Thomas Nowakowski

```
In [1]:
```

```
# !pip install tensorflow==2.0.0
import tensorflow as tf
```

In [2]:

```
print(tf.__version__) # 2 underlines are required on each side for this to work
```

2.2.0

In [3]:

```
import numpy as np
import pandas as pd
import seaborn as sns
import matplotlib.pyplot as plt

%matplotlib inline
sns.set(color_codes=True)

from sklearn.model_selection import train_test_split
from sklearn import preprocessing
from sklearn.metrics import accuracy_score, confusion_matrix,precision_score, recall_score
from sklearn.metrics import f1_score,precision_recall_curve,auc

from tensorflow import keras
from tensorflow.keras.models import Sequential
from tensorflow.keras.layers import Dense, Dropout, BatchNormalization
from tensorflow.keras import optimizers
```

In [5]:

```
df=pd.read_csv('bank.csv')
```

EDA

General look at head of data, type of content per column, data type per column

- 1. Check for missing values
- 2. Remove columns that do not add value to prediction
- 3. Outlayer treatment

In [6]:

```
display (df.head())
print ( 'The number of rows is', df.shape[0])
print ( 'The number of columns is', df.shape[1])
display(df.count())
print (' Are there missing values ?',df.isnull().values.any())
```

	RowNumber	CustomerId	Surname	CreditScore	Geography	Gender	Age	Tenure	Bala
0	1	15634602	Hargrave	619	France	Female	42	2	
1	2	15647311	Hill	608	Spain	Female	41	1	8380
2	3	15619304	Onio	502	France	Female	42	8	15966
3	4	15701354	Boni	699	France	Female	39	1	
4	5	15737888	Mitchell	850	Spain	Female	43	2	12551

←

The number of rows is 10000 The number of columns is 14

RowNumber	10000
CustomerId	10000
Surname	10000
CreditScore	10000
Geography	10000
Gender	10000
Age	10000
Tenure	10000
Balance	10000
NumOfProducts	10000
HasCrCard	10000
IsActiveMember	10000
EstimatedSalary	10000
Exited	10000

dtype: int64

Are there missing values ? False

In [7]:

```
# Another test showing there are no missing values - per column or apply df.isna().sum().sum() df.count().isnull()
```

Out[7]:

RowNumber	False
CustomerId	False
Surname	False
CreditScore	False
Geography	False
Gender	False
Age	False
Tenure	False
Balance	False
NumOfProducts	False
HasCrCard	False
IsActiveMember	False
EstimatedSalary	False
Exited	False
dtypor bool	

dtype: bool

In [8]:

further exploratory data analysis by checking for unique values in each column
df.nunique()

Out[8]:

RowNumber	10000
CustomerId	10000
Surname	2932
CreditScore	460
Geography	3
Gender	2
Age	70
Tenure	11
Balance	6382
NumOfProducts	4
HasCrCard	2
IsActiveMember	2
EstimatedSalary	9999
Exited	2
dtype: int64	

In [9]:

```
# any duplicates to clean data set ? If so apply #df.drop_duplicates(inplace=True)
df.duplicated().any()
```

Out[9]:

False

In [10]:

```
# check each column to understand its data type before we perform operations
# for example insuring that numbers are not stored as character strings
df.info()
```

```
RangeIndex: 10000 entries, 0 to 9999
Data columns (total 14 columns):
    Column
                     Non-Null Count Dtype
    -----
                     -----
0
    RowNumber
                     10000 non-null int64
1
    CustomerId
                     10000 non-null int64
2
                     10000 non-null object
    Surname
3
    CreditScore
                     10000 non-null int64
4
    Geography
                     10000 non-null object
5
    Gender
                     10000 non-null object
6
    Age
                     10000 non-null int64
                     10000 non-null int64
7
    Tenure
                     10000 non-null float64
    Balance
9
    NumOfProducts
                     10000 non-null int64
10 HasCrCard
                     10000 non-null int64
11 IsActiveMember
                     10000 non-null int64
12 EstimatedSalary 10000 non-null float64
13 Exited
                     10000 non-null int64
dtypes: float64(2), int64(9), object(3)
memory usage: 1.1+ MB
```

