Agglomarative final

February 15, 2022

1 Implementation of agglomarative clustering with scikit-learn

2 importing the necessary library

```
[1]: #importing the neccessary library
import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
```

3 Read the dataset

```
[2]: data =pd.read_csv('credit_card.csv')# Reading or importing the dataset
[3]: data.head(5)# Shows the first five rows with all columns of our dataset
[3]:
                                                            ONEOFF_PURCHASES
       CUST_ID
                    BALANCE
                             BALANCE_FREQUENCY
                                                 PURCHASES
     0 C10001
                  40.900749
                                       0.818182
                                                     95.40
                                                                         0.00
     1 C10002 3202.467416
                                                      0.00
                                                                         0.00
                                       0.909091
     2 C10003 2495.148862
                                       1.000000
                                                    773.17
                                                                       773.17
     3 C10004 1666.670542
                                       0.636364
                                                   1499.00
                                                                      1499.00
     4 C10005
                 817.714335
                                                     16.00
                                       1.000000
                                                                        16.00
        INSTALLMENTS PURCHASES
                                CASH ADVANCE PURCHASES FREQUENCY
     0
                          95.4
                                     0.000000
                                                          0.166667
     1
                           0.0
                                 6442.945483
                                                          0.000000
     2
                           0.0
                                     0.000000
                                                          1.000000
     3
                           0.0
                                   205.788017
                                                          0.083333
                                     0.000000
     4
                           0.0
                                                          0.083333
        ONEOFF_PURCHASES_FREQUENCY
                                    PURCHASES_INSTALLMENTS_FREQUENCY
     0
                          0.000000
                                                             0.083333
     1
                                                             0.00000
                          0.000000
     2
                          1.000000
                                                             0.00000
     3
                          0.083333
                                                             0.00000
     4
                          0.083333
                                                             0.00000
```

CASH_ADVANCE_FREQUENCY CASH_ADVANCE_TRX PURCHASES_TRX CREDIT_LIMIT \

```
0
                       0.000000
                                                 0
                                                                 2
                                                                          1000.0
      1
                                                                 0
                       0.250000
                                                 4
                                                                          7000.0
      2
                       0.000000
                                                                12
                                                                          7500.0
      3
                       0.083333
                                                                 1
                                                                          7500.0
                       0.000000
                                                 0
                                                                 1
                                                                          1200.0
            PAYMENTS MINIMUM_PAYMENTS PRC_FULL_PAYMENT
                                                           TENURE
      0
          201.802084
                             139.509787
                                                 0.000000
                                                                12
         4103.032597
                           1072.340217
                                                 0.222222
                                                                12
      1
      2
          622.066742
                            627.284787
                                                 0.000000
                                                                12
                                                                12
      3
            0.000000
                                    NaN
                                                 0.000000
          678.334763
                            244.791237
                                                 0.000000
[25]: data.shape
[25]: (8950, 17)
     4 removing unwanted feature from the dataset
 [4]: data = data.drop('CUST_ID', axis = 1) # removing "CUST_ID" feature from the
       \rightarrow columns
 [5]: data.head(5)
 [5]:
             BALANCE
                     BALANCE_FREQUENCY PURCHASES ONEOFF_PURCHASES
      0
           40.900749
                                              95.40
                                                                  0.00
                                0.818182
      1 3202.467416
                                               0.00
                                0.909091
                                                                  0.00
      2 2495.148862
                                1.000000
                                             773.17
                                                                773.17
      3 1666.670542
                                0.636364
                                            1499.00
                                                               1499.00
        817.714335
                                              16.00
                                1.000000
                                                                 16.00
         INSTALLMENTS PURCHASES CASH ADVANCE PURCHASES FREQUENCY
      0
                           95.4
                                      0.000000
                                                            0.166667
      1
                            0.0
                                   6442.945483
                                                            0.00000
      2
                            0.0
                                      0.000000
                                                            1.000000
      3
                            0.0
                                    205.788017
                                                            0.083333
      4
                            0.0
                                      0.000000
                                                            0.083333
         ONEOFF_PURCHASES_FREQUENCY
                                      PURCHASES_INSTALLMENTS_FREQUENCY
      0
                           0.00000
                                                               0.083333
      1
                           0.000000
                                                               0.00000
      2
                            1.000000
                                                               0.00000
      3
                           0.083333
                                                               0.00000
      4
                           0.083333
                                                               0.00000
```

