Assignment I

Clustering and Principal Component Analysis

Objective

HELP International is an international humanitarian NGO that is committed to fighting poverty and providing the people of backward countries with basic amenities and relief during the time of disasters and natural calamities. It runs a lot of operational projects from time to time along with advocacy drives to raise awareness as well as for funding purposes.

After the recent funding programmes, they have been able to raise around \$ 10 million. Now the CEO of the NGO needs to decide how to use this money strategically and effectively. The significant issues that come while making this decision are mostly related to choosing the countries that are in the direst need of aid.

And this is where you come in as a data analyst. Your job is to categorize the countries using some socio-economic and health factors that determine the overall development of the country. Then you need to suggest the countries which the CEO needs to focus on the most.

Steps involved are:

- 1. Read and visualize the data
- 2. Clean the data
- 3. Preparing the data
- 4. Principal Component Analysis
- 5. Hopkins Statistics
- 6. K-Means clustering
- 7. Analyzing the k-means cluster
- 8. Hierarchical Clustering
- 9. Analyzing the hierarchical clusters

Step 1: Read and visualize the data

```
In [1]:
         # importing libraries
         import pandas as pd
         import numpy as np
         import matplotlib.pyplot as plt
         import seaborn as sns
In [2]: # importing dataset
         df = pd.read csv('C:/Users/User/Desktop/practice set/credited assignment/Clustering/Country-data.csv')
         df.head()
Out[2]:
                       country child mort exports health imports income inflation life expec total fer
                    Afghanistan
          0
                                     90.2
                                             10.0
                                                    7.58
                                                            44.9
                                                                    1610
                                                                             9.44
                                                                                       56.2
                                                                                                5.82
                                                                                                       553
          1
                        Albania
                                     16.6
                                             28.0
                                                    6.55
                                                            48.6
                                                                    9930
                                                                             4.49
                                                                                       76.3
                                                                                                1.65
                                                                                                      4090
          2
                        Algeria
                                     27.3
                                             38.4
                                                    4.17
                                                            31.4
                                                                   12900
                                                                            16.10
                                                                                       76.5
                                                                                                2.89
                                                                                                      4460
          3
                        Angola
                                    119.0
                                             62.3
                                                    2.85
                                                            42.9
                                                                    5900
                                                                            22.40
                                                                                       60.1
                                                                                                6.16
                                                                                                      3530
```

58.9

19100

1.44

76.8

2.13 12200

```
In [3]: # shape of the dataset
    df.shape
```

10.3

45.5

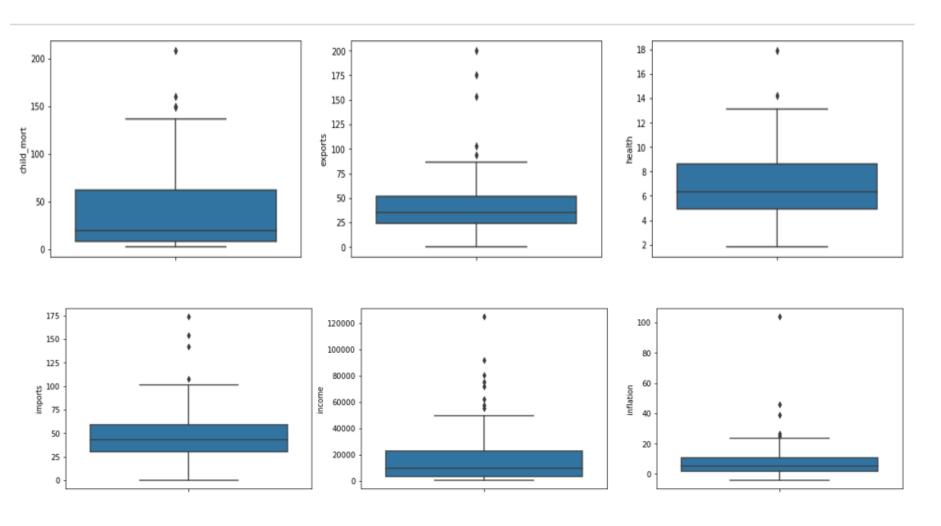
6.03

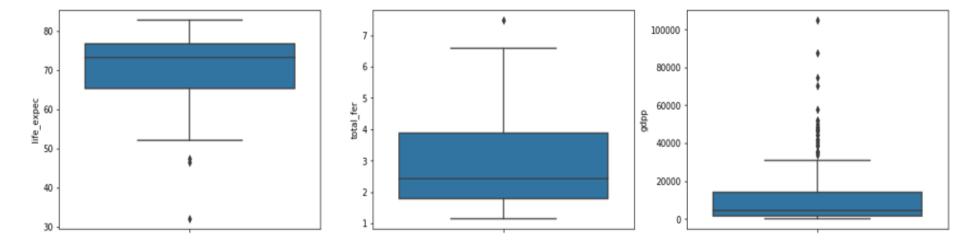
Out[3]: (167, 10)