<class 'pandas.core.frame.DataFrame'>

In [11]:

```
df.head(0)
```

Out[11]:

RowNumber Customerld Surname CreditScore Geography Gender Age Tenure Balanc

In [12]:

```
# DROP COLUMNS WHICH ARE UNIQUE FOR ALL CUSTOMERS AND ADD NO PREDICTIVE VALUE
df.drop('RowNumber', axis=1, inplace=True)
df.drop('CustomerId',axis=1, inplace=True)
df.drop('Surname', axis=1, inplace=True)
```

In [13]:

check if columns have been dropped as expeted
df.head(5)

Out[13]:

	CreditScore	Geography	Gender	Age	Tenure	Balance	NumOfProducts	HasCrCard	Is
0	619	France	Female	42	2	0.00	1	1	
1	608	Spain	Female	41	1	83807.86	1	0	
2	502	France	Female	42	8	159660.80	3	1	
3	699	France	Female	39	1	0.00	2	0	
4	850	Spain	Female	43	2	125510.82	1	1	

In [14]:

Examine the data for skewness, outlayers, etc
display(df.describe().T)

	count	mean	std	min	25%	50%	
CreditScore	10000.0	650.528800	96.653299	350.00	584.00	652.000	718
Age	10000.0	38.921800	10.487806	18.00	32.00	37.000	44
Tenure	10000.0	5.012800	2.892174	0.00	3.00	5.000	7
Balance	10000.0	76485.889288	62397.405202	0.00	0.00	97198.540	127644
NumOfProducts	10000.0	1.530200	0.581654	1.00	1.00	1.000	2
HasCrCard	10000.0	0.705500	0.455840	0.00	0.00	1.000	1
IsActiveMember	10000.0	0.515100	0.499797	0.00	0.00	1.000	1
EstimatedSalary	10000.0	100090.239881	57510.492818	11.58	51002.11	100193.915	149388
Exited	10000.0	0.203700	0.402769	0.00	0.00	0.000	0
4							•

In [15]:

data columns look well distributed. Only EstimatedSalary has a minimum very far fro
m mean and 25% 1st Quartile- an outlayer,
but we will check for outlayers by visual inspection = boxplots

In [16]:

IDENTIFY THE FEATURES AND TARGET VARIABLE

THE TARGET VARIABLE IS THE ONE THAT IDENTIFIES IF THE CLIENT WILL BE LEAVING THE BANK IN THE NEXT 6 MONTHS!

HENCE THE TARGET VARIABLE IS THE EXITED COLUMN

THE REMAINING 8 COLUMNS ARE THE FEATURE COLUMNS

In [17]:

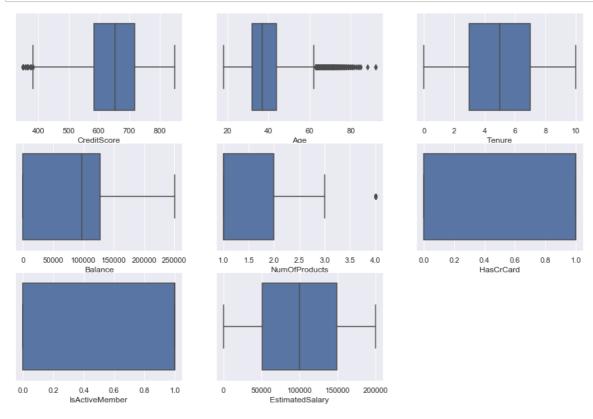
Outlayer Treatment Visualization Check

plt.figure(figsize=(15,10)) pos=1 for i in df.columns: plt.subplot(3,3,pos) sns.boxplot(df[i]) pos+=1

In [18]:

```
cols=['CreditScore','Age', 'Tenure', 'Balance', 'NumOfProducts', 'HasCrCard', 'IsActive
Member', 'EstimatedSalary']
# list of independent variables to be checked for outlayers

plt.figure(figsize=(15,10))
pos=1
for i in cols:
    plt.subplot(3,3,pos) #---TN: Needs to be updated based on the number of columns. If
we have more than 9 columns
    # we need to go to 4x3 grids in the plot aread. Can't have box plot for categorical
data
    sns.boxplot(df[i])
    pos+=1
```