CASH_ADVANCE_FREQUENCY CASH_ADVANCE_TRX PURCHASES_TRX CREDIT_LIMIT \

```
0
                 0.000000
                                            0
                                                            2
                                                                     1000.0
                                                            0
1
                 0.250000
                                            4
                                                                     7000.0
2
                 0.000000
                                            0
                                                           12
                                                                     7500.0
3
                 0.083333
                                            1
                                                            1
                                                                     7500.0
4
                  0.000000
                                            0
                                                            1
                                                                     1200.0
      PAYMENTS MINIMUM_PAYMENTS PRC_FULL_PAYMENT
                                                      TENURE
0
    201.802084
                       139.509787
                                            0.000000
                                                           12
                      1072.340217
1 4103.032597
                                            0.222222
                                                           12
2
    622.066742
                       627.284787
                                            0.000000
                                                           12
                                                           12
3
      0.000000
                              NaN
                                            0.000000
    678.334763
                       244.791237
                                            0.000000
                                                           12
```

5 Dealing with missing values

```
[6]: data.isnull().values.any()# cheacking whether there is a missing value or not⊔

in our dataset as a whole
```

[6]: True

```
[7]: data.isnull().sum()#To cheack in which of the feature has a missing value
```

```
[7]: BALANCE
                                             0
     BALANCE_FREQUENCY
                                             0
                                             0
     PURCHASES
     ONEOFF PURCHASES
                                             0
     INSTALLMENTS_PURCHASES
                                             0
     CASH ADVANCE
                                             0
     PURCHASES_FREQUENCY
                                             0
     ONEOFF_PURCHASES_FREQUENCY
                                             0
    PURCHASES_INSTALLMENTS_FREQUENCY
                                             0
     CASH ADVANCE FREQUENCY
                                             0
     CASH_ADVANCE_TRX
                                             0
                                             0
     PURCHASES TRX
     CREDIT_LIMIT
                                             1
     PAYMENTS
                                             0
    MINIMUM_PAYMENTS
                                           313
     PRC_FULL_PAYMENT
                                             0
     TENURE
                                             0
     dtype: int64
```

```
[8]: data.fillna(method ='ffill',axis=0, inplace = True) #Forward-fill
```

[26]: False

^{[26]:} data.isnull().values.any()# cheacking whether there is a missing value or not⊔
→in our dataset as a whole

6 Normalizing the dataset

```
[10]: from sklearn.preprocessing import normalize #To make the scale of each variable
      \rightarrow is the same.
      data_scaled = normalize(data)
      data_scaled = pd.DataFrame(data_scaled, columns=data.columns) # Changing to_
       \rightarrow dataframe type
      data_scaled.head(5)
[10]:
          BALANCE BALANCE_FREQUENCY
                                       PURCHASES
                                                  ONEOFF_PURCHASES
      0 0.039353
                            0.000787
                                        0.091790
                                                           0.000000
      1 0.293876
                            0.000083
                                        0.00000
                                                           0.000000
      2 0.310798
                            0.000125
                                        0.096307
                                                           0.096307
      3 0.208403
                            0.000080
                                        0.187437
                                                           0.187437
                            0.000617
      4 0.504284
                                        0.009867
                                                           0.009867
                                 CASH_ADVANCE PURCHASES_FREQUENCY
         INSTALLMENTS_PURCHASES
      0
                        0.09179
                                      0.000000
                                                            0.000160
      1
                        0.00000
                                      0.591240
                                                            0.000000
      2
                        0.00000
                                      0.000000
                                                            0.000125
      3
                        0.00000
                                      0.025732
                                                            0.000010
      4
                        0.00000
                                      0.000000
                                                            0.000051
         ONEOFF_PURCHASES_FREQUENCY
                                      PURCHASES_INSTALLMENTS_FREQUENCY
      0
                           0.000000
                                                                0.00008
      1
                           0.000000
                                                                0.0000
      2
                           0.000125
                                                                0.00000
      3
                           0.000010
                                                                0.00000
      4
                           0.000051
                                                                0.00000
         CASH ADVANCE FREQUENCY
                                 CASH_ADVANCE_TRX PURCHASES_TRX CREDIT_LIMIT \
      0
                                                          0.001924
                       0.000000
                                          0.000000
                                                                        0.962156
      1
                       0.000023
                                          0.000367
                                                          0.000000
                                                                        0.642358
      2
                       0.000000
                                          0.000000
                                                          0.001495
                                                                        0.934206
      3
                       0.000010
                                          0.000125
                                                          0.000125
                                                                        0.937809
      4
                       0.000000
                                          0.000000
                                                          0.000617
                                                                        0.740040
                                      PRC_FULL_PAYMENT
         PAYMENTS MINIMUM_PAYMENTS
                                                          TENURE
      0 0.194165
                                               0.00000 0.011546
                           0.134230
      1 0.376516
                           0.098404
                                               0.00002 0.001101
      2 0.077485
                           0.078135
                                               0.00000 0.001495
      3 0.000000
                           0.078436
                                               0.00000 0.001500
      4 0.418329
                           0.150963
                                               0.00000 0.007400
```