4 Antigua and Barbuda

Step 2: Clean the data

Checking if any **outlier** is present in the dataset





the dataset contain few outliers which can be analysed and treated after Principal Component Analysis

Checking **correlation** among the variables



- · child mortality is highly negatively correlated to life expec
- · child mortality is positively correlated to total fertility
- · income is negatively correlated to child motality and is highly positively correlated to gdpp

Checking if any **null value** is present

Formatting variables for better understanding

```
In [11]: # changing the format of the variables
    df['exports'] = df['exports']*df['gdpp']/100
    df['health'] = df['health']*df['gdpp']/100
    df['imports'] = df['imports']*df['gdpp']/100
```

Step 3: Preparing the data

Dropping country column

```
In [13]:
          # dropping the country column
           df = df[['child mort', 'exports', 'health', 'imports', 'income', 'inflation', 'life expec', 'total fer', 'gdpp']]
           df.head()
Out[13]:
              child_mort exports
                                    health
                                            imports income inflation life_expec total_fer
                                                                                          gdpp
           0
                    90.2
                            55.30
                                   41.9174
                                            248.297
                                                       1610
                                                                9.44
                                                                           56.2
                                                                                    5.82
                                                                                           553
           1
                        1145.20 267.8950 1987.740
                                                       9930
                                                                4.49
                                                                           76.3
                                                                                    1.65
                                                                                          4090
            2
                    27.3 1712.64 185.9820 1400.440
                                                      12900
                                                               16.10
                                                                           76.5
                                                                                    2.89
                                                                                          4460
           3
                   119.0 2199.19 100.6050 1514.370
                                                       5900
                                                               22.40
                                                                           60.1
                                                                                          3530
                                                                                    6.16
           4
                    10.3 5551.00 735.6600 7185.800
                                                                                    2.13 12200
                                                      19100
                                                                1.44
                                                                           76.8
```

Scaling the numerical columns

```
# standardization
In [14]:
           df=(df-df.mean())/df.std()
           df.head()
Out[14]:
               child_mort
                            exports
                                        health
                                                 imports
                                                           income
                                                                     inflation life_expec
                                                                                          total fer
                                                                                                       gdpp
            0
                1.287660
                          -0.409779
                                    -0.563346
                                               -0.430979
                                                         -0.805822
                                                                    0.156864
                                                                                         1.897176 -0.677143
                                                                              -1.614237
                -0.537333 -0.349141 -0.437901 -0.312737
                                                         -0.374243
                                                                   -0.311411
                                                                                         -0.857394 -0.484167
                                                                               0.645924
                -0.272015 -0.317571 -0.483372 -0.352660 -0.220182
                                                                    0.786908
                                                                               0.668413
                                                                                         -0.038289 -0.463980
            3
                 2.001787
                          -0.290501 -0.530767
                                               -0.344915
                                                         -0.583289
                                                                    1.382894
                                                                              -1.175698
                                                                                         2.121770 -0.514720
                -0.693548 -0.104019 -0.178234
                                               0.040613 0.101427 -0.599944
                                                                               0.702147 -0.540321 -0.041692
```