In [19]:

```
# treatment of outlayers- use the 1.5 IQR
```

In [20]:

```
cols1=['CreditScore','Age', 'Tenure', 'Balance', 'EstimatedSalary']

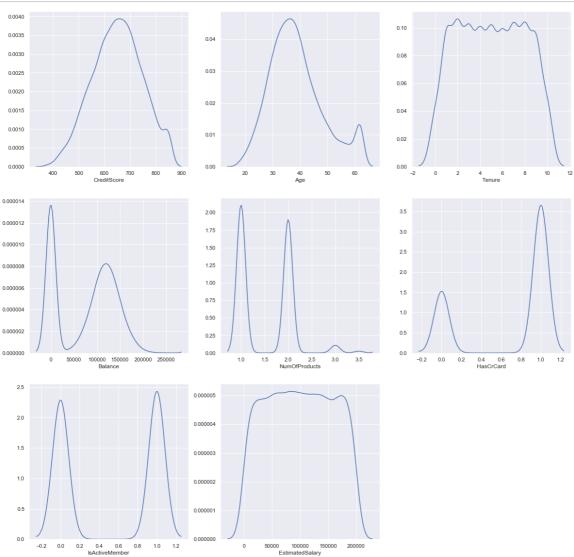
for i in cols:
    q1,q2,q3=df[i].quantile([0.25,0.5,0.75])
    IQR=q3-q1
    upper_cap=q3+1.5*IQR
    lower_cap=q1-1.5*IQR
    df[i]=df[i].apply(lambda x: upper_cap if x>(upper_cap) else (lower_cap if x<(lower_cap) else x))</pre>
```

In [21]:

now that data has been corrected for outlayers perform Univariate Analysis to see if its still skewed

In [22]:

```
plt.figure(figsize=(20,20))
pos=1
for i in cols:
    plt.subplot(3,3,pos)
    sns.distplot(df[i], hist=False)
    pos+=1
```



In [23]:

UNIVARIATE ANALYSIS

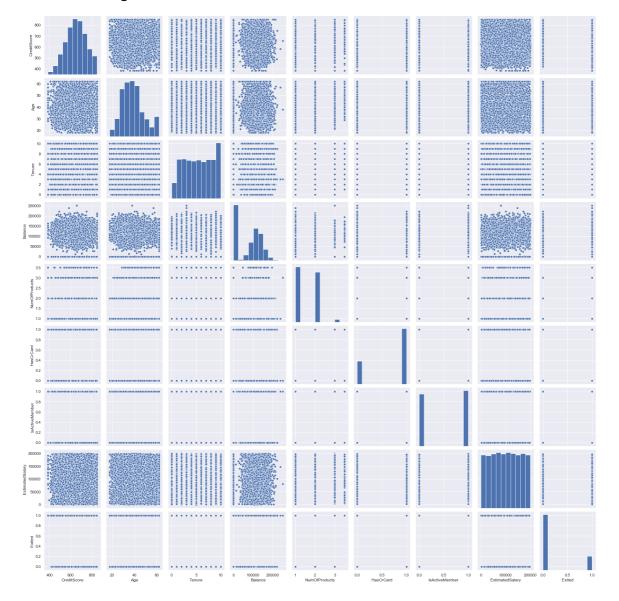
- # Credit score is a bit skewed, so is age- seems baby boomers, probably due to demogra phis are over 60 and quite a few of them
- # Balances, NumOfProducts and HasCrCard are ideal canidates for clustering, :) but we are doing supervised learning here so
- # Balances shows 2 peaks with most people having around zero money (students, unemplo yed, retired) and quite a few have some
- # money a second peak the working class mid-aged people, which is refleted in Age and may be correlated with Balances

In [24]:

Bivariate Analysis
sns.pairplot(df)

Out[24]:

<seaborn.axisgrid.PairGrid at 0x24b9eae8d88>



In [25]:

Bivariate Analysis

the plots do not show linear correlation, seems like data displayed is independent fr om one another

In [26]:

df.head(1)

Out[26]:

	CreditScore	Geography	Gender	Age	Tenure	Balance	NumOfProducts	HasCrCard	IsA
0	619.0	France	Female	42.0	2	0.0	1.0	1	
4									•

In [27]:

drop the dependent variable, we are checking for correlation for independent vars $df_{ind}=df_{iloc}[:,0:10]$ $df_{ind}.head(1)$

Out[27]:

	CreditScore	Geography	Gender	Age	Tenure	Balance	NumOfProducts	HasCrCard	IsA
0	619.0	France	Female	42.0	2	0.0	1.0	1	
4									•

In [28]:

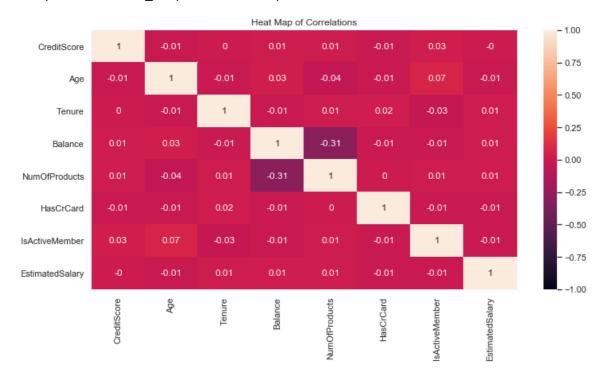
```
# Check for Correlation in Independent Variables, drop higly correlatied ones

corr_data=df_ind.corr().round(2);
fig, ax=plt.subplots()
fig.set_size_inches(12,6)

plt.title ("Heat Map of Correlations")
sns.heatmap(corr_data,annot=True,vmin=-1,vmax=1) # SOMEWHOW cmap='Y1GnBu' is not workin
g when i add it here
```

Out[28]:

<matplotlib.axes._subplots.AxesSubplot at 0x24ba3074048>



In [29]:

the varaiables are not correlated, values are far below the 0.5 general threshold - n o need to drop any columns

In [30]:

df.nunique()

Out[30]:

CreditScore	450
Geography	3
Gender	2
Age	45
Tenure	11
Balance	6382
NumOfProducts	4
HasCrCard	2
IsActiveMember	2
EstimatedSalary	9999
Exited	2
44	

dtype: int64

Hot Encode Categorical Features

In [31]:

```
#Hot Encode Categorical columns
df=pd.get_dummies(df, drop_first=True)
```

JUST NOTES FOR MYSELF - PLEASE IGNORE df=pd.get_dummies(df['Geography'], columns= ['Geography']) df=pd.get_dummies(df, columns=['Gender'])

data_dummies=pd.get_dummies(df['Geography'],prefix=['Country'], columns=['Geography']) data_dummies1=pd.get_dummies(df['Gender'],prefix=['Gender'], columns=['Gender']) print(data_dummies.head(2)) data_dummies1.head(2)

df=pd.get_dummies(df) # why was the gender column also not hot encoded since it was an object column? does this not need to go back to main dataframe with the original column being replaced (dropped) by dummies? do i need to specidically hot encode for gender like so - df=pd.get_dummies(df, columns= ['Gender']) (which is not working)

In [32]:

```
# visual view of the DF with dummies
df.tail()
```

Out[32]:

	CreditScore	Age	Tenure	Balance	NumOfProducts	HasCrCard	IsActiveMember	Es
9995	771.0	39.0	5	0.00	2.0	1	0	
9996	516.0	35.0	10	57369.61	1.0	1	1	
9997	709.0	36.0	7	0.00	1.0	0	1	
9998	772.0	42.0	3	75075.31	2.0	1	0	
9999	792.0	28.0	4	130142.79	1.0	1	0	
4								•

Divide the Data Set into Training and Test Set

In [33]:

```
# dont we need to have a validation set of data ? should we not split data into 3 rathe
r than 2. Why only 20% not 30% below ?
# do all input variables mustbe float32 or same data type ? How do we change all numer
ical columns to one datatype ?
X=df.drop(['Exited'], axis=1) # set of independent variables
Y=df['Exited']
X_train,X_test, y_train,y_test=train_test_split(X,Y, test_size=0.20, random_state=1)
```

