

Machine learning - Part 4

One should look for what is and not what he thinks should be. (Albert Einstein)

Welcome back!

In the last class we learned about

- applying cross-validation to discover optimal model accuracy
- using hyperparameters and GridSearch
- logistic regression and its applications

Today we will cover

- logistic regression on a training dataset and predict on test
- classification performance metrics
- transformation of categorical variables for implementation of logistic regression
- implementation of logistic regression on the data

Warm-up activity

• Check out this article to see an example of a logistic regression project.

Module completion checklist

Objective	Complete
Implement logistic regression on a training dataset and predict on test	
Review classification performance metrics and assess results of logistic model performance	
Transform categorical variables for implementation of logistic regression	
Implement logistic regression on the data and assess results of classification model	
performance	

Loading packages

Load the packages we will be using

```
# Helper packages.
import os
import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
import pickle

# Scikit-learn package for logistic regression.
from sklearn import linear_model

# Model set up and tuning packages from scikit-learn.
from sklearn.model_selection import train_test_split

# Scikit-learn packages for evaluating model performance.
from sklearn import metrics

# Scikit-learn package for data preprocessing.
from sklearn import preprocessing
```

Directory settings

- In order to maximize the efficiency of your workflow, you should encode your directory structure into variables
- We will use the pathlib library
- Let the main_dir be the variable corresponding to your skillsoft-machine-learning-2021 folder
- data_dir be the variable corresponding to your data folder

```
# Set 'main_dir' to location of the project folder

from pathlib import Path
home_dir = Path(".").resolve()
main_dir = home_dir.parent
print(main_dir)
```

```
data_dir = str(main_dir) + "/data"
print(data_dir)
```

Recap: logistic regression coefficients

- In linear regression, the coefficients in the equation can easily be interpreted ax+b
- ullet An increase in x will result in an increase in y and vice versa

BUT

- In logistic regression, the simplest way to interpret a positive coefficient is with an increase in likelihood
- ullet A larger value of x increases the likelihood that y=1

Datasets for logistic regression

- We will be using two datasets total, we discussed each of the datasets and use cases already
- One dataset to learn the concepts in class
 - Costa Rica household poverty data
- One dataset for our in-class exercises
 - Chicago census data

Costa Rican poverty recap

Costa Rican poverty level prediction: proposed solution

- To improve on PMT, the IDB built a competition for Kaggle participants to use methods beyond traditional econometrics
- The given dataset contains Costa Rican household characteristics with a target of four categories:
 - extreme poverty
 - moderate poverty
 - vulnerable households
 - non-vulnerable households



Load the dataset

Let's load the entire dataset

```
household_poverty = pd.read_csv(data_dir + '/costa_rica_poverty.csv')
print(household_poverty.head())
```

```
household_id
                    ind_id
                                                     monthly_rent
                                             Target
                            rooms
                                        age
                                    . . .
    21eb7fcc1 ID_279628684
                                         43
                                                         190000.0
    0e5d7a658 ID_f29eb3ddd
                                                         135000.0
                                  . . .
                                8 ... 92
    2c7317ea8 ID_68de51c94
                                                              NaN
                                5 ... 17
   2b58d945f ID_d671db89c
                                                         180000.0
    2b58d945f ID_d56d6f5f5
                                                         180000.0
[5 rows x 84 columns]
```

• The entire dataset consists of 9557 observations and 84 variables

Subsetting data

- In this module, we will run the model on a simple subset
- We don't want to use monthly_rent as a variable right now because it has many NAs
- For our report, we want to see if number of rooms and number of adults would predict poverty level well
- Then we are going to predict the same target with whole dataset

Subsetting data

- Let's subset our data so that we have the variables we need for building our model
- We will drop the variables containing ID as they do not provide any significance for the model, along with monthly_rent
- Let's name this subset household_logistic

```
household_logistic = household_poverty.drop(['household_id', 'ind_id', 'monthly_rent'], axis = 1)
```

The data at first glance

 Look at the data types and the frequency table of the target variable

```
# The data types.
print(household_logistic.dtypes.head())
```

```
rooms int64
tablet int64
males_under_12 int64
males_over_12 int64
males_tot int64
dtype: object
```

```
print (household_logistic['Target'].value_counts())
```

```
4 5996
2 1597
3 1209
1 755
Name: Target, dtype: int64
```

The target variable is not well-balanced and has four levels

Converting the target variable

- Let's convert poverty to a binary target variable, which will help to balance it out
- The levels translate to 1, 2 and 3 as being vulnerable households
- Level 4 is non-vulnerable
- For this reason, we will convert all 1, 2 and 3 to vulnerable and 4 to non_vulnerable

```
household_logistic['Target'] = np.where(household_logistic['Target'] <= 3, 'vulnerable', 'non_vulnerable')

print(household_logistic['Target'].head())

0     non_vulnerable
1     non_vulnerable
2     non_vulnerable
3     non_vulnerable
4     non_vulnerable
Name: Target, dtype: object
```

Data prep: check for NAs

Check for NAs

```
# Check for NAs.
print(household_logistic.isnull().sum().head())
```

```
rooms 0
tablet 0
males_under_12 0
males_over_12 0
males_tot 0
dtype: int64
```

We do not have any NAs!

Data prep: numeric variables

- We try and use numeric data as predictors
- In some cases, we can convert categorical data to integer values
- However, in this simple example, our predictors are numeric by default
- Let's double check:

```
print(household_logistic.dtypes.head())
```

```
rooms int64
tablet int64
males_under_12 int64
males_over_12 int64
males_tot int64
dtype: object
```

Data prep: target

- The next step of our data cleanup is to ensure the target variable is binary and has a label
- Let's look at the dtype of Target

```
print (household_logistic.Target.dtypes)
object
```

• We want to convert this to bool (Boolean type) so that it's a binary class

```
household_logistic["Target"] = np.where(household_logistic["Target"] == "non_vulnerable", True,
False)
# Check class again.
print(household_logistic.Target.dtypes)
```

bool

Split into train and test set

- For now, we are only going to use rooms and num_adults for a simple logistic regression model
- As we did previously, we split our data into training and test sets
- We run logistic regression initially on the training data

scikit-learn - logistic regression

• We will be using the LogisticRegression library from scikit-learn.linear_model package

```
sklearn.linear_model.LogisticRegression

class sklearn.linear_model. LogisticRegression (penalty='12', dual=False, tol=0.0001, C=1.0, fit_intercept=True, intercept_scaling=1, class_weight=None, random_state=None, solver='liblinear', max_iter=100, multi_class='ovr', verbose=0, warm_start=False, n_jobs=1)

Logistic Regression (aka logit, MaxEnt) classifier.
```

- All inputs are optional arguments, but we will concentrate on two key inputs:
 - penalty: a regularization technique used to tune the model (either 11, a.k.a. Lasso, or 12, a.k.a. Ridge, default is 12)
 - \circ C: a regularization constant used to amplify the effect of the regularization method (a value between $[0,\infty]$ default is 1)
- For all the parameters of the LogisticRegression function, visit scikit-learn's documentation

Logistic Regression: solvers and their penalties

Solver	Behavior	Penalty
liblinear	Ideal for small datasets and one vs rest schemes	L1 and L2
lbfgs	Default solver, ideal for large data sets and multi-class problems	L2 or no penalty
newton-co	Ideal for large data sets and multi-class problems	L2 or no penalty
sag	Works faster on large data sets and handles multi-class problems	L2 or no penalty
saga	Works faster on large data sets and handles multi-class problems	L1, L2, elastic net or no penalty

Note: We'll be using liblinear and Ifbgs solvers in this module.

• To know more about solvers in Logistic regression, visit scikit-learn's documentation

Logistic regression: build

- Let's build our logistic regression model
- We'll use all default parameters for now as our baseline model

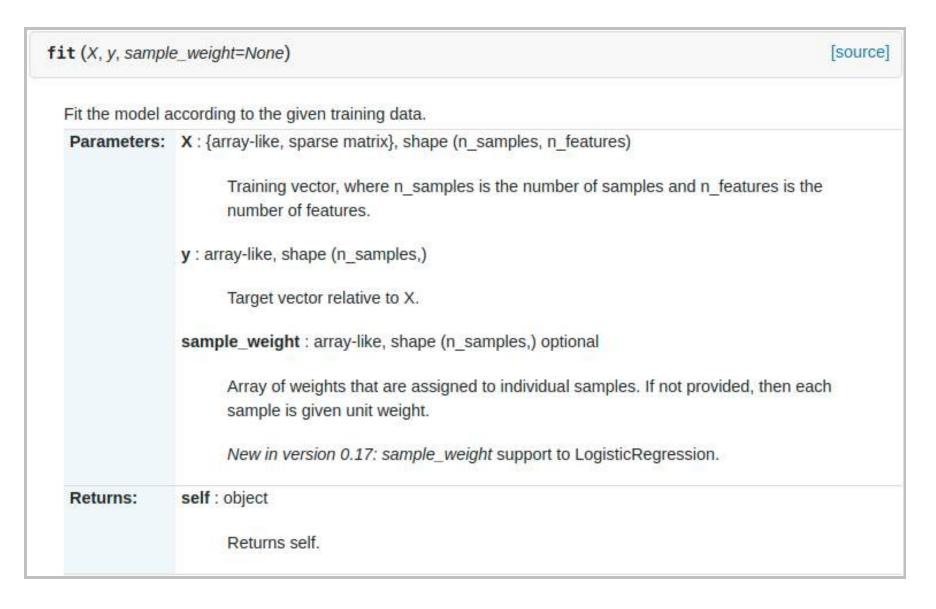
```
# Set up logistic regression model.
logistic_regression_model = linear_model.LogisticRegression()
print(logistic_regression_model)
```

LogisticRegression()

Logistic regression: fit

The two main arguments are the same as with most classifiers in scikit-learn:

- 1. X: a pandas dataframe or a numpy array of training data predictors
- 2. y: a pandas series or a numpy array of training labels



Logistic regression: fit

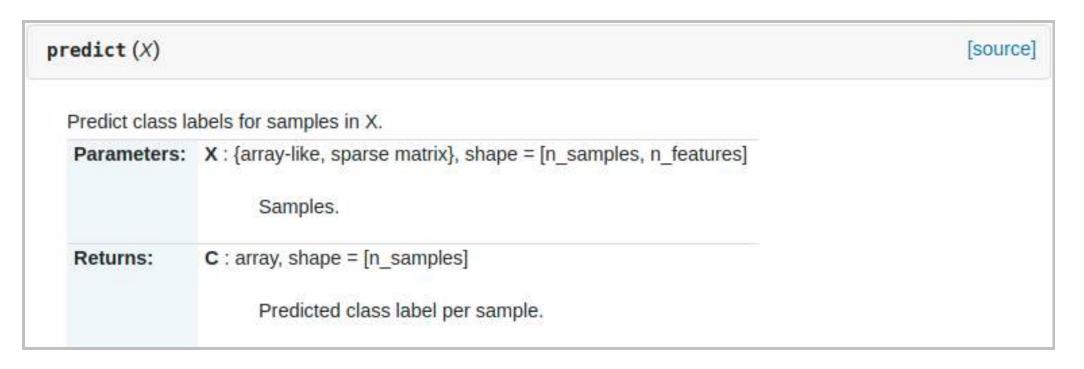
- We fit the logistic regression model with X_train and y_train
- We will run the model on our training data and predict on test data

LogisticRegression()

Logistic regression: predict

The main argument is the same as with most classifiers in scikit-learn:

1. X: a pandas dataframe or a numpy array of test data predictors



Logistic regression: predict

- We will predict on the test data using our trained model
- The result is a vector of the predictions

```
# Predict on test data.
predicted_values = logistic_regression_model.predict(X_test)
print(predicted_values)
```

```
[ True True True ... True False True]
```

Knowledge check 1



Exercise 1



Module completion checklist

Objective	Complete
Implement logistic regression on a training dataset and predict on test	
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Implement logistic regression on the data and assess results of classification model performance	

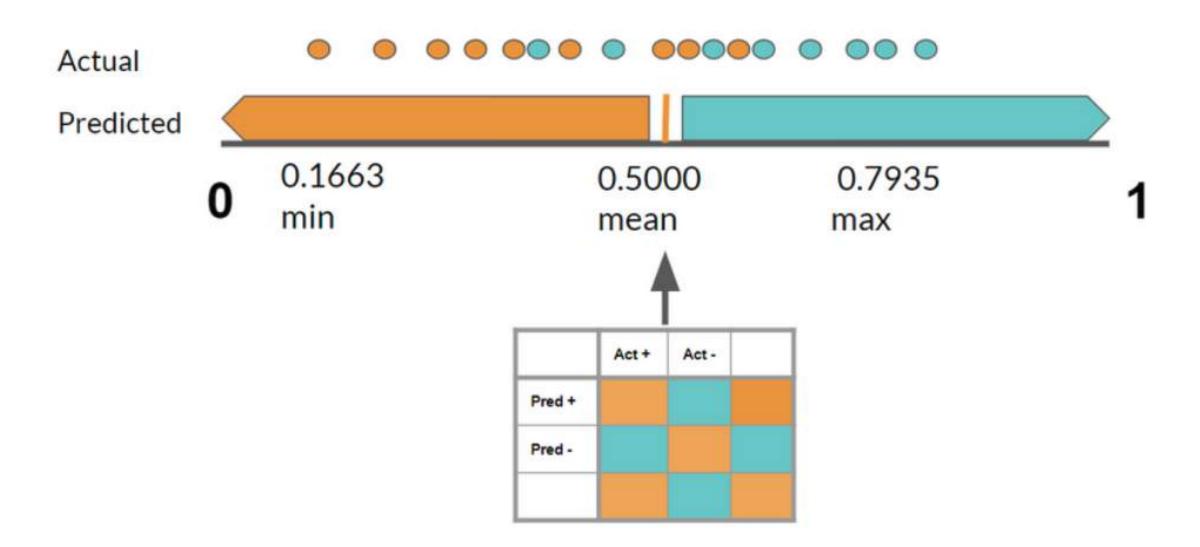
Recap: confusion matrix

	Predicted Low value	Predicted High value	Actual totals
Actual low value	True negative (TN)	False positive (FP)	Total negatives
Actual high value	False negative (FN)	True positive (TP)	Total positives
Predicted totals	Total predicted negatives	Total predicted positives	Total

- True positive rate (TPR) (a.k.a Sensitivity, Recall) = TP / Total positives
- True negative rate (TNR) (a.k.a Specificity) = TN / Total negatives
- False positive rate (FPR) (a.k.a Fall-out, Type I Error) = FP / Total negatives
- False negative rate (FNR) (a.k.a Type II Error) = FN / Total positives
- Accuracy = TP + TN / Total
- Misclassification rate = FP + FN / Total

From threshold to metrics

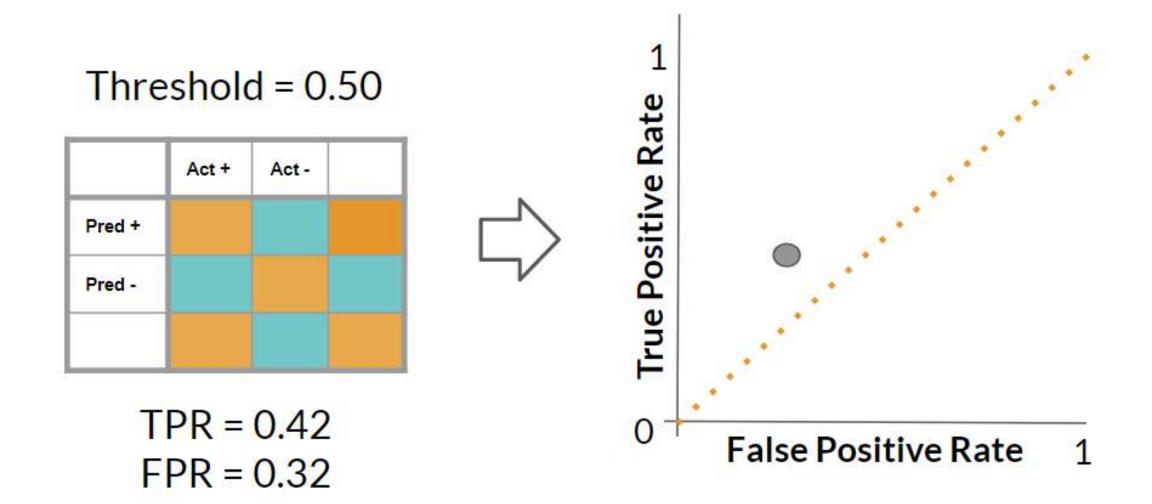
- In logistic regression, the output is a range of probabilities from 0 to 1
- But how do you interpret that as a 1 / 0 or High value / Low value label?
- You set a threshold where everything above is predicted as 1 and everything below is predicted as 0
- A typical threshold for logistic regression is 0.5



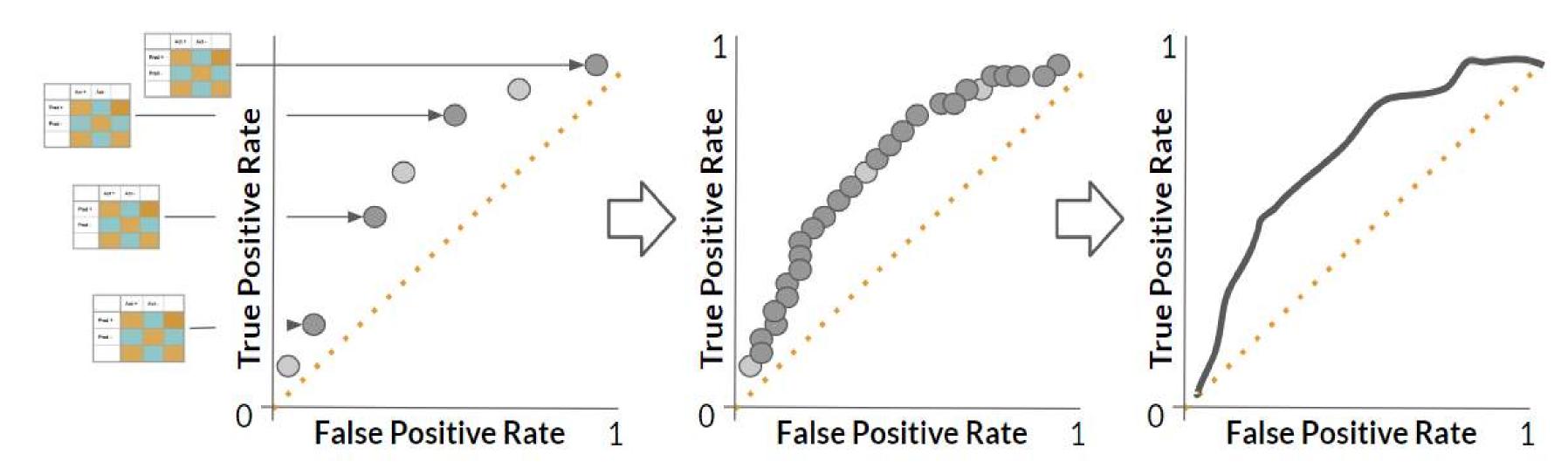
From metrics to a point

Each threshold can create a confusion matrix, which can be used to calculate a point in space defined by:

- True positive rate (TPR) on the y-axis
- False positive rate (FPR) on the x-axis



From points to a curve



- When we move thresholds, we re-calculate our metrics and create confusion matrices for every threshold
- Each time, we plot a new point in the TPR vs FPR space

More about AUC and ROC curve

- ROC curve obtained by plotting the TPR vs FPR for various thresholds
- It is used to compare classification models to measure predictive accuracy
- The AUC should be above .5 to say the model is better than a random guess
- The function to obtain AUC by providing the FPR and TPR is metrics.auc (fpr, tpr)

scikit-learn: metrics package

sklearn.metrics: Metrics

See the Model evaluation: quantifying the quality of predictions section and the Pairwise metrics, Affinities and Kernels section of the user guide for further details.

The sklearn.metrics module includes score functions, performance metrics and pairwise metrics and distance computations.

- We will use the following methods from this library:
 - o confusion_matrix
 - o accuracy_score
 - o classification_report
 - o roc_curve
 - o auc
- For all the methods and parameters of the metrics package, visit scikit-learn's documentation

Confusion matrix and accuracy

Both confusion_matrix and accuracy_score take two arguments:

- 1. Original data labels
- 2. Predicted labels

```
# Take a look at test data confusion matrix.
conf_matrix_test = metrics.confusion_matrix(y_test, predicted_values)
print(conf_matrix_test)
```

```
[[ 178 884]
[ 161 1645]]
```

```
# Compute test model accuracy score.
test_accuracy_score = metrics.accuracy_score(y_test, predicted_values)
print("Accuracy on test data: ", test_accuracy_score)
```

```
Accuracy on test data: 0.6356345885634589
```

Classification report

• To make interpretation of the classification_report easier, in addition to the two arguments that confusion_matrix takes, we can add the actual class names for our target variable

	precision	recall	f1-score	support
vulnerable non_vulnerable		0.17	0.25	1062 1806
accuracy macro avg weighted avg	0.59	0.54	0.64 0.51 0.57	2868 2868 2868

Precision

	Positive	Negative
Positive	TP	FP
Negative	FN	TN

$${}^ullet PR=rac{(TP)}{(TP+FP)}$$

- A proportion of values that is truly positive out of all predicted positive values
- A.K.A. PPV positive predicted value

Recall

	Positive	Negative
Positive	TP	FP
Negative	FN	TN

$${}^ullet RE=rac{(TP)}{(TP+FN)}$$

- Proportion of actual positives that is classified correctly
- A.K.A. sensitivity, hit rate, or true positive rate (TPR)

F1: precision vs recall

- A score that gives us a numeric value of the precision vs recall tradeoff
- f1-score is calculated as a weighted harmonic mean of precision and recall
- $ullet F1 = 2 imes rac{(PR*RE)}{(PR+RE)}$
- ullet The higher the F1 score, the better (the score can be a value between 0 and 1)
- Support is the actual number of occurrences of each class in y_test

Add accuracy score to the final scores

- So we have it, let's add this score to the dataframe model_final that we created in the previous class
- Let's load the pickled dataset and append the score to it

```
model
 metrics values
accuracy 0.6046
                            knn 5
                 knn_GridSearchCV
accuracy 0.6268
accuracy 0.6287
                           knn 29
accuracy 0.6268 knn_GridSearchCV
accuracy 0.6287
                           knn 29
                 knn GridSearchCV
accuracy 0.6268
accuracy 0.6287
                           knn 29
accuracy 0.6268
                 knn_GridSearchCV
accuracy 0.6287
                           knn_29
accuracy 0.6268
                 knn_GridSearchCV
accuracy 0.6287
                           knn 29
accuracy 0.6268
                 knn_GridSearchCV
accuracy 0.6287
                           knn_29
                 knn_GridSearchCV
accuracy 0.6268
```

Getting probabilities instead of class labels

```
# Get probabilities instead of predicted values.
test_probabilities = logistic_regression_model.predict_proba(X_test)
print(test_probabilities[0:5, :])

[[0.28454513  0.71545487]
  [0.37631548  0.62368452]
  [0.16166044  0.83833956]
  [0.5294136  0.4705864 ]
  [0.3519399  0.6480601 ]]

# Get probabilities of test predictions only.
test_predictions = test_probabilities[:, 1]
print(test_predictions[0:5])
```

```
[0.71545487 0.62368452 0.83833956 0.4705864 0.6480601 ]
```

Computing FPR, TPR, and threshold

Computing AUC

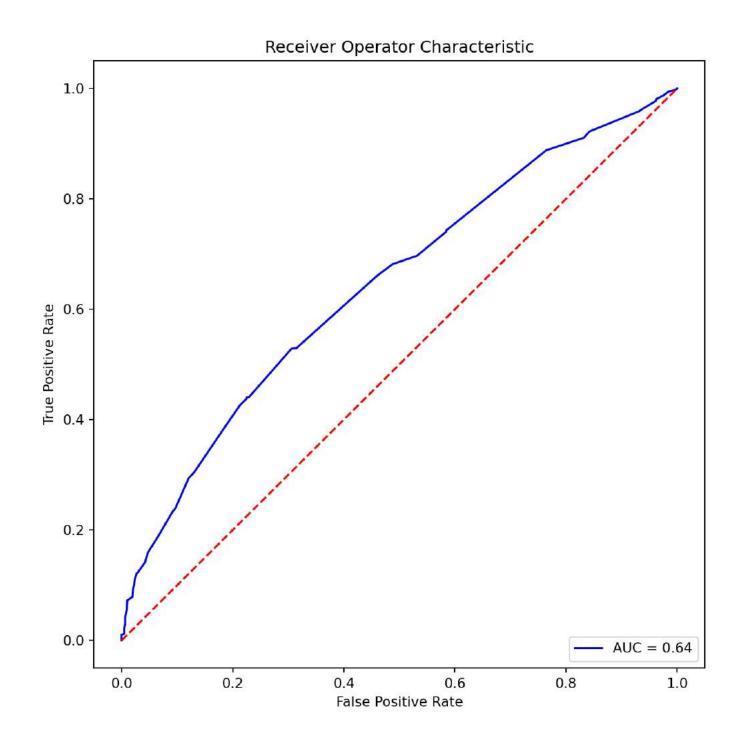
```
# Get AUC by providing the FPR and TPR.
auc = metrics.auc(fpr, tpr)
print("Area under the ROC curve: ", auc)
```

Area under the ROC curve: 0.6440758780628705

Putting it all together: ROC plot

```
# Make an ROC curve plot.
plt.title('Receiver Operator Characteristic')
plt.plot(fpr, tpr, 'b', label = 'AUC = %0.2f' % auc)
plt.legend(loc = 'lower right')
plt.plot([0, 1], [0, 1], 'r--')
plt.xlabel('False Positive Rate')
plt.ylabel('True Positive Rate')
plt.show()
```

- Our model achieved the accuracy of about
 0.635, which is decent for a base model.
- Our estimated AUC is about 0.644
- Given that we have not done any model tuning or data transformations, this is a fair baseline that we'll use to assess future models that we'll create



Knowledge check 2



Exercise 2



Module completion checklist

Objective	Complete
Implement logistic regression on a training dataset and predict on test	
Review classification performance metrics and assess results of logistic model performance	
Transform categorical variables for implementation of logistic regression	
Implement logistic regression on the data and assess results of classification model performance	

Working with categorical variables

Let's take a look at numerical variable age from our dataset

```
print (household_logistic.age.head())

0    43
1    67
2    92
3    17
4    37
Name: age, dtype: int64
```

 We are going to convert age to a categorical variable with 3 levels to analyze varying poverty level between age groups

```
household_logistic['age'] = np.where(household_logistic['age'] <= 30, "30 or Below", np.where(household_logistic['age'] < 60, 'Between 30 and 60', '60 and above'))
```

Working with categorical variables

Let's see the frequency of each level in age

```
household_logistic.age.value_counts()

30 or Below 4655
Between 30 and 60 3495
60 and above 1407
Name: age, dtype: int64
```

• As regression analysis is used with **numeric or continuous variables** to determine an outcome, how would we handle **categorical variables**?

Dummy variables: one hot encoding

- It is an artificial variable used to represent a variable with two or more distinct levels or categories
- It represents categorical predictors as binary values, 0 or 1
- Often used for regression analysis

ID	Pet
1	Dog
2	Cat
3	Cat
4	Dog
5	Dog Fish



ID	Dog	Cat	Fish
1	1	0	0
2	0	1	0
3	0	1	0
4	1	0	0
5	0	0	1

Dummy variables: reference category

- The number of dummy variables necessary to represent a single attribute variable is equal to the **number of levels (categories) in that variable minus one**
- One of the categories is omitted and used as a base or reference category
- The reference category, which is not coded, is the category to which all other categories will be compared
- The biggest group / category will often be the reference category

Dummy variables in Python

- data is a pandas Series or Dataframe
- drop_first indicates whether to get
 k-1 dummies out of k categorical levels

pandas.get_dummies

pandas.get_dummies(data, prefix=None, prefix_sep='_', dummy_na=False, columns=None, sparse=False, drop_first=False, dtype=None) [sci

Convert categorical variable into dummy/indicator variables

data: array-like, Series, or DataFrame

prefix: string, list of strings, or dict of strings, default None

String to append DataFrame column names. Pass a list with length equal to the number of columns when calling get_dummies on a DataFrame. Alternatively, prefix can be a dictionary mapping column names to prefixes.

prefix_sep: string, default '_'

If appending prefix, separator/delimiter to use. Or pass a list or dictionary as with prefix.

dummy_na: bool, default False

Add a column to indicate NaNs, if False NaNs are ignored.

columns: list-like, default None

Parameters: Colum

Column names in the DataFrame to be encoded. If columns is None then all the columns with object or category dtype will be converted.

sparse: bool, default False

Whether the dummy-encoded columns should be be backed by a sparseArray

(True) or a regular NumPy array (False).

drop_first : bool, default False
 Whether to get k-1 dummies out of k categorical levels by removing the first level.

New in version 0.18.0.

dtype: dtype, default np.uint8

Data type for new columns. Only a single dtype is allowed.

New in version 0.23.0.

dummies : DataFrame

Transform age into dummies

 We need to transform age, which is categorical with 3 levels, into a dummy variable and save it into a dataframe

```
# Convert 'age' into dummy variables.
age_dummy = pd.get_dummies(household_logistic['age'], drop_first = True)
print(age_dummy.head())
```

	60 and above	Between 30 and 60
	0	1
1	1 1	0
2	2 1	0
3	3 0	0
4	4 0	1

 Notice that level 30 or below, which has the highest count, has been removed and used as a reference category

Transform age into dummies

 Let's drop the original age column from our Costa Rica subset and concatenate the dummy variables age_dummy

[5 rows x 82 columns]

Module completion checklist

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Split into train and test set

- Let's use the whole dataset this time
- We run logistic regression initially on the training data

Logistic regression: build

sklearn.linear_model.LogisticRegression class sklearn.linear_model. LogisticRegression (penalty='l2', dual=False, tol=0.0001, C=1.0, fit_intercept=True, intercept_scaling=1, class_weight=None, random_state=None, solver='liblinear', max_iter=100, multi_class='ovr', verbose=0, warm_start=False, n_jobs=1) Logistic Regression (aka logit, MaxEnt) classifier.

• Let's build our logistic regression model on our whole data set and use solver as liblinear.

```
# Set up the logistic regression model.
logistic_regression_model = linear_model.LogisticRegression(solver='liblinear')
print(logistic_regression_model)

LogisticRegression(solver='liblinear')
```

- The default logistic regression model contains C = 1 and penalty = '12' as its parameters
- To know more about parameters in Logistic regression, visit scikit-learn's documentation

Logistic regression: fit

- We fit the logistic regression model with X_train and y_train
- We will run the model on our training data and predict on test data

LogisticRegression(solver='liblinear')

Logistic regression: predict

- We will predict on the test data using our trained model
- The result is a vector of the predictions

```
# Predict on test data.
predicted_values = logistic_regression_model.predict(X_test)
print(predicted_values)
```

```
[ True False True ... True False False]
```

Confusion matrix and accuracy

Both confusion_matrix and accuracy_score take two arguments:

- 1. Original data labels
- 2. Predicted labels

```
# Take a look at test data confusion matrix.
conf_matrix_test = metrics.confusion_matrix(y_test, predicted_values)
print(conf_matrix_test)
```

```
[[ 687 375]
[ 243 1563]]
```

```
# Compute test model accuracy score.
test_accuracy_score = metrics.accuracy_score(y_test, predicted_values)
print("Accuracy on test data: ", test_accuracy_score)
```

```
Accuracy on test data: 0.7845188284518828
```

59

Add accuracy score to the final scores

- So we have it, let's add this score to the dataframe model_final that we created earlier
- Let's load the pickled dataset and append the score to it

```
values
                                       model
    metrics
             0.6046
                                       knn 5
    accuracy
                            knn GridSearchCV
             0.6268
    accuracy
   accuracy 0.6287
                                      knn 29
                            knn_GridSearchCV
   accuracy 0.6268
   accuracy 0.6287
                                      knn_29
   accuracy 0.6268
                            knn_GridSearchCV
   accuracy 0.6287
                                      knn 29
   accuracy 0.6268
                            knn GridSearchCV
   accuracy
             0.6287
                                      knn 29
                            knn GridSearchCV
    accuracy
             0.6268
             0.6287
   accuracy
                                      knn 29
                            knn GridSearchCV
             0.6268
   accuracy
12
   accuracy 0.6287
                                      knn 29
13
   accuracy
             0.6268
                            knn_GridSearchCV
             0.6287
   accuracy
                                      knn 29
              0.6268
                            knn GridSearchCV
    accuracy
                                      knn 29
```

Accuracy on train vs accuracy on test

Take a look at the accuracy score for the training data

```
# Compute trained model accuracy score.
trained_accuracy_score = logistic_regression_model.score(X_train, y_train)
print("Accuracy on train data: ", trained_accuracy_score)

Accuracy on train data: 0.7808342054118702
```

- Did our model underperform?
- Is there a big difference in train and test accuracy?

Knowledge check 3



Exercise 3



Module completion checklist

Objective	Complete
Implement logistic regression on a training dataset and predict on test	
Review classification performance metrics and assess results of logistic model performance	
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Implement logistic regression on the data and assess results of classification model performance	

Summary

- In this class we covered following topics:
 - logistic regression on a training dataset and predict on test
 - classification performance metrics
 - transformation of categorical variables for implementation of logistic regression
 - implementation of logistic regression on the data
- There are many more topics within machine learning that you might be interested in.
 Some of them are:
 - Decision trees and random forests
 - Support vector machines
 - Neural networks and deep learning

Congratulations on completing this module!