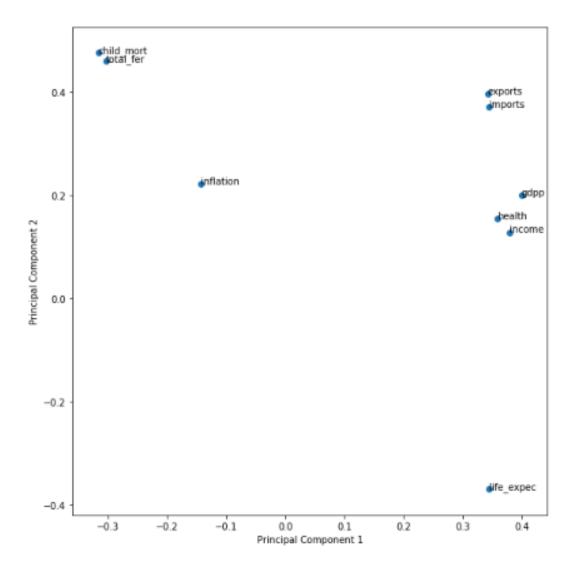
Step 4: Principal Component Analysis

Importing libraries and doing PCA

List of principal components

```
In [18]: colnames = list(df.columns)
          pcs_df = pd.DataFrame({'PC1':pca.components_[0],'PC2':pca.components_[1], 'Feature':colnames})
          pcs_df.head()
Out[18]:
                  PC1
                          PC2
                                 Feature
           0 -0.316392 0.476267 child mort
           1 0.342887 0.397311
                                  exports
           2 0.358535 0.155053
                                  health
           3 0.344865 0.370781
                                  imports
           4 0.380041 0.128384
                                  income
```

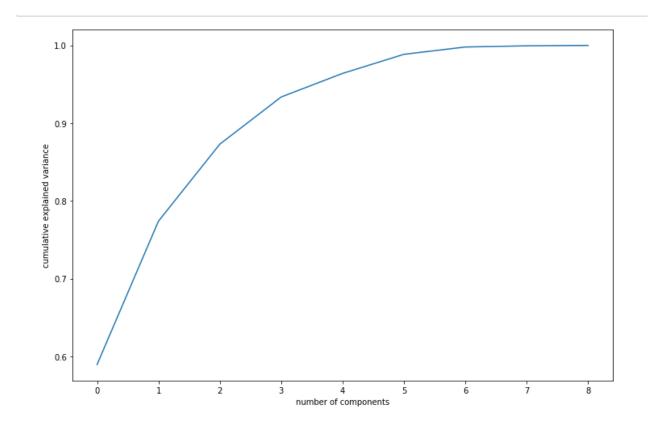
Plotting principal components



Checking variance ratio

Scree plot

more than 95% of the information is being explained by 5 components

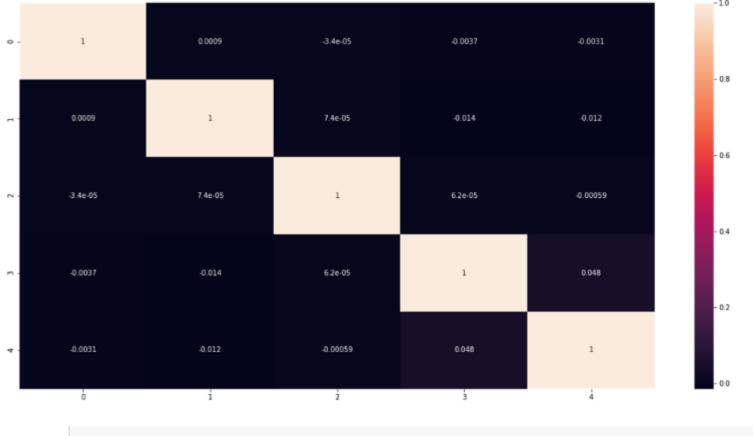


Fitting principal components to the scaled features df

```
In [22]: #Using incremental PCA for efficiency - saves a lot of time on larger datasets
    from sklearn.decomposition import IncrementalPCA
    pca_final = IncrementalPCA(n_components=5)
In [23]: df_pca = pca_final.fit_transform(df)
    df_pca.shape
Out[23]: (167, 5)
```

Transposing final df_pca

Checking **correlation** of principal components

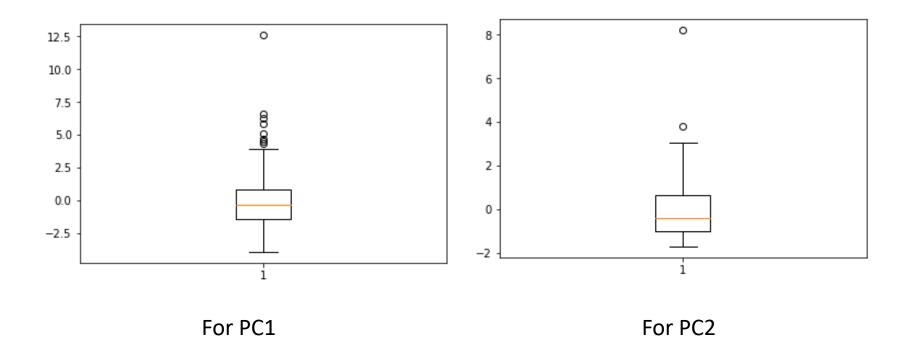


```
In [29]: # 1s -> 0s in diagonals
    corrmat_nodiag = corrmat - np.diagflat(corrmat.diagonal())
    print("max corr:",corrmat_nodiag.max(), ", min corr: ", corrmat_nodiag.min(),)
    # we see that correlations are indeed very close to 0
```