In [34]:

```
# I HAVE SET MY DEPENDENT VARIABLE AS EXITED. I SEE IN MENTOR SESSION FRAUD DETECTION Y HAS BEEN DEFINED AS
# y_data = credit_data.iloc[:, -1] - IS THIS JUST AN EMPTY SET WITH NO ROWS ? MUST I D O THAT ?
```

In [35]:

```
# we can see splitting of data has worked well- 8000 are in training set X_train.shape
```

Out[35]:

(8000, 11)

In [36]:

```
# Scale (Normalize) the data  # why dont we scale the y ? it is a supervised learning
technique so we have to compare
# the results of actual y with predicted and must be on same scale ...
## WE DO NOT SCALE THE y_train or y_test since we are looking to compare predicted 0/1
with actual (unscaled) 0/1.
# Besides how woudld one scale 0 and 1-ones ?

scaler=preprocessing.MinMaxScaler()

X_train=scaler.fit_transform(X_train)
X_test=scaler.fit_transform(X_test)
```

In [37]:

X_train.shape

Out[37]:

(8000, 11)

In [38]:

Initiate construction of ANN

In [39]:

#model= Sequential()

In [41]:

```
# add Layers
model = Sequential(layers=None, name=None) #--TM: Step 1: Empty Model

model.add(Dense(8,input_shape = (11,), activation = 'relu')) #--TM: Step 2: Hidden Laye
r 1; First input is number of neuron
#--TM: Step 2, Second input is number of input variables, i.e. 11; Refer to X_train.sha
pe
model.add(Dense(4,activation='relu'))
model.add(Dense(1,activation='sigmoid')) # Output Layer

sgd=optimizers.Adam(lr=0.001)

model.compile (loss='binary_crossentropy', optimizer=sgd, metrics=['accuracy'])
```

In []:

```
# do we need this ?
# tf.keras.initializers.random_normal
# sgd=optimizers.Adam(lr=0.001)
```

In []:

Training the Model

In [42]:

```
model.fit(X_train,y_train.values, epochs=30, batch_size=2000, verbose=1)
# verbose shows outpu t, epochs is number of # runs to reduce erro
r
```

```
Epoch 1/30
cy: 0.7794
Epoch 2/30
cy: 0.7864
Epoch 3/30
y: 0.7891
Epoch 4/30
cy: 0.7918
Epoch 5/30
4/4 [=========== ] - 0s 1ms/step - loss: 0.5653 - accura
cy: 0.7945
Epoch 6/30
cy: 0.7954
Epoch 7/30
4/4 [========== ] - 0s 2ms/step - loss: 0.5517 - accura
cy: 0.7956
Epoch 8/30
cy: 0.7961
Epoch 9/30
cy: 0.7966
Epoch 10/30
cy: 0.7971
Epoch 11/30
cy: 0.7971
Epoch 12/30
cy: 0.7972
Epoch 13/30
cy: 0.7975
Epoch 14/30
cy: 0.7974
Epoch 15/30
cy: 0.7974
Epoch 16/30
cy: 0.7974
Epoch 17/30
cy: 0.7974
Epoch 18/30
cy: 0.7974
Epoch 19/30
cy: 0.7974
Epoch 20/30
cy: 0.7974
Epoch 21/30
```

```
Project 7 - Neural Networks-FINAL
cy: 0.7974
Epoch 22/30
cy: 0.7975
Epoch 23/30
cy: 0.7975
Epoch 24/30
cy: 0.7975
Epoch 25/30
cy: 0.7977
Epoch 26/30
cy: 0.7980
Epoch 27/30
racy: 0.7984
Epoch 28/30
cy: 0.7993
Epoch 29/30
cy: 0.7999
Epoch 30/30
cy: 0.8006
Out[42]:
<tensorflow.python.keras.callbacks.History at 0x24ba3004e08>
In [ ]:
# Evaluation of the model
In [45]:
results=model.evaluate(X test,y test.values)
racy: 0.7925
In [49]:
print(model.metrics names)
print(results)
['loss', 'accuracy']
```

[0.4879456162452698, 0.7925000190734863]

