Credit Card Fraud Detection

This project involves building a machine learning model to detect fraudulent credit card transactions. We use a dataset containing information about credit card transactions and experiment with three algorithms: Logistic Regression, Decision Trees, and Random Forests to classify transactions as fraudulent or legitimate.

Steps:

1. Import Necessary Packages

Import libraries for data manipulation ('pandas', 'numpy'), model building ('sklearn'), and evaluation ('seaborn', 'matplotlib').

2. Load the Dataset

Load the dataset using 'pandas' and perform initial exploration to understand the structure and contents of the data.

3. Data Preprocessing

Handle Missing Values: Check for and fill any missing values with the mean. Feature Scaling: Scale the features using 'StandardScaler' to standardize the data.

4. Split the Dataset

Split the dataset into training (80%) and testing (20%) sets using 'train test split'.

5. Model Building and Training

Train three different models:

Logistic Regression

Decision Tree

Random Forest

6. Model Evaluation

Evaluate each model using the following metrics:

Accuracy

Recall

Precision

F1 Score

Display a confusion matrix and ROC curve for visual evaluation.

7. Model Comparison

Compare the performance of the three models based on the evaluation metrics. Select the best model based on the highest F1 Score.

8. Save and Load the Best Model

Save the best model using 'joblib'. Load the model to verify predictions.