max corr: 0.047501009620927404 , min corr: -0.013777413350897525

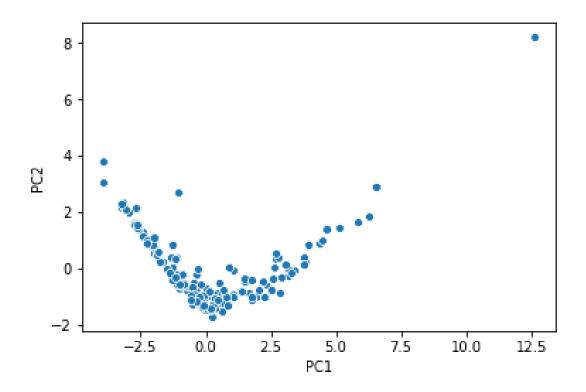
It seems little or no correlation among the variables

Outlier analysis after PCA



Since the data is getting lost by treating the outliers therefore we are retaining it and moving forward with it.

Visualizing principal components using scatter plot



Step 5: Hopkins Statistics

```
In [35]: #Let's check the Hopkins measure
hopkins(pcs_df2)
Out[35]: 0.9659597073422685
```

Since the value is > 0.5 the given dataset has a good tendency to form clusters.

Step 6: K-Means clustering

Importing libraries

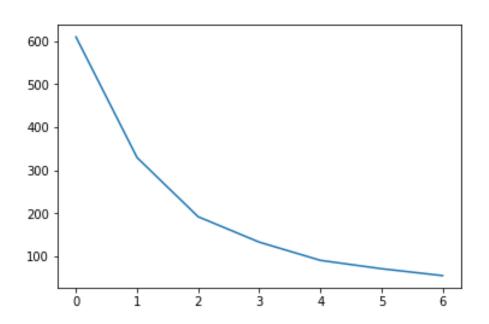
```
In [37]: from sklearn.cluster import KMeans
   from sklearn.metrics import silhouette_score
   from scipy.cluster.hierarchy import linkage
   from scipy.cluster.hierarchy import dendrogram
   from scipy.cluster.hierarchy import cut_tree
```

performing k-means with random clusters say 4

Finding optimal number of clusters

Elbow-curve

From the elbow curve, 2 clusters seem to be the optimal number of clusters



Silhouette Analysis

we are taking 2 clusters into account for final model

```
For n_clusters=2, the silhouette score is 0.5428022998015879
For n_clusters=3, the silhouette score is 0.5531039376192802
For n_clusters=4, the silhouette score is 0.5608674477746025
For n_clusters=5, the silhouette score is 0.541082010503369
For n_clusters=6, the silhouette score is 0.496751371780202
For n_clusters=7, the silhouette score is 0.4637591769916579
For n_clusters=8, the silhouette score is 0.46484988852400594
```

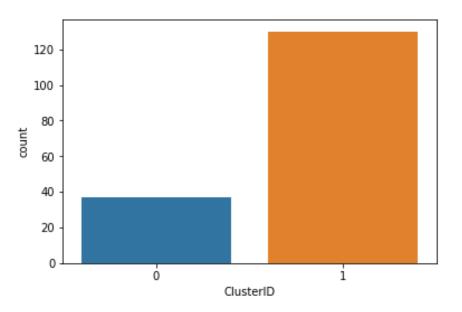
Final model with k = 2

```
In [42]:
          # final model with k=2
          kmeans = KMeans(n clusters=2, max iter=50)
          kmeans.fit(df 2)
Out[42]: KMeans(algorithm='auto', copy x=True, init='k-means++', max iter=50,
              n clusters=2, n init=10, n jobs=None, precompute distances='auto',
              random state=None, tol=0.0001, verbose=0)
          kmeans.labels
In [43]:
Out[43]: array([1, 1, 1, 1, 1, 1, 1, 0, 0, 1, 0, 0, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1,
                 1, 0, 1, 1, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 0, 0,
                 0, 1, 1, 1, 1, 1, 1, 1, 1, 0, 0, 1, 1, 1, 0, 1, 0, 1, 1, 1, 1, 1,
                 1, 1, 0, 1, 1, 1, 1, 0, 0, 0, 1, 0, 1, 1, 1, 1, 0, 1, 1, 1, 1, 1,
                 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,
                 0, 0, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 0, 0, 1, 1, 1, 1, 1, 1, 1, 1,
                 1, 0, 0, 0, 1, 1, 0, 0, 1, 1, 1, 1, 0, 0, 1, 1, 1, 1, 1, 1, 1, 1,
                 1, 1, 1, 0, 0, 0, 1, 1, 1, 1, 1, 1, 1]
                                        In [44]: # final data frame of clusters
                                                df 3=pcs df2
                                                df 3.index = pd.RangeIndex(len(df 3.index))
                                                df km = pd.concat([df 3, pd.Series(kmeans.labels )], axis=1)
Final data frame of cluster
                                                df km.columns = ['PC1', 'PC2', 'ClusterID']
                                                df km.head()
and principal components
                                        Out[44]:
                                                       PC1
                                                              PC2 ClusterID
                                                  0 -2.628433 1.467845
                                                  1 -0.023712 -1.431231
                                                  2 -0.457851 -0.677667
```

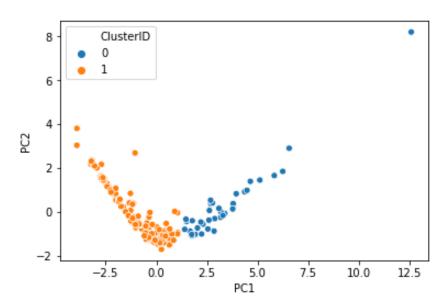
3 -2.715305 2.1684454 0.647157 -1.023327

Counting the number of clusters

there are 130 cluster 1 and 37 cluster 0



Scatterplot of different clusters



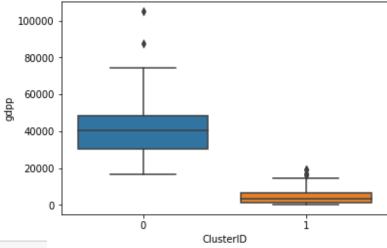
Merging original data set with the final clusters and dropping PC1 and PC2 from the final data set

Out[54]:

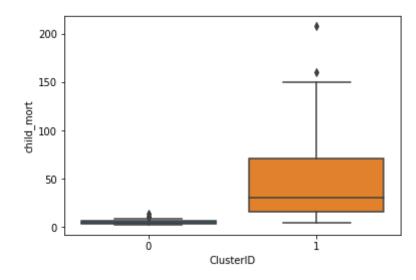
	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID
0	Afghanistan	90.2	10.0	7.58	44.9	1610	9.44	56.2	5.82	553	1
1	Albania	16.6	28.0	6.55	48.6	9930	4.49	76.3	1.65	4090	1
2	Algeria	27.3	38.4	4.17	31.4	12900	16.10	76.5	2.89	4460	1
3	Angola	119.0	62.3	2.85	42.9	5900	22.40	60.1	6.16	3530	1
4	Antigua and Barbuda	10.3	45.5	6.03	58.9	19100	1.44	76.8	2.13	12200	1

Analysing variables cluster wise

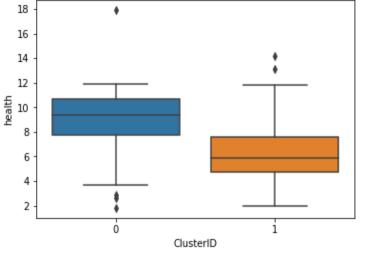
```
# boxplot of gdpp based on ClusterID
sns.boxplot(x = 'ClusterID', y = 'gdpp', data = country)
plt.show()
```