In [51]:

```
#--Creating a data frame to store model results
resultsDf = pd.DataFrame({'Iteration': None, 'Method':['Adam - Check '], 'Log Loss': re
sults[0], 'Accuracy': results[1]})
resultsDf = resultsDf[['Iteration', 'Method', 'Log Loss', 'Accuracy']]
resultsDf
```

Out[51]:

	Iteration	Method	Log Loss	Accuracy
0	None	Adam - Check	0.487946	0.7925

In [52]:

```
Y_pred_cls = model.predict_classes(X_test, batch_size=2000, verbose=0)
print('Accuracy Model1 (Dropout): '+ str(model.evaluate(X_test,y_test.values)[1]))
print('Recall_score: ' + str(recall_score(y_test.values,Y_pred_cls)))
print('Precision_score: ' + str(precision_score(y_test.values, Y_pred_cls)))
print('F-score: ' + str(f1_score(y_test.values,Y_pred_cls)))
confusion_matrix(y_test.values, Y_pred_cls)
```

WARNING:tensorflow:From <ipython-input-52-b98c2c46a761>:1: Sequential.pred ict_classes (from tensorflow.python.keras.engine.sequential) is deprecated and will be removed after 2021-01-01.

Instructions for updating:

Please use instead:* `np.argmax(model.predict(x), axis=-1)`, if your mod el does multi-class classification (e.g. if it uses a `softmax` last-lay er activation).* `(model.predict(x) > 0.5).astype("int32")`, if your mod el does binary classification (e.g. if it uses a `sigmoid` last-layer activation).

racy: 0.7925

Accuracy Model1 (Dropout): 0.7925000190734863

Recall_score: 0.007228915662650603

Precision score: 0.5

F-score: 0.014251781472684086

Out[52]:

```
array([[1582, 3], [ 412, 3]], dtype=int64)
```

In []:

HYPERTUNING

Experiment with number of neurons, & number of layers, optimizers and activation function to see if you can improve results

In [56]:

```
# sigmoid is placed here as the output node function.
def create_model(opt):

# create model
model = Sequential(layers=None, name=None)
model.add(Dense(8, input_shape = (11,), activation = 'relu'))#we are using a differ
ent activation function here than above
model.add(Dense(4, activation = 'relu')) # create second hidden layer
model.add(Dense(1, activation = 'sigmoid')) # single binary output node

# Compile model
model.compile(optimizer = opt, loss = 'binary_crossentropy', metrics=['accuracy'])
return model
```

In [59]:

```
# try it with differenct optimizers to Hypertune completely
optimizer=['Adam','SGD','RMSProp','Adadelta','Adagrad','Adamax']
```

In [60]:

```
# 11 PICKED AS THE OPTIMAL NUMBER OF ITERATIONS IS THE INPUT VARIABLE
for j in range(1,11):
    print("Iteration:",j)

    for i in optimizer:

        mod=create_model(i)
        #print("Model:",i,end=' ')
        mod.fit(X_train, y_train.values, batch_size = 700, epochs = j, verbose = 0)
        results = mod.evaluate(X_test, y_test.values, verbose=0)
        #print(mod.metrics_names)
        #print(results)

        tempResultsDf = pd.DataFrame({'Iteration': j, 'Method':[i], 'Accuracy': results
[1], 'Log Loss': results[0]})
        resultsDf = pd.concat([resultsDf, tempResultsDf])
        resultsDf = resultsDf[['Iteration', 'Method', 'Accuracy', 'Log Loss']]
        #resultsDf
```

Iteration: 1
Iteration: 2
Iteration: 3
Iteration: 4
Iteration: 5
Iteration: 6
Iteration: 7
Iteration: 8
Iteration: 9
Iteration: 10

In [61]:

resultsDf=resultsDf[resultsDf['Iteration']>0]
resultsDf

Out[61]:

	Iteration	Method	Accuracy	Log Loss
0	1	Adadelta	0.7925	0.625028
0	1	Adam	0.7715	0.592211
0	1	SGD	0.6260	0.695954
0	1	RMSProp	0.7910	0.654466
0	1	Adadelta	0.7360	0.656038
0	10	SGD	0.7880	0.616201
0	10	RMSProp	0.7925	0.481865
0	10	Adadelta	0.3900	0.762319
0	10	Adagrad	0.7925	0.627326
0	10	Adamax	0.7920	0.613519

