## Import data¶

In [32]:

import pandas as pd

path="C:\\Users\\TANUJA HARISH\\Desktop\\ML and DL Summer
Internship\\50\_Startups.csv"
dataset=pd.read\_csv(path)

dataset.head()

Out[32]:

	R&D Spend	Administration	Marketing Spend	State	Profit
0	165349.20	136897.80	471784.10	New York	192261.83
1	162597.70	151377.59	443898.53	California	191792.06
2	153441.51	101145.55	407934.54	Florida	191050.39
3	144372.41	118671.85	383199.62	New York	182901.99
4	142107.34	91391.77	366168.42	Florida	166187.94

In [33]:

```
Out[33]:
(50, 5)
Visualize the data¶
                                                                                  In [34]:
 import seaborn as sns
 sns.pairplot(dataset)
                                                                                 Out[34]:
<seaborn.axisgrid.PairGrid at 0x203172fe3d0>
Split data into x and y\P
                                                                                  In [35]:
 import numpy as np
 x=np.array(dataset[["R&D Spend"]])
```

```
y=np.array(dataset[["Profit"]])
print(x.shape)
print(y.shape)
(50, 1)
(50, 1)
```

Standardize the dataset¶

In [36]:

```
# without using in-built lib
x_norm=(x-x.mean())/x.std()
y_norm=(y-y.mean())/y.std()
print(x_norm.shape)
print(y_norm.shape)
```

```
(50, 1)
(50, 1)
```

Split the data into train and test¶

```
In [37]:
```

```
from sklearn.model_selection import train_test_split
x_train,x_test,y_train,y_test=
train_test_split(x_norm,y_norm,test_size=0.2)
print(x_train.shape)
print(x_test.shape)
print(y_train.shape)
print(y_test.shape)
```

(40, 1)

(10, 1)

(40, 1)

(10, 1)

In [ ]:

```
def initialize_parameters(x):
    w1=np.random.randn(5,x.shape[1])
    w2=np.random.randn(5,5)
    w3=np.random.randn(1,5)
    b1=np.random.randn(5,1)
    b2=np.random.randn(5,1)
    b3=np.random.randn(1,1)
    return w1, w2, w3, b1, b2, b3
def sigmoid act(x):
    s = 1/(1+np.exp(-x))
    return s
def forward_path(x_train,w1,b1,w2,b2,w3,b3):
    #Hidden1 layer
    z1=np.matmul(w1,x_train.T)+b1
    A1=sigmoid act(z1)
    #Hidden2 layer
    z2=np.matmul(w2,A1)+b2
    A2=sigmoid act(z2)
    #output layer
    z3=np.matmul(w3,A2)+b3
    #Linear activation function at output layer
    A3=z3
    return A3,A2,A1
def compute_cost(y_pred,y_train):
    cost=np.mean((y pred-y train)**2)
    return cost
def backward_path(A3,A2,A1,w3,y_train,x_train):
    #output layer
    dA3=(2*(A3-y_train.T))/len(y_train) #gradient of loss wrt A2
    dz3=dA3 #gradient of loss wrt z2
    dw3=np.matmul(dz3,A2.T)
    db3=dz3.sum(axis=1)
    #Hidden layer 2
    dA2=np.matmul(w3.T,dz3)
    dz2=np.multiply(dA2,A2*(1-A2))
    dw2=np.matmul(dz2,A1.T)
    db2=dz2.sum(axis=1)
```

```
#Hidden layer 1
dA1=np.matmul(w2.T,dz2)
dz1=np.multiply(dA1,A1*(1-A1))
dw1=np.matmul(dz1,x_train)
db1=dz1.sum(axis=1)

return dw3,dw2,dw1,db3,db2,db1

def update_parameters(w,b,dw,db,learning_rate):
    w=w-learning_rate*dw
    db=np.reshape(db,b.shape)
    b=b-learning_rate*db
    return w,b
```

