Artificial Neural Network Importing the libraries In [1]: import numpy as np import pandas as pd import tensorflow as tf In [2]: tf.__version__ '2.7.0' Out[2]: Part 1 - Data Preprocessing Importing the dataset In [4]: dataset = pd.read_csv('Project_1_ANN_Banking.csv') X = dataset.iloc[:, 3:-1].values #Printing starting from index 3(CreditScore) to EstimatedSalary excluding -1(Exited)--->Train Attributes y = dataset.iloc[:, -1].values #Printing only last column Exited--->Target Attribute In [5]: print(X) [[619 'France' 'Female' ... 1 1 101348.88] [608 'Spain' 'Female' ... 0 1 112542.58] [502 'France' 'Female' ... 1 0 113931.57] [709 'France' 'Female' ... 0 1 42085.58] [772 'Germany' 'Male' ... 1 0 92888.52] [792 'France' 'Female' ... 1 0 38190.78]] print(X) [[619 'France' 'Female' ... 1 1 101348.88] [608 'Spain' 'Female' ... 0 1 112542.58] [502 'France' 'Female' ... 1 0 113931.57] [709 'France' 'Female' ... 0 1 42085.58] [772 'Germany' 'Male' ... 1 0 92888.52] [792 'France' 'Female' ... 1 0 38190.78]] Encoding categorical data In [9]: Label Encoding the "Gender" column In [10]: from sklearn.preprocessing import LabelEncoder le = LabelEncoder() X[:, 2] = le.fit_transform(X[:, 2]) #Encoding index 2 column only(Gender) In [11]: print(X) [[619 'France' 0 ... 1 1 101348.88] [608 'Spain' 0 ... 0 1 112542.58] [502 'France' 0 ... 1 0 113931.57] [709 'France' 0 ... 0 1 42085.58] [772 'Germany' 1 ... 1 0 92888.52] [792 'France' 0 ... 1 0 38190.78]] One Hot Encoding the "Geography" column In [13]: from sklearn.compose import ColumnTransformer from sklearn.preprocessing import OneHotEncoder ct = ColumnTransformer(transformers=[('encoder', OneHotEncoder(), [1])], remainder='passthrough') #[1]--->Column index 1 X = np.array(ct.fit_transform(X)) In [14]: print(X) [[1.0 0.0 0.0 ... 1 1 101348.88] [0.0 0.0 1.0 ... 0 1 112542.58] [1.0 0.0 0.0 ... 1 0 113931.57] [1.0 0.0 0.0 ... 0 1 42085.58] [0.0 1.0 0.0 ... 1 0 92888.52] [1.0 0.0 0.0 ... 1 0 38190.78]] Splitting the dataset into the Training set and Test set In [15]: from sklearn.model_selection import train_test_split X_train, X_test, y_train, y_test = train_test_split(X, y, test_size = 0.2, random_state = 0) #0.2--->20% data from train data set will be tested Feature Scaling In [16]: from sklearn.preprocessing import StandardScaler sc = StandardScaler() X_train = sc.fit_transform(X_train) X_test = sc.transform(X_test) #Scaling everything Part 2 - Building the ANN Initializing the ANN In [17]: ann = tf.keras.models.Sequential() #Initializing ANN as a sequence of layers Adding the input layer and the first hidden layer In [18]: ann.add(tf.keras.layers.Dense(units=6, activation='relu')) #Automatically add input neorons,assuming 6 neurons in first hidden layer Adding the second hidden layer In [19]: ann.add(tf.keras.layers.Dense(units=6, activation='relu')) Adding the output layer In [21]: ann.add(tf.keras.layers.Dense(units=1, activation='sigmoid')) #For probability of binary outcome & prediction sigmoid preferable,Output layer 1 Part 3 - Training the ANN Compiling the ANN In [22]: ann.compile(optimizer = 'adam', loss = 'binary_crossentropy', metrics = ['accuracy']) #adam--->updating weights to reduce loss through iteration #loss--->compute difference between prediction & real result #binary_crossentrophy--->Always be for binary classification & for non-binary it will be catagorical_crossentrophy Training the ANN on the Training set ann.fit(X_train, y_train, batch_size = 32, epochs = 100) Epoch 1/100 Epoch 2/100 Epoch 3/100 Epoch 4/100 Epoch 5/100 Epoch 6/100 Epoch 7/100 Epoch 8/100 Epoch 9/100 Epoch 10/100 Epoch 11/100 Epoch 12/100 Epoch 13/100 Epoch 14/100 Epoch 15/100 Epoch 16/100 Epoch 17/100 Epoch 18/100 Epoch 19/100 Epoch 20/100 Epoch 21/100 Epoch 22/100 Epoch 23/100 Epoch 24/100 Epoch 25/100 Epoch 26/100 Epoch 27/100 Epoch 28/100 Epoch 29/100 Epoch 30/100 Epoch 31/100 Epoch 32/100 Epoch 33/100 Epoch 34/100 Epoch 35/100 Epoch 36/100 Epoch 37/100 Epoch 38/100 Epoch 39/100 Epoch 40/100 Epoch 41/100 Epoch 42/100 Epoch 43/100 Epoch 44/100 Epoch 45/100 Epoch 46/100 Epoch 47/100 Epoch 48/100 Epoch 49/100 Epoch 50/100 Epoch 51/100 Epoch 52/100 Epoch 53/100 Epoch 54/100 Epoch 55/100 Epoch 56/100 Epoch 57/100 Epoch 58/100 Epoch 59/100 Epoch 60/100 Epoch 61/100 Epoch 62/100 Epoch 63/100 Epoch 64/100 Epoch 65/100 Epoch 66/100 Epoch 67/100 Epoch 68/100 Epoch 69/100 Epoch 70/100 Epoch 71/100 Epoch 72/100 Epoch 73/100 Epoch 74/100 Epoch 75/100 Epoch 76/100 Epoch 77/100 Epoch 78/100 Epoch 79/100 Epoch 80/100 Epoch 81/100 Epoch 82/100 Epoch 83/100 Epoch 84/100 Epoch 85/100 Epoch 86/100 Epoch 87/100 Epoch 88/100 Epoch 89/100 Epoch 90/100 Epoch 91/100 Epoch 92/100 Epoch 93/100 Epoch 94/100 Epoch 95/100 Epoch 96/100 Epoch 97/100 Epoch 98/100 Epoch 99/100 Epoch 100/100 <keras.callbacks.History at 0x26bac98edf0> Out[23]: Part 4 - Making the predictions and evaluating the model Predicting the result of a single observation Homework Use our ANN model to predict if the customer with the following informations will leave the bank: Geography: France

