

For the following questions use the data in the file `cities1.xlsx`. It contains data on 325 metropolitan cities in the United States.

- Let column `Metropolitan_Area` be the row names of your dataframe.
- Remove the non-numeric variables, `Crime_Trend` and `Unemployment_Threat`.
- Use `scale()` function to scale all numeric columns.
- Use function `dist` to find the distance between cities (on the scaled data).

## K-MEANS CLUSTERING

1. (10 pts) Use `set.seed(123)` and the user function `twcv` to find TWCV values for  $k = 1 : 16$ . Use `nstart = 25`. Display the elbow chart.
2. (10 pts) The best number of clusters is the smallest  $k$  such that the cluster plot shows the least amount of clusters overlap. Use `fviz_cluster()` with argument `geom = "point"` to display cluster plots with no label names. Try `fviz_cluster()` with different  $K$ . What is the best  $K$ ? For this  $K$  find the number of cities in each cluster.
3. (10 pts) Find the median (or mean, if you prefer) of each numerical column (on the original un-scaled dataset). Write one sentence characterizing each cluster.

## HIERARCHICAL CLUSTERING

4. (20 pts) Use function `hclust` with linkage `ward.D` to create object `h1` and display the four clusters on the dendrogram. Use function `cuttree()` to find the clusters. Find the number of cities in each cluster. Use `fviz_cluster()` with argument `geom = "point"` to display the cluster plots of your choice with no label names. Find the CCPC for `ward.D`.
5. (20 pts) Use function `hclust` with linkage `complete` to create object `h2` and display the four clusters on the dendrogram. Use function `cuttree()` to find the clusters. Find the number of cities in each cluster. Use `fviz_cluster()` with argument `geom = "point"` to display the cluster plots of your choice with no label names. Find the CCPC for complete linkage.
6. (20 pts) Use function `hclust` with linkage `average` to create object `h3` and display the four clusters on the dendrogram. Use function `cuttree()` to find the clusters. Find the number of cities in each cluster. Use `fviz_cluster()` with argument `geom = "point"` to display the cluster plots of your choice with no label names. Find the CCPC for average linkage.
7. (10 pts) What linkage do you prefer? For the clusters found for this linkage find the median (or mean, if you prefer) of each numerical column (on the original un-scaled dataset). Write one sentence characterizing each cluster for this linkage.

Submit your report (code and output) as a pdf file onto Blackboard (no screen captures). Read your pdf file before submitting.