In [39]:

```
num_iter=500
learning_rate=0.001
his1=[]
w1,w2,w3,b1,b2,b3=initialize_parameters(x_train)
for i in range(num_iter):
    A3,A2,A1=forward_path(x_train,w1,b1,w2,b2,w3,b3)
    y_pred=A3
    cost=compute_cost(y_pred,y_train)
    dw3,dw2,dw1,db3,db2,db1=backward_path(A3,A2,A1,w3,y_train,x_train)
    w3,b3=update_parameters(w3,b3,dw3,db3,learning_rate)
    w2,b2=update_parameters(w2,b2,dw2,db2,learning_rate)
    w1,b1=update_parameters(w1,b1,dw1,db1,learning_rate)
    his1.append(cost)
```

```
import matplotlib.pyplot as plt
plt.plot(his1)
                                                                            Out[40]:
[<matplotlib.lines.Line2D at 0x20319dab820>]
                                                                             In [41]:
print(w1)
print(b1)
[[-0.06490524]
[-0.94953102]
[ 0.0379391 ]
[-0.86839446]
[-0.61278253]]
[[ 1.55490262]
[-0.41206396]
[-0.4497486]
[-1.22247557]
 [-0.68285193]]
                                                                             In [42]:
```

print(w2)

```
print(b2)
```

In [43]:

```
print(w3)
print(b3)
```

#### Prediction¶

```
In [44]:
```

```
def pred(w1,w2,w3,b1,b2,b3,x_test):
    A3,A2,A1=forward_path(x_test,w1,b1,w2,b2,w3,b3)
    return A3
```

In [45]:

```
y_pred=pred(w1,w2,w3,b1,b2,b3,x_test)
print(y_pred)
```

## Rescalling dataset¶

In [46]:

```
y_test_rescalled=(y_test*y.std())+y.mean()
y_pred_rescalled=(y_pred*y.std())+y.mean()
y_pred_rescalled=y_pred_rescalled.T
```

```
print(y_pred_rescalled.shape)
print(y_test_rescalled.shape)

(10, 1)
(10, 1)
```

#### Comparing test and predicted values¶

In [47]:

```
comp=pd.DataFrame(np.c_[y_test_rescalled,y_pred_rescalled],columns=["Origin
al profit","Predicted profit"])
print(comp)
```

```
Original profit Predicted profit
                       106774.108303
0
        108733.99
1
        152211.77
                      115221.084659
                      120050.782219
        192261.83
2
        108552.04
                     108430.188154
3
                     116474.715393
4
        155752.60
5
        166187.94
                      117839.234095
        156122.51
6
                     116993.020964
7
        191792.06
                      119820.039067
         81005.76
                      101702.232760
8
                      108661.803372
9
        111313.02
```

#### Error calculations¶

In [48]:

```
from sklearn.metrics import mean_squared_error,mean_absolute_error
from math import sqrt
print("MAE:",mean_absolute_error(y_test_rescalled,y_pred_rescalled))
print("RMSE:",np.sqrt(mean_squared_error(y_test_rescalled,y_pred_rescalled)))
```

MAE: 33335.925653253784 RMSE: 41968.33739056794

Traning using Stochastic gradiennt descent¶

In [49]:

```
def initialize_parameters(x):
    w1=np.random.randn(5,x.shape[1])
    w2=np.random.randn(5,5)
```

```
w3=np.random.randn(1,5)
    b1=np.random.randn(5,1)
    b2=np.random.randn(5,1)
    b3=np.random.randn(1,1)
    return w1, w2, w3, b1, b2, b3
def sigmoid_act(x):
    s= 1/(1+np.exp(-x))
    return s
def forward path(x train,w1,b1,w2,b2,w3,b3):
    #Hidden layer 1
    z1=np.reshape(np.matmul(w1,x train.T), (b1.shape))+b1
    A1=sigmoid act(z1)
    #Hidden layer 2
    z2=np.matmul(w2,A1)+b2
    A2=sigmoid act(z2)
    #Outer layer
    z3=np.matmul(w3,A2)+b3
    A3=z3
    return A3,A2,A1
def compute_cost(y_pred,y_train):
    cost=np.mean((y pred-y train)**2)
    return cost
def backward_path(A3,A2,A1,w3,y_train,x_train):
    #output layer
    dA3=2*(A3-y train.T)
    dz3=dA3
    dw3=np.matmul(dz3,A2.T)
    db3=dz3.sum(axis=1)
    #Hidden layer 2
    dA2=np.matmul(w3.T,dz3)
    dz2=np.multiply(dA2,A2*(1-A2))
    dw2=np.matmul(dz2,A1.T)
    db2=dz2.sum(axis=1)
    #Hidden layer 1
    dA1=np.matmul(w2.T,dz2)
    dz1=np.multiply(dA1,A1*(1-A1))
    dw1=dz1*x train
    db1=dz1.sum(axis=1)
    return dw3,dw2,dw1,db3,db2,db1
```

```
def update parameters(w,b,dw,db,learning rate):
    w=w-learning_rate*dw
    db=np.reshape(db,b.shape)
    b=b-learning rate*db
    return w,b
                                                                          In [55]:
num_iter=500
learning_rate=0.001
his1=[]
w1,w2,w3,b1,b2,b3=initialize parameters(x train)
for i in range(num_iter):
    cost=0
    for j in range(len(x_train)):
        A3,A2,A1 = forward_path(x_train[j],w1,b1,w2,b2,w3,b3)
        y_pred=A3
        cost+=compute_cost(y_pred,y_train[j])
dw3,dw2,dw1,db3,db2,db1=backward_path(A3,A2,A1,w3,y_train[j],x_train[j])
        w3,b3=update_parameters(w3,b3,dw3,db3,learning_rate)
        w2,b2=update_parameters(w2,b2,dw2,db2,learning_rate)
        w1,b1=update parameters(w1,b1,dw1,db1,learning rate)
    his1.append(cost/len(x_train))
                                                                          In [58]:
```

