```
class src_demand_forecast.entities.split_params.SplitParams(test_days: int)
```

Bases: object

Class for split parameters.

test_days: int

src demand forecast.entities.train pipeline params module

src_demand_forecast.entities.validation_params module

This module contains template for the validation parameters.

Bases: BaseModel

The LowStockSKURequest scheme for FastAPI.

confidence_level: float

horizon_days: int

sku_stock: List[SKUInfo]

class src_demand_forecast.entities.validation_params.SKUInfo(*, sku_id: int, stock: int = 0)

Bases: BaseModel

The SKUInfo scheme for FastAPI.

sku_id: int
stock: int

Bases: BaseModel

The SKURequest scheme for FastAPI.

confidence_level: float

horizon_days: int

sku: SKUInfo

Module contents

1.1.1.4 src demand forecast.features package

Submodules

src_demand_forecast.features.AddFeatures module

src demand forecast.features.AddTargets module

src_demand_forecast.features.build_sku_by_day module

This module contains functions for creating a DataFrame with sales data.

 $src_demand_forecast.features.build_sku_by_day.sku_demand_by_day(demand_orders: DataFrame, demand_orders_status: DataFrame) <math>\rightarrow$ DataFrame

Converts data from SQL to pandas DataFrame.

- 1. Converts 'timestamp' into a datetime object and creates a new 'day' column with the date.
- 2. Creates a cross combination of unique days and unique SKUs.
- 3. Defines order IDs with delivery statuses (1, 3, 4, 5, 6).
- 4. Calculates the total number of products sold for each pair (day, SKU).
- 5. Combines sales data with SKU information.
- 6. Returns the result with columns 'day', 'sku_id', 'sku', 'price', and 'qty' sorted by 'sku_id' and 'day'.

Parameters

- **demand_orders** (*pd.DataFrame*) The demand_orders DataFrame.
- **demand_orders_status** (pd. DataFrame) The demand orders status DataFrame.

Returns

The DataFrame with the sales data.

Return type

pd.DataFrame

src_demand_forecast.features.build_transformer module

This module contains functions for building a transformer and saving transformed data.

 $src_demand_forecast.features.build_transformer.\textbf{features_and_targets_transformer}() \rightarrow \\ Pipeline$

Builds transformer from config. :returns: The transformer. :rtype: Pipeline

Module contents

1.1.1.5 src_demand_forecast.inference package

Submodules

src_demand_forecast.inference.make_request module

This module contains functions for making requests to the FastAPI server.

 $src_demand_forecast.inference.make_request.check_response(response) \rightarrow None$ Check the response from the FastAPI server.

Parameters

response (requests.models.Response) – The response from the FastAPI server.

Return type

None

 $src_demand_forecast.inference.make_request.how_much_to_order(sku_id: int, stock: int, horizon_days: int, confidence_level: float) <math>\rightarrow$ None

Make a request to the FastAPI server to get the order quantity.

Parameters

- **sku_id** (*int*) The SKU id.
- **stock** (*int*) The current stock level.
- **horizon_days** (*int*) The number of days in the horizon.
- **confidence_level** (*float*) The confidence level.

Return type

None

 $\label{eq:stock_sku_list} src_demand_forecast.inference.make_request.\\ \mbox{low_stock_sku_list}(confidence_level: float, horizon_days: int, sku_stock: List[dict]) \rightarrow None$

Get the list of low stock SKUs.

Parameters

- **confidence_level** (*float*) The confidence level.
- **horizon_days** (*int*) The number of days in the horizon.
- **sku_stock** (*List[dict]*) The list of dictionaries with the SKU id and stock level.

Return type

None

 $src_demand_forecast.inference.make_request.stock_level_forecast(sku_id: int, stock: int, horizon_days: int, confidence_level: float) <math>\rightarrow$ None

Get the stock level forecast.

- **sku_id** (*int*) The SKU id.
- **stock** (*int*) The current stock level.

- **horizon_days** (*int*) The number of days in the horizon.
- **confidence_level** (*float*) The confidence level.

Return type

None

Module contents

1.1.1.6 src_demand_forecast.models package

Submodules

src demand forecast.models.repro experiments module

This module contains the MultiTargetModel class, which is used to train a quantile regression model for multiple targets.

class src_demand_forecast.models.repro_experiments.MultiTargetModel(features: List[str],

horizons: List[int] = [7, 14, 21], quantiles: List[float] =

[0.1, 0.5, 0.9])

Bases: object

fit($data: DataFrame, verbose: bool = False) <math>\rightarrow$ None

Fit model on data.

Parameters

- data (pd.DataFrame) Data to fit on.
- **verbose** (*bool*, *optional*) Whether to show progress bar, by default False Optional to implement, not used in grading.

Return type

None

predict(*data: DataFrame*) → DataFrame

Predict on data. Predict 0 values for a new sku_id. :param data: Data to predict on. :type data: pd.DataFrame

Returns

Predictions.

Return type

pd.DataFrame

src_demand_forecast.models.repro_experiments.evaluate_model(df_true: DataFrame, df_pred:

```
DataFrame, quantiles: List[float] = [0.1, 0.5, 0.9], horizons: List[int] = [7, 14, 21]) \rightarrow DataFrame
```

Evaluate model on data.

- **df_true** (pd.DataFrame) True values.
- **df_pred** (*pd.DataFrame*) Predicted values.

- quantiles (List[float], optional) Quantiles to evaluate on, by default [0.1, 0.5, 0.9].
- horizons (List[int], optional) Horizons to evaluate on, by default [7, 14, 21].

Returns

Evaluation results.

Return type

pd.DataFrame

 $src_demand_forecast.models.repro_experiments.quantile_loss(y_true: ndarray, y_pred: ndarray, quantile: float) <math>\rightarrow$ float

Calculate the quantile loss between the true and predicted values.

The quantile loss measures the deviation between the true

and predicted values at a specific quantile.

Parameters

- **y_true** (*np.ndarray*) The true values.
- **y_pred** (*np.ndarray*) The predicted values.
- **quantile** (*float*) The quantile to calculate the loss for.

Returns

The quantile loss.

Return type

float

 $src_demand_forecast.models.repro_experiments.serialize_model(model, output: str) \rightarrow None$ Serialize model to pickle file.

Parameters

- model (object) Model to serialize.
- **output** (*str*) Path to output file.

Returns

Path to output file.

Return type

str

src_demand_forecast.models.train_model module

This module contains the code to train a multi-target model. The model is trained on the data and then used to make predictions. The predictions are evaluated using the quantile loss metric.

```
\begin{tabular}{ll} \textbf{class} & src\_demand\_forecast.models.train\_model.\textbf{MultiTargetModel}(\textit{features: List[str], horizons:} \\ & \textit{List[int]} = [7, 14, 21], \textit{quantiles:} \\ & \textit{List[float]} = [0.1, 0.5, 0.9]) \end{tabular}
```

Bases: object

 $\textbf{fit}(\textit{data: DataFrame, verbose: bool} = \textit{False}) \rightarrow None$

Fit model on data.

- data (pd.DataFrame) Data to fit on.
- **verbose** (*bool*, *optional*) Whether to show progress bar, by default False Optional to implement, not used in grading.

predict(*data: DataFrame*) → DataFrame

Predict on data. Predict 0 values for a new sku_id. :param data: Data to predict on. :type data: pd.DataFrame

Returns

Predictions.

Return type

pd.DataFrame

```
src\_demand\_forecast.models.train\_model.evaluate\_model(df\_true: DataFrame, df\_pred: DataFrame, quantiles: List[float] = [0.1, 0.5, 0.9], horizons: List[int] = [7, 14, 21]) <math>\rightarrow DataFrame
```

Evaluate model on data.

Parameters

- **df_true** (pd. DataFrame) True values.
- **df_pred** (*pd.DataFrame*) Predicted values.
- quantiles (List[float], optional) Quantiles to evaluate on, by default [0.1, 0.5, 0.9].
- horizons (List[int], optional) Horizons to evaluate on, by default [7, 14, 21].

Returns

Evaluation results.

Return type

pd.DataFrame

```
src\_demand\_forecast.models.train\_model.quantile\_loss(y\_true: ndarray, y\_pred: ndarray, quantile: float) <math>\rightarrow float
```

Calculate the quantile loss between the true and predicted values.

The quantile loss measures the deviation between the true

and predicted values at a specific quantile.

Parameters

- **y_true** (*np.ndarray*) The true values.
- **y_pred** (*np.ndarray*) The predicted values.
- quantile(float) The quantile to calculate the loss for.

Returns

The quantile loss.

Return type

float

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- model (object) Model to serialize.
- **output** (*str*) Path to output file.

Module contents

1.1.1.7 src_demand_forecast.upload package

Submodules

src_demand_forecast.upload.s3_storage module

This script uploads files to Yandex Object Storage (Yandex S3).

Module contents

1.1.1.8 src_demand_forecast.visualization package

Submodules

src demand forecast.visualization.visualize module

In this file, we will implement the visualization of the demand forecast.

Module contents

1.1.2 Module contents

CHAPTER

TWO

DEMAND FORECAST

2.1 What is the project about?

Products such as electronics, household appliances have varying characteristics and demand cycles. Category managers, responsible for overseeing these items throughout their lifecycle, face challenges in planning purchases, especially when the assortment spans thousands of items. As data volume increases and platform complexity grows, traditional methods of inventory management and demand forecasting become less effective. In response to these challenges, Supermegaretaillite is investing in the development of an automated system, including an ML-based demand forecasting service.

To preserve the primacy of the source code, the SRC module is loaded in PyPi for further use in repositories training-pipeline and inference-pipeline.

2.2 How to use this project?

This project is deployed on the server and is fully ready to work 24/7. If you want to use this service, you need to: 1. Open this web address. 2. For example, you would like to know the demand for the product with SKU ID 20 for the next 7 days. You should fill in the fields in web service: SKU_ID = 20, Stock = 10, Horizon Days = 7, Confidence Level = 0.90. 3. Click the buttons: - "Get how much to order" to find out how much inventory you need to order from the supplier. - "Get stock level" to find out how much stock you will have in 7 days. - "Get low stock SKU ID" to find out which products will be out of stock in 7 days.

2.3 Project Organization

```
app.py
                      <--- FastAPI app
                      <--- Configs for this project
configs
  – train_config.yaml
                          <--- Training configuration file
data
                      <--- Data for this project
   external
                          <--- External data sources
                          <--- Intermediate data
   interim
                          <--- Processed data ready for analysis
   processed
      features_targets.csv <--- Features and targets for training</li>
        predictions.csv
                            <--- Model predictions
       sku_demand_day.csv <--- Demand forecast for each SKU</pre>
                          <--- Raw data before processing
        demand_orders.csv <--- Demand orders data</pre>
```

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```
demand_orders_status.csv <--- Demand orders status data</pre>
         features.csv <--- Features data
          sales.csv
                          <--- Sales data
                         <--- DVC data tracking file
data.dvc
- docker-compose.yml
                         <--- Docker Compose configuration

    Dockerfile

                         <--- Dockerfile for building the project container
                         <--- Documentation for this project
- docs
   — Makefile
                              <--- Makefile for building docs
   - ML_System_Design.md <--- ML System Design document</pre>
                        <--- DVC lock file
- dvc.lock
- dvc.yaml
                         <--- DVC pipeline definition
- images
                         <--- Images used in documentation
 Demand_Forencast_Pipeline.jpg
                         <--- Package initializer
- __init__.py
- LICENSE
                         <--- License for this project
- logs
                         <--- Logs generated by the application
 — app.log
 Makefile
                          <--- Makefile for various build tasks
MANIFEST.in
                         <--- Manifest for package distribution
- models
                          <--- ML models and associated files
                             <--- Model training losses
   — losses.json
 model.pkl
                             <--- Serialized model
                          <--- Jupyter notebooks for exploration and analysis

    notebooks

                            <--- Exploratory Data Analysis notebook
 └─ EDA.ipynb
- project_structure.txt <--- Project structure description</pre>
- prometheus_data
                         <--- Prometheus monitoring configuration
   – app_metrics.py
                             <--- Application metrics for Prometheus
 __ prometheus.yml
                              <--- Prometheus configuration file
README.md
                          <--- Readme file with project overview
- requirements.txt
                        <--- Python dependencies
- setup.cfg
                         <--- Setup configuration
                         <--- Setup script for installing the package
- setup.py
src_demand_forecast <--- Source code for demand forecast</pre>
    - data
                             <--- Data processing scripts
         __init__.py
      ldsymbol{ldsymbol{ldsymbol{ldsymbol{ldsymbol{eta}}}} splitldsymbol{ldsymbol{ldsymbol{eta}}} splitldsymbol{ldsymbol{ldsymbol{eta}}} splitldsymbol{ldsymbol{eta}} the dataset
                              <--- Data download scripts
       — download_from_s3.py<--- Script to download data from S3</p>
        - __init__.py
     entities
                              <--- Entity definitions
        – feature_params.py
        - __init__.py
        - model_params.py <--- Model parameters</pre>
        - split_params.py <--- Split parameters</pre>
        - train_pipeline_params.py <--- Training pipeline parameters</pre>
      validation_params.py <--- Validation parameters
     features
                            <--- Feature engineering scripts
        – AddFeatures.py <--- Script for adding features</pre>

    AddTargets.py <--- Script for adding targets</li>

        - build_sku_by_day.py <--- Script for building SKU demand by day</pre>
        - build_transformer.py <--- Script for building a transformer</pre>
         __init__.py
```

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```
inference
                          <--- Inference scripts
      ___init__.py
       - make_request.py
                           <--- Script for making inference requests
    __init__.py
    - models
                           <--- Model training and evaluation scripts
      — __init__.py
       - repro_experiments.py <--- Reproducibility experiments</p>
     train_model.py <--- Model training script
    upload
                           <--- Data upload scripts
      ___init__.py
      — s3_storage.py
                           <--- Script to upload data to S3
                           <--- Data visualization scripts
   - visualization
       - __init__.py
     visualize.py
                           <--- Script for visualizing data
                       <--- Unit tests for the project
- tests
                          <--- Tests for the FastAPI app
     test_streamlit_app.py <--- Tests for the Streamlit app</pre>
   conftest.py
                        <--- Pytest configuration
   - data
                           <--- Tests for data processing
    test_data.py <--- Tests for data processing</pre>
                           <--- Tests for models
   - models
tox.ini
                       <--- Tox configuration for testing
- train_pipeline.py
                     <--- Script for running the training pipeline
web_app
                       <--- Web application scripts
                       <--- Dockerfile for the web application
  — Dockerfile
  — __init__.py
— requirements.txt <--- Python dependencies for the web application</pre>
  — streamlit_app.py <--- Streamlit web application
```

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