Credit Score: 600 Gender: Male Age: 40 years old Tenure: 3 years Balance: \$ 60000 Number of Products: 2 Does this customer have a credit card? Yes Is this customer an Active Member: Yes Estimated Salary: \$50000 So, should we say goodbye to that customer? Solution In [25]: print(ann.predict(sc.transform([[1, 0, 0, 600, 1, 40, 3, 60000, 2, 1, 1, 50000]])) > 0.5) #predicting desired train data #False means value is close to zero--->means customer eill stay according to target dataset [[False]] Therefore, our ANN model predicts that this customer stays in the bank! Important note 1: Notice that the values of the features were all input in a double pair of square brackets. That's because the "predict" method always expects a 2D array as the format of its inputs. And putting our values into a double pair of square brackets makes the input exactly a 2D array. Important note 2: Notice also that the "France" country was not input as a string in the last column but as "1, 0, 0" in the first three columns. That's because of course the predict method expects the one-hot-encoded values of the state, and as we see in the first row of the matrix of features X, "France" was encoded as "1, 0, 0". And be careful to include these values in the first three columns, because the dummy variables are always created in the first columns. Predicting the Test set results In [26]: y_pred = ann.predict(X_test) $y_pred = (y_pred > 0.5)$ print(np.concatenate((y_pred.reshape(len(y_pred),1), y_test.reshape(len(y_test),1)),1))

#1516 correct prediction-Customer stays in the bank, 205 leaves from the bank & 79 inaccurate prediction-Customer leaves from the bank, 200 -Customer

#Comparing between predicting result(0 column) vs real result(1 column)

from sklearn.metrics import confusion_matrix, accuracy_score

[[0 0] [0 1] [0 0]

> [0 0] [0 0] [0 0]]

print(cm)

[[1526

0.863

[205 200]]

In [27]:

Out[27]:

Making the Confusion Matrix

accuracy_score(y_test, y_pred)

69]

cm = confusion_matrix(y_test, y_pred)

#Confusion matrix--->Finding accuracy