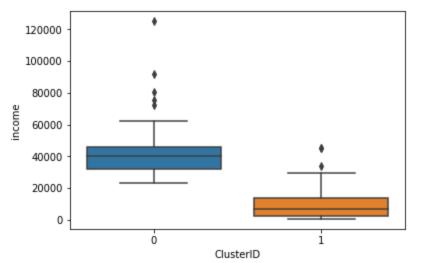


```
# boxplot of child_mort based on ClusterID
sns.boxplot(x = 'ClusterID', y = 'child_mort', data = country)
plt.show()
```



```
sns.boxplot(x = 'ClusterID', y = 'health', data = country)
plt.show()
# boxplot of income based on ClusterID
sns.boxplot(x = 'ClusterID', y = 'income', data = country)
plt.show()
```



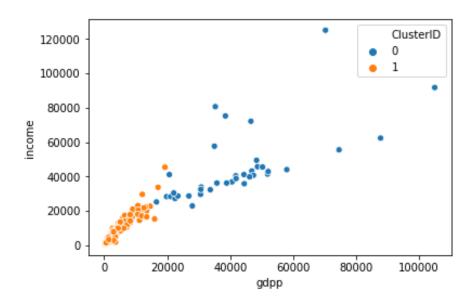


from the above four boxplot we can infer that:

- cluster 1 has low gdpp, high child mortality, low income and lower health than cluster 0
- therefore countries in cluster 1 need more aid than countries in cluster 0

```
# scatter plot of gdpp and income
sns.scatterplot(x='gdpp',y='income',hue = 'ClusterID', data=country)
```

< <matplotlib.axes._subplots.AxesSubplot at 0x1fc2a19bc50>



As the income increases, gdpp is also increasing Country with high income and gdpp are mostly present in cluster 0

Step 7: Analyzing the k-means cluster

Grouping variables mean based on ClusterID

```
# grouping different variables and finding the mean based on their ClusterID
clu_gdpp = pd.DataFrame(country.groupby(["ClusterID"]).gdpp.mean())
clu_child_mort = pd.DataFrame(country.groupby(["ClusterID"]).income.mean())
clu_income = pd.DataFrame(country.groupby(["ClusterID"]).income.mean())
clu_health = pd.DataFrame(country.groupby(["ClusterID"]).health.mean())
clu_exports = pd.DataFrame(country.groupby(["ClusterID"]).imports.mean())
clu_imports = pd.DataFrame(country.groupby(["ClusterID"]).inflation.mean())
clu_inflation = pd.DataFrame(country.groupby(["ClusterID"]).life_expec.mean())
clu_life_expec = pd.DataFrame(country.groupby(["ClusterID"]).life_expec.mean())
clu_total_fer = pd.DataFrame(country.groupby(["ClusterID"]).total_fer.mean())
```

Data frame of the mean of the features cluster-wise

	ClusterID	ClusterID gdpp		income	health exports		imports	inflation	life_expec	total_fer
0	0	42102.702703	5.237838	45056.756757	8.782973	58.097297	51.281081	2.588432	79.956757	1.755676
1	1	4670.876923	47.671538	9200.484615	6.255769	36.273838	45.640507	9.259954	67.880000	3.287308

Developed countries

```
# developed country
developed_country = country[country['ClusterID'] == 0]
developed_country.head()
```

	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID
7	Australia	4.8	19.8	8.73	20.9	41400	1.160	82.0	1.93	51900	0
8	Austria	4.3	51.3	11.00	47.8	43200	0.873	80.5	1.44	46900	0
10	Bahamas	13.8	35.0	7.89	43.7	22900	-0.393	73.8	1.86	28000	0
11	Bahrain	8.6	69.5	4.97	50.9	41100	7.440	76.0	2.16	20700	0
15	Belgium	4.5	76.4	10.70	74.7	41100	1.880	80.0	1.86	44400	0

Under developed countries

```
# under developed country
under_developed_country = country[country['ClusterID'] == 1]
under_developed_country.head()
```

	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID
0	Afghanistan	90.2	10.0	7.58	44.9	1610	9.44	56.2	5.82	553	1
1	Albania	16.6	28.0	6.55	48.6	9930	4.49	76.3	1.65	4090	1
2	Algeria	27.3	38.4	4.17	31.4	12900	16.10	76.5	2.89	4460	1
3	Angola	119.0	62.3	2.85	42.9	5900	22.40	60.1	6.16	3530	1
4	Antigua and Barbuda	10.3	45.5	6.03	58.9	19100	1.44	76.8	2.13	12200	1

Binning the countries who need aid from the NGO

```
# binning the country to find the countries who need aid
final=country[country['gdpp']<=4670.88]
final=final[final['child_mort']>= 47.67]
final=final[final['income']<= 9200.48]</pre>
```

sorting the data frame to find which country has high child mortality, low health, low income and gdpp, those countries need direct aid from the NGO

```
# sorting the final data frame based on child motality rate, health, income and gdpp
final = final.sort_values(['child_mort', 'health', 'income', 'gdpp'], ascending = [False, True, True])
final.head()
```

	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID
66	Haiti	208.0	15.3	6.91	64.7	1500	5.45	32.1	3.33	662	1
132	Sierra Leone	160.0	16.8	13.10	34.5	1220	17.20	55.0	5.20	399	1
32	Chad	150.0	36.8	4.53	43.5	1930	6.39	56.5	6.59	897	1
31	Central African Republic	149.0	11.8	3.98	26.5	888	2.01	47.5	5.21	446	1
97	Mali	137.0	22.8	4.98	35.1	1870	4.37	59.5	6.55	708	1

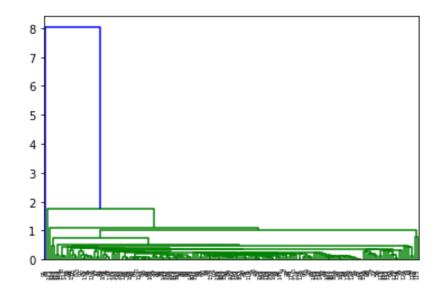
Therefore final list of countries who require aid from the NGO are:

- Haiti
- · Sierra Leone
- Chad
- Central African Republic
- Mali

Step 8: Hierarchical Clustering

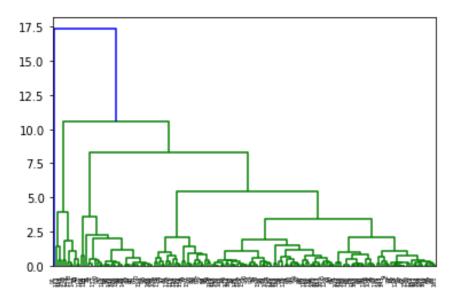
Single linkage

```
# single linkage
mergings = linkage(pcs_df2, method="single", metric='euclidean')
dendrogram(mergings)
plt.show()
```



Complete linkage

```
# complete linkage
mergings = linkage(pcs_df2, method="complete", metric='euclidean')
dendrogram(mergings)
plt.show()
```



from the above dendrogram we can take 3 clusters for our final hierarchical clustering

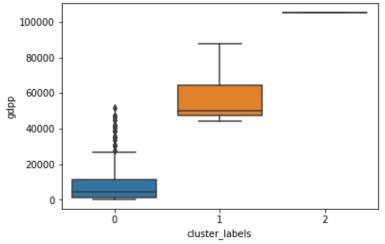
Dividing features into 3 clusters

	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID	cluster_labels
0	Afghanistan	90.2	10.0	7.58	44.9	1610	9.44	56.2	5.82	553	1	0
1	Albania	16.6	28.0	6.55	48.6	9930	4.49	76.3	1.65	4090	1	0
2	Algeria	27.3	38.4	4.17	31.4	12900	16.10	76.5	2.89	4460	1	0
3	Angola	119.0	62.3	2.85	42.9	5900	22.40	60.1	6.16	3530	1	0
4	Antigua and Barbuda	10.3	45.5	6.03	58.9	19100	1.44	76.8	2.13	12200	1	0

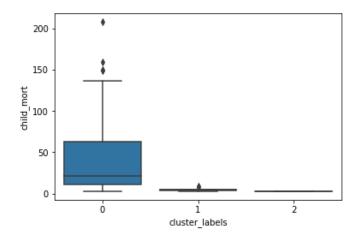
Counting the number of cluster labels

Analysing variables cluster wise

```
# box plot
sns.boxplot(x = 'cluster_labels', y = 'gdpp', data = country)
plt.show()
```

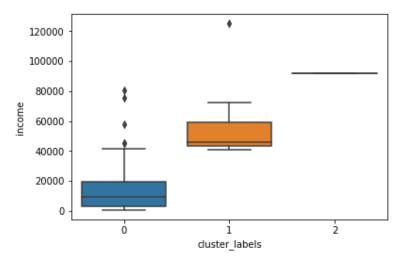


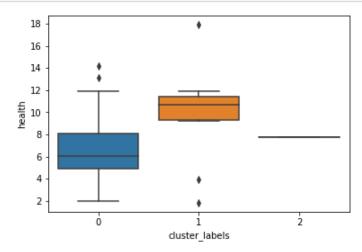
```
# box plot
sns.boxplot(x = 'cluster_labels', y = 'child_mort', data = country)
plt.show()
```



```
# box plot
sns.boxplot(x = 'cluster_labels', y = 'income', data = country)
plt.show()
```

```
# boxplot
sns.boxplot(x = 'cluster_labels', y = 'health', data = country)
plt.show()
```

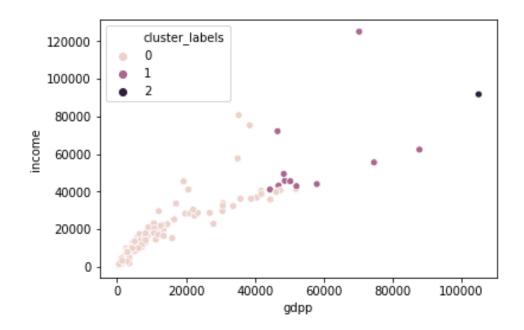




from the above boxplot we can see that:

- cluster 0 has low gdpp, high child_mort, low income and low health than the rest of the clusters
- therefore countries in cluster 0 need more aid than the rest

Cluster 0 falls under low income and low gdpp



Step 9: Analyzing the hierarchical clusters

Grouping variables mean based on cluster_labels

```
# grouping different variables and finding the mean based on their cluster_labels
clu_gdpp = pd.DataFrame(country.groupby(["cluster_labels"]).gdpp.mean())
clu_child_mort = pd.DataFrame(country.groupby(["cluster_labels"]).child_mort.mean())
clu_income = pd.DataFrame(country.groupby(["cluster_labels"]).income.mean())
clu_health = pd.DataFrame(country.groupby(["cluster_labels"]).health.mean())
clu_exports = pd.DataFrame(country.groupby(["cluster_labels"]).imports.mean())
clu_imports = pd.DataFrame(country.groupby(["cluster_labels"]).inflation.mean())
clu_inflation = pd.DataFrame(country.groupby(["cluster_labels"]).life_expec.mean())
clu_life_expec = pd.DataFrame(country.groupby(["cluster_labels"]).life_expec.mean())
clu_total_fer = pd.DataFrame(country.groupby(["cluster_labels"]).total_fer.mean())
```

Data frame of the mean of the features cluster-wise

	cluster_labels	gdpp	child_mort	income	health	exports	imports	inflation	life_expec	total_fer
0	0	9238.154839	40.883226	13837.180645	6.593419	38.144510	45.395909	8.238277	69.772903	3.039161
1	1	57100.000000	4.672727	56972.727273	9.860909	70.709091	59.300000	1.728455	80.609091	1.782727
2	2	105000.000000	2.800000	91700.000000	7.770000	175.000000	142.000000	3.620000	81.300000	1.630000

Binning the countries who need aid from the NGO

```
# binning the country to find the countries who need aid
final=country[country['gdpp']<=9238.15]
final=final[final['child_mort']>= 40.88]
final=final[final['income']<= 13837.18]</pre>
```

sorting the data frame to find which country has high child mortality, low health, low income and gdpp, those countries need direct aid from the NGO

```
# sorting the final data frame based on child motality rate, health, income and gdpp
final = final.sort_values(['child_mort', 'health', 'income', 'gdpp'], ascending = [False, True, True, True])
final.head()
```

	country	child_mort	exports	health	imports	income	inflation	life_expec	total_fer	gdpp	ClusterID	cluster_labels
66	Haiti	208.0	15.3	6.91	64.7	1500	5.45	32.1	3.33	662	1	0
132	Sierra Leone	160.0	16.8	13.10	34.5	1220	17.20	55.0	5.20	399	1	0
32	Chad	150.0	36.8	4.53	43.5	1930	6.39	56.5	6.59	897	1	0
31	Central African Republic	149.0	11.8	3.98	26.5	888	2.01	47.5	5.21	446	1	0
97	Mali	137.0	22.8	4.98	35.1	1870	4.37	59.5	6.55	708	1	0

Therefore final list of countries who require aid from the NGO are:

- Haiti
- · Sierra Leone
- Chad
- Central African Republic
- Mali

which is same as k-means clustering