7 Applying PCA

```
[28]: data_reduced.head(5)
```

```
[28]: P1 P2
0 -0.315576 -0.044823
1 0.317328 -0.156866
2 -0.206978 -0.183004
3 -0.279409 -0.118059
4 0.140988 -0.090323
```

8 Ploting the dendogram

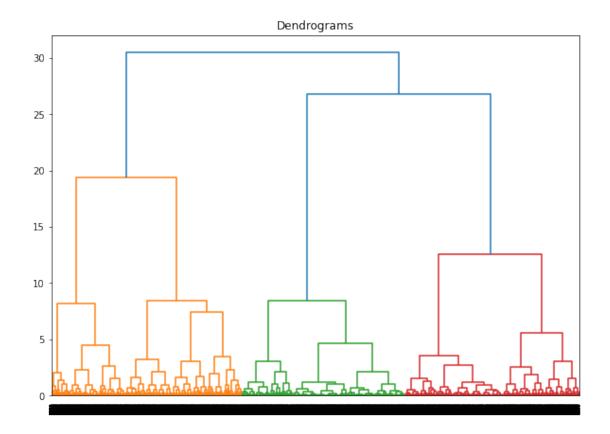
```
[13]: import scipy.cluster.hierarchy as hc # used us to Plot the hierarchical

→clustering as a dendrogram

plt.figure(figsize=(10, 7))# Width, height in inches.

plt.title("Dendrograms") # the title of the diagram

dendo=hc.dendrogram(hc.linkage(data_reduced, method='ward'))
```



[]:

9 Applying Agglomarative clustering

```
[29]: from sklearn.cluster import AgglomerativeClustering # importing_

AgglomerativeClustering algorithm functions

Ag_cluster = AgglomerativeClustering(n_clusters=3, affinity='euclidean',_

Inkage='ward')# number of cluster= 3

#Distance measure_

method='euclidean' and linkage method = 'ward'

y_pred= Ag_cluster.fit_predict(data_reduced) #estimates the best representative_

function for the the data points
```

[30]: y_pred #looking the clusters

[30]: array([2, 0, 1, ..., 2, 2, 0], dtype=int64)

[31]: $y=pd.DataFrame(y_pred)$ #changing the array 'y_pred' cluster into DataFrame and $_$ \rightarrow assigned into 'y'

```
[32]: y
[32]:
            0
      0
            2
      1
            0
      2
            1
      3
            1
      4
            0
      8945
            2
      8946 2
      8947 2
      8948 2
      8949 0
      [8950 rows x 1 columns]
```

10 counting the total number of instances in each clusters

```
[33]: print("the total number of each of the assigned points in each cluster is: ")

print("For cluster two" , y[y==2].value_counts())

print("For cluster one" , y[y==1].value_counts())

print("For cluster zeros" , y[y==0].value_counts())

the total number of each of the assigned points in each cluster is:

For cluster two 2.0 2769

dtype: int64

For cluster one 1.0 2950

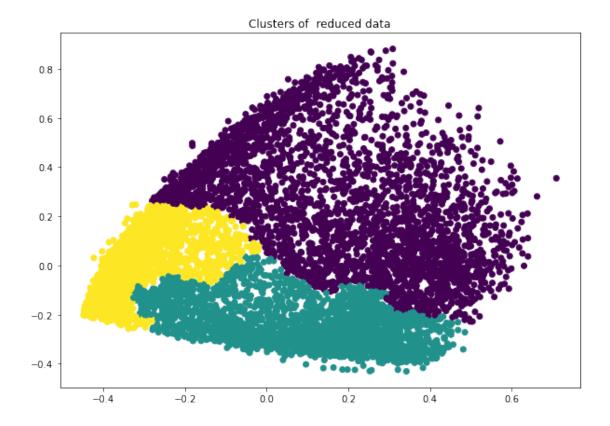
dtype: int64

For cluster zeros 0.0 3231

dtype: int64
```

11 Scatter ploting the clusters

[34]: Text(0.5, 1.0, 'Clusters of reduced data')



