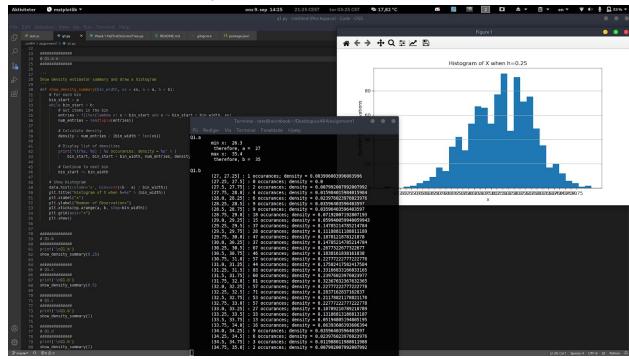
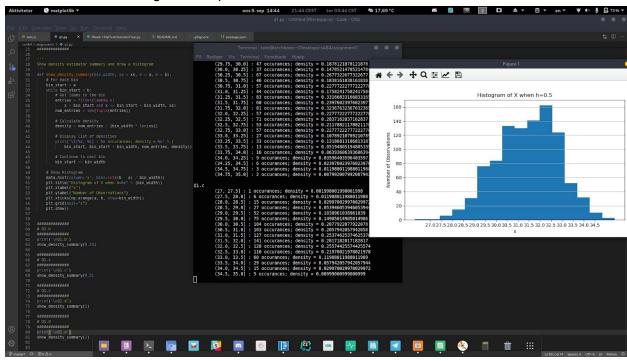
- 1. See attachment 'q1.py' for full python program
  - a. A = 26; B = 36

```
import pandas as pd;
import numpy as np;
import matplotlib.pyplot as plt;
import math
# Load data
data = pd.read_csv('NormalSample.csv')
                                                              Terminal - tate@archboo
                                             Fil Rediger Vis Terminal Faneblade
##############
# Q1.a
                                            TypeError: object of type 'filter' has
###############
                                            [tate@archbook asignment1]$ python q1.
xs = data['x']
a = math.ceil(min(xs))
                                            Q1.a
b = math.floor(max(xs))
                                                     min x: 26.3
                                                     therefore, a =
                                                    max x: 35.4
                                                      therefore, b =
                                                                       35
                                            Q1.b
                                                     (27, 27.25] : 1 occurances; de
##############
                                                     (27.25, 27.5] : 0 occurances;
# Q1.b-e
                                                     (27.5, 27.75] : 2 occurances;
##############
```

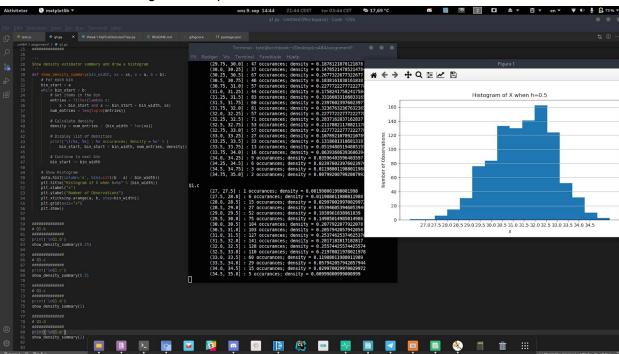
b. List: see terminal window, histogram: see plot



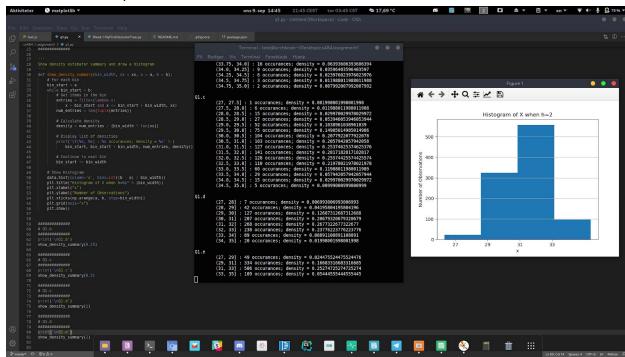
c. List: see terminal, histogram see plot



d. List: see terminal, histogram: see plot



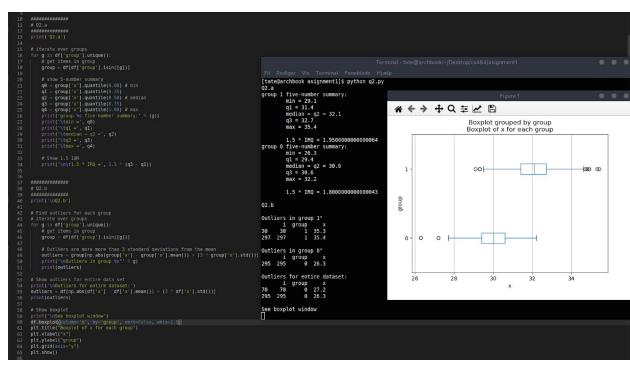
e. List: see terminal, plot see chart



f. According to the strategy suggested by izenman, A. J. (1991) in the american statistical association journal, the ideal bin width (h) is ~0.4, among the 4 we tested here the 0.5 one is closest to this value. Without context however, this value might not be the most appropriate. And there are some minor things you can see in the h=0.25 histogram that aren't present in the h=0.5 data set. For example, the x=(31.5, 31.75] interval has fewer members than its neighbors, which although unlikely, could potentially be statistically significant. For example, if these are ages of humans in years there may have been an approximately 3 month period with world events that caused fertility rates to decrease during that period.

```
###############
# Q1.f
                                                   Q1.e
#############
                                                           (27, 29] : 49 occurances; density = 0.02447
                                                           (29, 31] : 334 occurances; density = 0.1668
                                                           (31, 33] : 506 occurances; density = 0.2527
# Print Interquartile-range
                                                           (33, 35] : 109 occurances; density = 0.0544
q1 = data.quantile(0.25)['x']
q3 = data.quantile(0.75)['x']
                                                   Q1.f
                                                           interquartile-range: 2.0
print('\tinterquartile-range:', iqr)
                                                           Ideal bin-width: h = 0.3998667554864774
ideal_h = 2 iqr len(xs) ** (-1 / 3)
                                                   [tate@archbook asignment1]$
print(()'\tIdeal bin-width: h =', ideal h))
```

2. See attachment 'q2.py' for python program

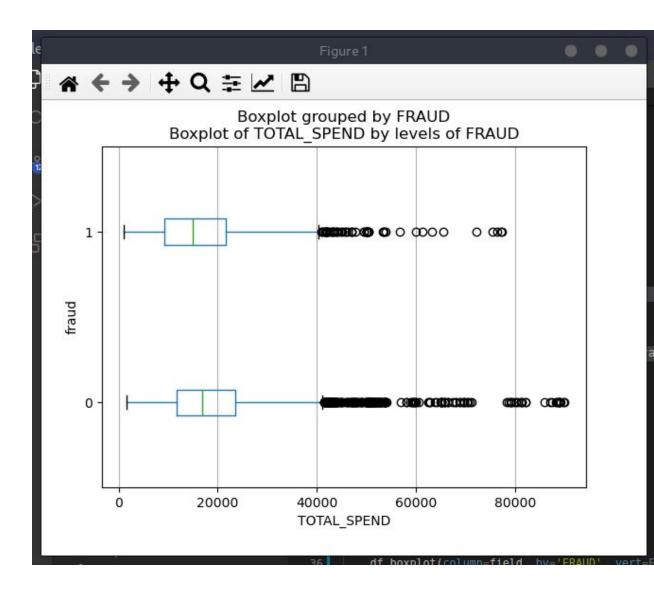


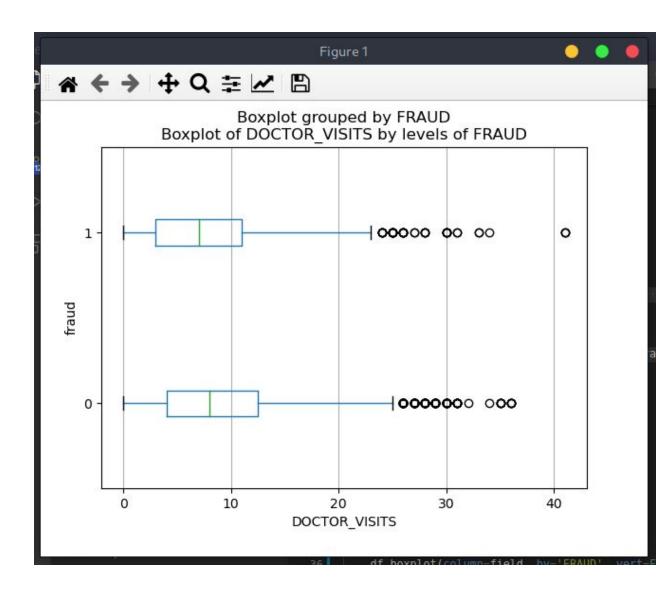
- a. The five number summary is as shown in the terminal above, the 1.5 iqr is also shown as 1.5 times the difference between q3 and q1 as shown in the terminal above
- b. Note that there are only two unique groups for the dataset specified. See the terminal above for outliers, see the 'Figure 1' window above for the box-plot
- 3. See attached q3.py for full python program
  - a. 19.9497% of investigations were found to be fraudulent

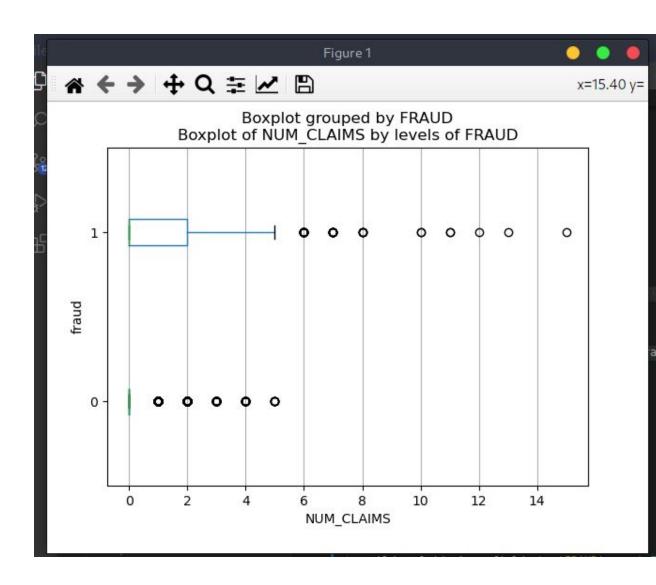
b. Code used to generate plots:

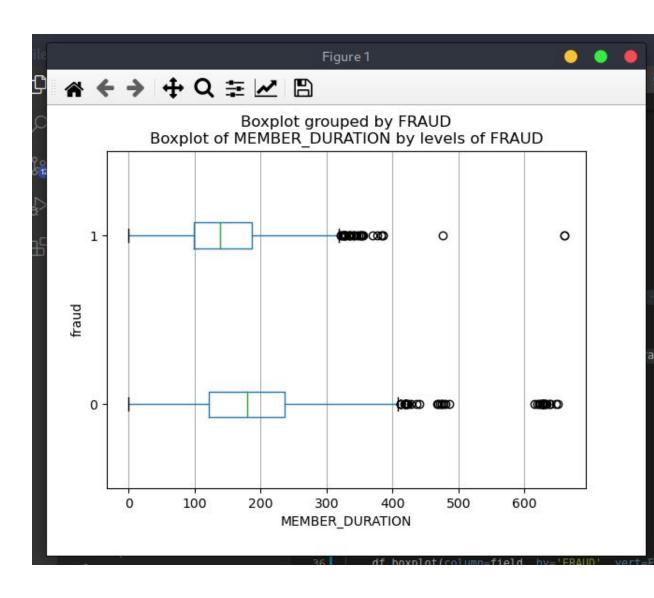
```
[tate@arc
############
                                                                  Q3.a
# Q3.b
###########
print('03.b')
# Box plot for each field
                                                                  Q3.b
for field in df:
                                                                  П
    if field in ('CASE_ID', 'FRAUD'):
    # Draw boxplot
    df.boxplot(column=field, by='FRAUD', vert=False, whis=1.5, sym='')
    plt.title("Boxplot of %s in relation to FRAUD" % field)
    plt.xlabel(field)
    plt.ylabel('fraud')
    plt.grid(axis="y")
    plt.show()
```

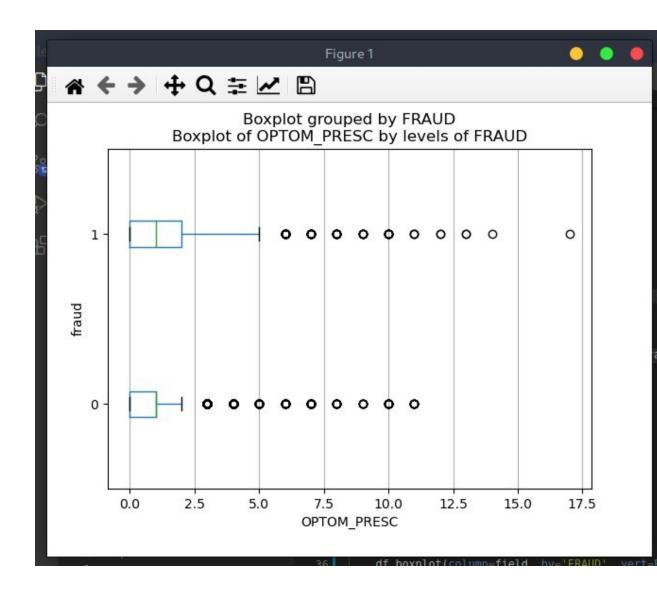
Plots:

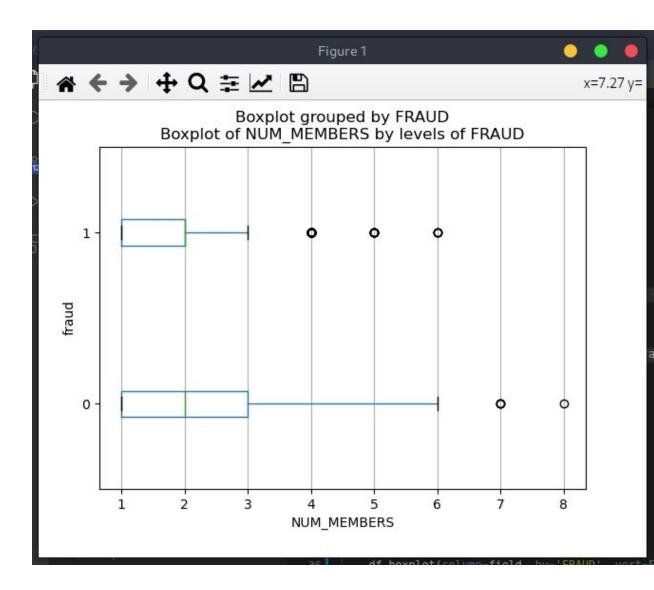












C.

i. There were some math concepts that I haven't yet covered in any of my classes (I'm just now taking linear algebra), however I did find the eigenvectors and eigenvalues using the same methods as used in the examples done in class. As you can see from the eigenvalues, all of them are above 1 so they should all be usable according to the criteria set forth in the assignment. (see 'usable dimensions' in screenshot)

```
eigenvalues:
                                                                                                                     [8.08503761e+02 6.95330743e+03 8.39876804e+03 1.80629816e
                 plt.grid(axis="y")
plt.show()
                                                                                                                     3.15629087e+05 7.86083187e+07 4.45764449e+09 2.87846878e+
                                                                                                                                   TOTAL_SPEND : 808.5037614522325
DOCTOR VISITS : 6953.307429707188
       # Q3.c
############
                                                                                                                                  NUM CLAIMS : 8398.7680352244

MEMBER DURATION : 18062.98163764361

OPTOM PRESC : 315629.08739040286

NUM MEMBERS : 78608318.7360505
       # get interval variable fields
fields = [field for field in df if field not in ('CASE_ID', 'FRAUD')]

# transpose
# mattx = mat.transpose() * mat
data = df.set_index('CASE_ID')
mat = numpy.matrix(df.values)

# get interval variable fields
[[-7.45819084e-07 3.88904761e-07 6.01031836e-07 1.0442
-4.00557476e-07 4.07326752e-06 -1.47945552e-05 8.94112
[-3.47131561e-02 1.57761749e-03 -6.44914431e-04 -5.22827
-4.00557476e-07 4.07326752e-06 -1.47945552e-05 8.94112
[-3.47131561e-02 1.57761749e-08 -4.53125156e-11 4.16875
-1.268034450-05 -1.94660186e-07 2.22494408e-08 1.55793948e-07 1.25837
-1.868034450-05 6.36666958e.05 2.96172133e.04 9.34454
       data = df.set_index('CASE_ID')
mat = numpy.matrix(df.values)
mattx = mat.transpose() ' mat
print('t(data) * data:\n', mattx)
                                                                                                                    [ 1.86893445e-05 -6.26666958e-05 2.96172133e-04
                                                                                                                                                                                                             9.34454
                                                                                                                        1.77823869e-03 -3.59325309e-06 -1.99664674e-08 2.15680
5.19634597e-03 1.15636121e-02 -2.07850562e-03 -8.14195
2.04058545e-05 -1.82663595e-07 -8.56584050e-10 8.89834
                                                                                                                     [ 5.19634597e-03
       evals, evecs = numpy.linatg.eigh(mattx)
usable field pairs = listfilter(lambda p: p[1] > 1, zip(field
usable fields = list(map(lambda p: p[0], usable_field_pairs))
print("eigenvalues:\n", evals)
                                                                                                                    [-6.42734920e-06
                                                                                                                                                    8.82918543e-08
                                                                                                                                                                               5.25675438e-05
                                                                                                                                                                                                             2.13868
                                                                                                                   -5.70803127e-05 -1.12655282e-04 -5.30323977e-07 4.23225 [ 1.62916254e-03 -8.96865990e-04 2.36019519e-03 -7.23471
                                                                                                                        1.04459047e-05
                                                                                                                                                   -2.19383825e-07 -2.91639966e-09
                                                                                                                    [ 1.48082665e-03 -2.60809373e-03 -1.04243934e-02
         for f, ev in usable_field_pairs:
                                                                                                                                                                                                            -1.44056
                                                                                                                        4.81246437e-05 -6.80234847e-07 -4.54727906e-09 4.56273
                                                                                                                    [[-0.03037963 -0.00519161 -0.01076229 ... -0.01041255 0.00064132]
       transf = evecs * numpy.linalg.inv(numpy.sqrt(numpy.diagflat(evals)))
print("Transformation Matrix = \n", transf)
                                                                                                                    [-0.02332657 0.02169855 -0.00653614 ... -0.01350899 0.0
                                                                                                                        0.00075805]
                                                                                                                    [-0.02933297 -0.0073465 -0.02030515 ... -0.01649811 0.0
0.00087476]
       0.05284902]
[0.00751114 0.00078943 0.02317107 ... 0.01693788 0.1
0.05290739]]
       ******
       ###############
print('\nQ3.d')
                                                                                                                   Expect an Identity Matrix :
                                                                                                                       [ 1. -0. 0. 0.
PROBLEMS OUTPUT DEBUG CONSOLE TERMINAL
                                                                                                                                                    0. -0. 0. 0.]
-0. 0. -0. 0.]
                                                                                                                       -0.
   1.97528525e-02 -7.64597676e-031
                                                                                                                             -0. 0. 1. -0. 0. -0. -0.]
0. -0. -0. 1. -0. 0. 0.]
-0. 0. 0. -0. 1. -0. 0.]
... [-5.31896971e-02 -4.74021952e-02 -7.13245766e-03 2.75078514e-02 -1.62580211e-02 7.18408819e-05] [-5.35474776e-02 -4.76625006e-02 -9.17125411e-03 2.76213381e-02 -1.62154130e-02 1.80147801e-04] [-5.36071324e-02 -4.78861917e-02 -7.81347172e-03 2.93391341e-02
                                                                                                                       -0.
                                                                                                                       0
```

ii. By multiplying the orthonormalized matrix by the original transpose I got an identity matrix as expected. I'm not sure if this is the right test, I tried a few other methods for normalizeing the data but the checks for them were less clear (and probably wrong), so I decided to use the method from the book.

d.

- i. As you can see in the image below the score function returned 0.8395973154362416
- ii. This means that when I ran the classifier on our training data it was able to successfully correctly predict approximately 83.96% of them. However, because only approximately 19.9497% of the input data was fraudulent, our classifier is only about 3.91% better than always predicting fraud=0. However from the perspective of a company with millions of customers

this could be worth it.

- e. The output of kneighbors is as follows:
  - [0, 11.61895004, 12.489996 , 13.52774926, 14.07124728]
  - [588, 577, 582, 573, 575]

f. The knn classifier gave a 25% probability that the case is non-fraudulent and a 75% chance that the case is a fraud. This will result in the case being classified as a fraud as the probability is greater than the average of 20%. Because it was not given whether or not this case is actually fraudulent or not we cannot determine if it's been misclassified until an investigation has been done

4. I'm pretty confident I'm doing this wrong... Book doesn't do a good job of clarifying how to find the error-rate...

```
[tate@archbook asignment1]$ python q4.py
                                                                                                                Scores for euclidean

when neighbors = 1 distance =
 import numpy
import sklearn.neighbors
                                                                                                                            when neighbors = 2 distance = when neighbors = 3 distance = when neighbors = 4 distance =
                                                                                                                                                                              64.92061316677129
                                                                                                                                                                              04.52001310077129
198.53353326109823
382.60595253929273
597.1177596508309
854.1840532765247
1136.017541804338
1500.8658555051784
when neighbors =
                                                                                                                                                        5 distance =
                                                                                                                            when neighbors = 6 distance = when neighbors = 7 distance = when neighbors = 8 distance =
                                                                                                                             when neighbors = 9 distance =
                                                                                                                                                                              1942.8909385537931
                                                                                                               842.40000000000001
1192.1999999999999
1568.6
2007.7
2540.6
                                                                                                                             when neighbors = 5 distance =
                                                                                                                             when neighbors = 6 distance = when neighbors = 7 distance =
 when neighbors = 8 distance = when neighbors = 9 distance =
                                                                                                                Scores for chebyshev
when neighbors = 1 distance =
           nbrs = sktearn.hetgnoors.mearestmerphoors_

n_neighbors=i_algorithm='brute', metric-

distances, indictes = nbrs.kneighbors(X)

print[]'\twhen neighbors =', i,

'distance = ', sum(map(sum,distances))[]
                                                                      ric=m).fit(X)
                                                                                                                            when neighbors = 5 distance = when neighbors = 6 distance = when neighbors = 7 distance =
                                                                                                                when neighbors = 8 distance =
when neighbors = 9 distance =
[tate@archbook asignment1]$
```

5. Yes