plt.plot(his1)

```
Out[58]:
[<matplotlib.lines.Line2D at 0x2031a12b3d0>]
                                                                              In [59]:
print(w1)
print(b1)
[[ 0.26262679]
[-0.37259068]
[ 2.17489721]
[ 0.42670935]
[-1.57426967]]
[[ 0.76415167]
[ 0.01825898]
[ 0.15398544]
[-0.60578455]
[-1.09473013]]
                                                                              In [60]:
print(w2)
print(b2)
```

[[ 2.25118929 -0.50475782 -0.90499256 -1.81516683 1.60455536]]

 $Predcition\P$ 

[[-0.76009889]]

In [62]:

```
def pred2(w1,w2,w3,b1,b2,b3,x_test):
    y_pred=np.zeros(y_test.shape)
     for i in range(len(x_test)):
         A3, A2, A1=forward_path(x_test[i], w1, b1, w2, b2, w3, b3)
         y pred[i] =A3
     return y_pred
y_pred2=pred2(w1,w2,w3,b1,b2,b3,x_test)
print(y_pred2)
print(y_pred2.shape)
[[-0.09591431]
[ 0.9594644 ]
[ 1.10380923]
 [ 0.20512646]
[ 1.01557682]
 [ 1.0593445 ]
[ 1.03405514]
 [ 1.10031225]
[-0.91532749]
```

In [63]:

#### Rescalling data¶

[ 0.24506868]]

(10, 1)

```
In [64]:
```

```
y_test_rescalled=(y_test*y.std())+y.mean()
y_pred2_rescalled=(y_pred2*y.std())+y.mean()
print(y_pred2_rescalled.shape)
print(y_test_rescalled.shape)
```

# (10, 1)(10, 1)

## Comparing test and predicted values¶

In [65]:

```
\verb|comp=pd.DataFrame| (np.c_[y_test_rescalled, y_pred2_rescalled]|, columns=["Origing of the columns of the column of the colum
nal profit","Predicted profit"])
print(comp)
```

```
Original profit Predicted profit
0
        108733.99
                   108185.554252
1
        152211.77
                     150296.307878
        192261.83 156055.822707
```

```
3
        108552.04
                   120197.407006
        155752.60
                     152535.254126
4
5
        166187.94
                     154281.631888
6
       156122.51
                    153272.558954
                     155916.289609
7
        191792.06
8
        81005.76
                     75490.081274
9
        111313.02
                     121791.144848
```

#### Error calculations¶

In [66]:

```
from sklearn.metrics import mean_squared_error,mean_absolute_error
from math import sqrt
print("MAE:",mean_absolute_error(y_test_rescalled,y_pred2_rescalled))
print("RMSE:",np.sqrt(mean_squared_error(y_test_rescalled,y_pred2_rescalled))))
```

MAE: 12015.845116672488 RMSE: 17429.79556764171