12 With out Applying PCA

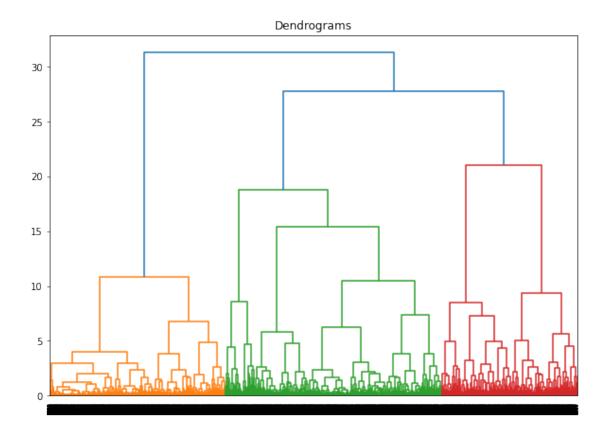
```
[21]: import scipy.cluster.hierarchy as hc # used us to Plot the hierarchical

colustering as a dendrogram

plt.figure(figsize=(10, 7))# Width, height in inches.

plt.title("Dendrograms") # the title of the diagram

dend = hc.dendrogram(hc.linkage(data_scaled, method='ward'))
```



```
[22]: from sklearn.cluster import AgglomerativeClustering # importing

→ AgglomerativeClustering algorithm functions

cluster = AgglomerativeClustering(n_clusters=3, affinity='euclidean',

→linkage='ward')# number of cluster= 3

#Distance measure method='euclidean' and linkage method = 'ward'

cluster.fit_predict(data_scaled)
```

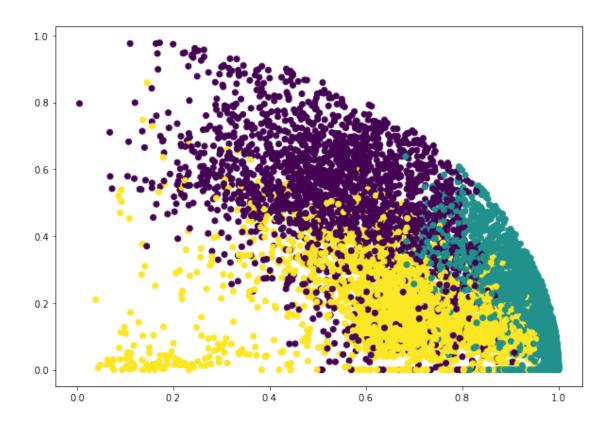
[22]: array([1, 0, 2, ..., 1, 1, 0], dtype=int64)

```
[23]: data_scaled.head()
```

```
[23]:
                                                 ONEOFF_PURCHASES \
          BALANCE BALANCE_FREQUENCY PURCHASES
      0 0.039353
                            0.000787
                                       0.091790
                                                         0.000000
      1 0.293876
                            0.000083
                                       0.000000
                                                         0.000000
      2 0.310798
                            0.000125
                                       0.096307
                                                         0.096307
      3 0.208403
                            0.000080
                                       0.187437
                                                         0.187437
      4 0.504284
                            0.000617
                                       0.009867
                                                         0.009867
                                 CASH_ADVANCE PURCHASES_FREQUENCY
         INSTALLMENTS_PURCHASES
     0
                        0.09179
                                     0.000000
                                                          0.000160
                        0.00000
                                     0.591240
                                                          0.000000
      1
```

```
0.000000
     2
                        0.00000
                                                           0.000125
      3
                        0.00000
                                     0.025732
                                                           0.000010
      4
                        0.00000
                                     0.000000
                                                           0.000051
         ONEOFF_PURCHASES_FREQUENCY
                                     PURCHASES_INSTALLMENTS_FREQUENCY
      0
                           0.000000
                                                               0.00008
      1
                           0.000000
                                                               0.00000
      2
                           0.000125
                                                               0.00000
      3
                           0.000010
                                                               0.00000
      4
                           0.000051
                                                               0.00000
         CASH_ADVANCE_FREQUENCY
                                 CASH_ADVANCE_TRX PURCHASES_TRX CREDIT_LIMIT
      0
                       0.000000
                                          0.000000
                                                         0.001924
                                                                       0.962156
                                                         0.000000
      1
                       0.000023
                                          0.000367
                                                                       0.642358
      2
                       0.000000
                                          0.000000
                                                         0.001495
                                                                       0.934206
      3
                       0.000010
                                          0.000125
                                                         0.000125
                                                                       0.937809
                       0.000000
                                                         0.000617
                                          0.000000
                                                                       0.740040
                                     PRC_FULL_PAYMENT
         PAYMENTS MINIMUM_PAYMENTS
                                                          TENURE
      0 0.194165
                           0.134230
                                               0.00000 0.011546
      1 0.376516
                           0.098404
                                               0.00002 0.001101
      2 0.077485
                           0.078135
                                               0.00000 0.001495
      3 0.000000
                           0.078436
                                               0.00000 0.001500
      4 0.418329
                           0.150963
                                               0.00000 0.007400
[24]: plt.figure(figsize=(10, 7))
      plt.scatter(data_scaled['CREDIT_LIMIT'], data_scaled['PAYMENTS'], c=cluster.
       →labels_)
```

[24]: <matplotlib.collections.PathCollection at 0x2130e411c40>



[]: