## LDA: Banknotes

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We reconsider the banknote data set. It exists in the MixGHD library.

```
#install.packages("MixGHD")
library(MixGHD)

## Loading required package: MASS
The data set banknote is used to predict the Status of Swiss Franc bills based on measurements of the bills.
data(banknote)
names(banknote)

## [1] "Status" "Length" "Left" "Right" "Bottom" "Top" "Diagonal"
attach(banknote)
data<-banknote</pre>
```

We can start with visualization (as usual).

```
pairs(data,
       col="lightblue", pch=19)
                214.0
                        216.0
                                         129.0
                                                130.5
                                                                      8
                                                                          10
                                                                              12
                    \perp
      Status
                   Length
                                  Left
                                              Right
129.0
                                                          Bottom
                                                                         Top
                                                        7 9
                                                                                  138
   1.0
         1.6
                            129.0
                                    130.5
                                                             11
                                                                                        141
```

Our aim is to perform the linear discriminant analysis here. First, we will partition our data into training and testing.

```
set.seed(1)
ind.train <- sample(nrow(data), floor(nrow(data)*0.6))
training<-data[ind.train,]
testing<-data[-ind.train,]</pre>
```

My goal with this example is to ultimately demonstrate how to plot a partition in the plane. So, I will arbitrarily choose two explanatory variables: Top and Diagonal.

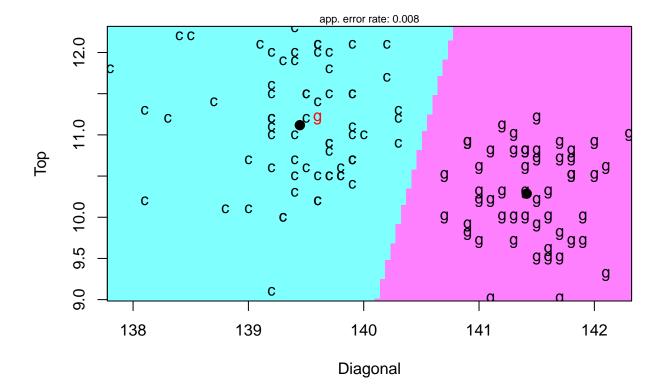
```
library(MASS)
linear <- lda(Status~Top+Diagonal, data=training)
summary(linear)</pre>
```

```
##
           Length Class Mode
## prior
           2
                   -none- numeric
## counts
           2
                   -none- numeric
## means
           4
                   -none- numeric
## scaling 2
                   -none- numeric
           2
## lev
                   -none- character
## svd
           1
                   -none- numeric
## N
           1
                   -none- numeric
## call
           3
                   -none- call
           3
## terms
                   terms
                         call
## xlevels 0
                   -none- list
```

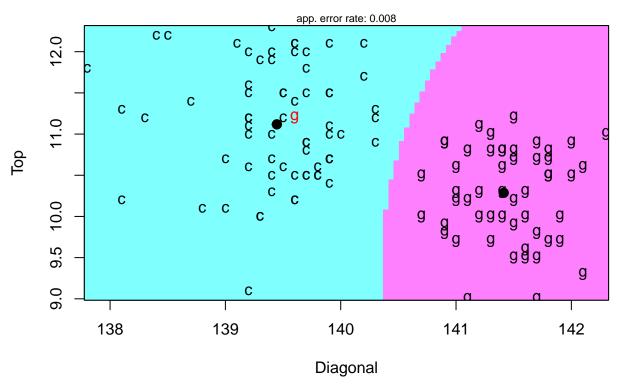
Now, we try to create a partition plot.

```
#install.packages("klaR")
library(klaR)
partimat(Status~Top+Diagonal, data = training, method = "lda")
```

## **Partition Plot**



## **Partition Plot**



Finally, let's consider the confusion matrix and accuracy, both on the training set and the testing set.

```
#the training set
p.tr <- predict(linear, training)$class</pre>
tab.tr <- table(Predicted = p.tr, Actual = training$Status)</pre>
tab.tr
##
                 Actual
## Predicted
                  counterfeit genuine
##
     counterfeit
                            67
##
     genuine
                                    52
sum(diag(tab.tr))/sum(tab.tr)
## [1] 0.9916667
#this is the error rate indicated in the label on the plot above
1-sum(diag(tab.tr))/sum(tab.tr)
## [1] 0.008333333
#the testing set
p.te <- predict(linear, testing)$class</pre>
tab.te <- table(Predicted = p.te, Actual = testing$Status)</pre>
tab.te
##
                 Actual
## Predicted
                  counterfeit genuine
##
     counterfeit
                            33
```

**##** genuine 0 47

sum(diag(tab.te))/sum(tab.te)

## [1] 1