61 rows × 4 columns

In [62]:

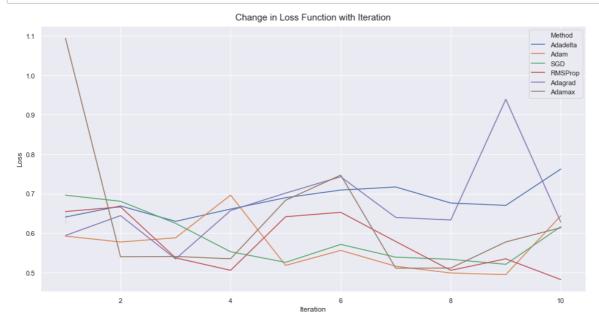
```
# A visual of the results of error reduction and approaching a minima

fig, ax = plt.subplots(figsize=(16,8)); #------Setting size of the canvas

plt.title('Change in Loss Function with Iteration', fontsize=15, pad=10)
#-----Title of the chart

sns.lineplot(x=resultsDf['Iteration'],y=resultsDf['Log Loss'],hue=resultsDf['Method']);

ax.set(xlabel='Iteration', ylabel='Loss');
```



In [64]:

```
resultsDf_temp=resultsDf[resultsDf['Method']!='Adadelta']
resultsDf_temp=resultsDf_temp[resultsDf_temp['Method']!='Adagrad']
resultsDf_temp
```

Out[64]:

	Iteration	Method	Accuracy	Log Loss
0	1	Adam	0.7715	0.592211
0	1	SGD	0.6260	0.695954
0	1	RMSProp	0.7910	0.654466
0	1	Adamax	0.2075	1.093744
0	2	Adam	0.7925	0.577205
0	2	SGD	0.5935	0.680502
0	2	RMSProp	0.7625	0.666256
0	2	Adamax	0.7925	0.539828
0	3	Adam	0.7925	0.587831
0	3	SGD	0.7650	0.624506
0	3	RMSProp	0.7925	0.536941
0	3	Adamax	0.7925	0.540527
0	4	Adam	0.6480	0.696008
0	4	SGD	0.7925	0.552441
0	4	RMSProp	0.7925	0.505408
0	4	Adamax	0.7925	0.534682
0	5	Adam	0.7925	0.517907
0	5	SGD	0.7925	0.525671
0	5	RMSProp	0.7900	0.641346
0	5	Adamax	0.6825	0.683102
0	6	Adam	0.7925	0.555918
0	6	SGD	0.7925	0.571076
0	6	RMSProp	0.7925	0.652504
0	6	Adamax	0.3755	0.746795
0	7	Adam	0.7925	0.515731
0	7	SGD	0.7925	0.538752
0	7	RMSProp	0.7925	0.578463
0	7	Adamax	0.7925	0.510828
0	8	Adam	0.7925	0.498588
0	8	SGD	0.7925	0.533340
0	8	RMSProp	0.7925	0.505403
0	8	Adamax	0.7925	0.511161
0	9	Adam	0.7925	0.494567
0	9	SGD	0.7920	0.520574
0	9	RMSProp	0.7925	0.534559
0	9	Adamax	0.7925	0.577384
0	10	Adam	0.7585	0.643810

	Iteration	Method	Accuracy	Log Loss
0	10	SGD	0.7880	0.616201
0	10	RMSProp	0.7925	0.481865
0	10	Adamax	0 7920	0.613519

In [65]:

```
resultsDf_temp[resultsDf_temp['Log Loss']==resultsDf_temp['Log Loss'].min()]
```

Out[65]:

	Iteration	Method	Accuracy	Log Loss
0	10	RMSProp	0.7925	0.481865

In []:

```
# Predict the Results using 0.5 as a threshold
```

In []:

```
Y_pred = mod.predict_classes(X_test, batch_size=2000, verbose=0)
```

In []:

```
# apply threshold of 0.5
Y_pred = (Y_pred > 0.5)
print(Y_pred)
```

In []:

```
cm1 = confusion_matrix(y_test, Y_pred)
print(cm1)
```

In []: