Google Colab Lab Assignment 5.1 - Forecasting using LSTM

Course Name: MDM Deep Learning

Lab Title: To forecast future values of a univariate time series using LSTM-based

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Date of Submission: 10/04/2025

Group Members:

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Objective This project aims to forecast future values of a univariate time series—specifically the "Units Sold" attribute from a retail inventory dataset—using LSTM-based models.

Importing required libraries

In [76]:

import numpy as np

import pandas as pd

import matplotlib.pyplot as plt

import datetime

from sklearn.preprocessing import MinMaxScaler

from sklearn.metrics import mean_squared_error, mean_absolute_error

from tensorflow.keras.models import Sequential

from tensorflow.keras.layers import Dense, LSTM, Dropout, Bidirectional

from tensorflow.keras.callbacks import EarlyStopping, ModelCheckpoint

np.random.seed(42)

Data Loading and Exploration

In [78]:

Load dataset

df = pd.read_csv('/content/drive/MyDrive/Colab Notebooks/TY/Deep Learning/Lab
Assignment 5.1/retail_store_inventory.csv')

Display the basic information

print(df.info())

<class 'pandas.core.frame.DataFrame'>

RangeIndex: 73100 entries, 0 to 73099

Data columns (total 15 columns):

Column Non-Null Count Dtype

--- -----

0 Date 73100 non-null object

1 Store ID 73100 non-null object

2 Product ID 73100 non-null object

3 Category 73100 non-null object

4 Region 73100 non-null object

5 Inventory Level 73100 non-null int64

6 Units Sold 73100 non-null int64

7 Units Ordered 73100 non-null int64

8 Demand Forecast 73100 non-null float64

9 Price 73100 non-null float64

- 10 Discount 73100 non-null int64
- 11 Weather Condition 73100 non-null object
- 12 Holiday/Promotion 73100 non-null int64
- 13 Competitor Pricing 73100 non-null float64
- 14 Seasonality 73100 non-null object

dtypes: float64(3), int64(5), object(7)

memory usage: 8.4+ MB

None

In [79]:

df.head()

Out[79]:

D a t e	S t o r e I D	Pr od uc t ID	Cat ego ry	R eg io n	Inv ent ory Le vel	U n it s S o l	Un its Or de re d	De m an d Fo re ca st	P ri c e	Di sc ou nt	We ath er Co ndi tio n	Holida y/Pro motio n	Co mp etit or Pric ing	Sea son alit y
2 0 2 2 1 - 0 1- 0	S 0 0	P0 00 2	Toy s	S o ut h	20 4	1 5 0	66	14 4.0 4	6 3. 0 1	20	Su nny	0	66. 16	Aut um n
2 0 2 2 - 0 1- 0	S 0 0	P0 00 3	Toy s	W es t	10 2	6 5	51	74. 02	2 7. 9	10	Su nny	1	31. 32	Su mm er
2 0 2 2 3 - 0 1- 0	S 0 0	P0 00 4	Toy s	N or th	46 9	6	16 4	62. 18	3 2. 7 2	10	Clo ud y	1	34. 74	Aut um n

In [80]:

Filter for a single store and product

```
store_id = "S001"
```

product_id = "P0001"

df_filtered = df[(df['Store ID'] == store_id) & (df['Product ID'] == product_id)].copy()

Ensure the Date column is in datetime format, sort by date, and drop missing values

df_filtered['Date'] = pd.to_datetime(df_filtered['Date'])

df_filtered.sort_values(by='Date', inplace=True)

df_filtered.dropna(inplace=True)

In [81]:

```
# Use the filtered data for a specific product
time_series = df_filtered[['Date', 'Units Sold']].copy()
time_series.set_index('Date', inplace=True)
```

Visualize the time series

plt.figure(figsize=(12,6))

plt.plot(time_series.index, time_series['Units Sold'], label='Units Sold')

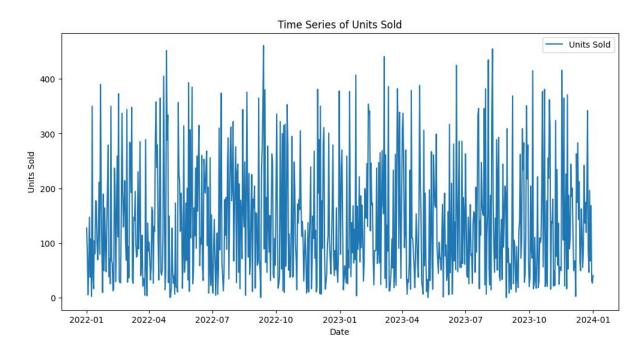
plt.xlabel('Date')

plt.ylabel('Units Sold')

plt.title('Time Series of Units Sold')

plt.legend()

plt.show()



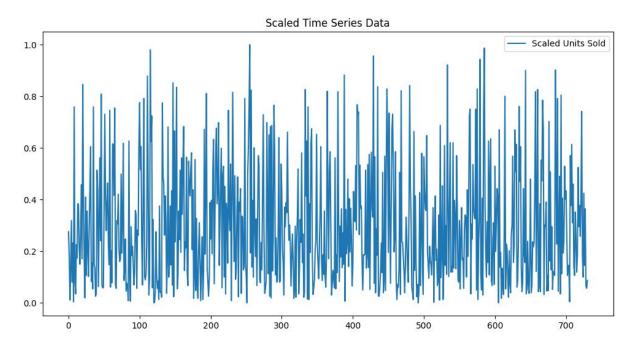
Data Normalization

In [82]:

scaler = MinMaxScaler(feature_range=(0, 1))

scaled_data = scaler.fit_transform(time_series)

Plot a sample of scaled data
plt.figure(figsize=(12,6))
plt.plot(scaled_data, label='Scaled Units Sold')
plt.title('Scaled Time Series Data')
plt.legend()
plt.show()



Create Sequences with Window Size 60

def create_sequences(data, window_size):

$$X, y = [], []$$

In [83]:

for i in range(window_size, len(data)):

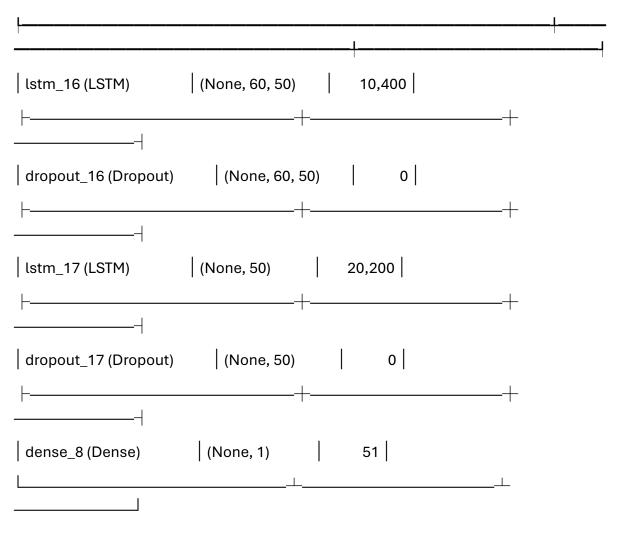
X.append(data[i - window_size:i, 0])

y.append(data[i, 0])

```
return np.array(X), np.array(y)
```

```
window_size = 60
X, y = create_sequences(scaled_data, window_size)
# Reshape input for LSTM: (samples, time steps, features)
X = np.reshape(X, (X.shape[0], X.shape[1], 1))
print("Shape of X:", X.shape)
print("Shape of y:", y.shape)
Shape of X: (671, 60, 1)
Shape of y: (671,)
Split Data into Training and Testing Sets
In [84]:
train_size = int(len(X) * 0.8)
X_train, X_test = X[:train_size], X[train_size:]
y_train, y_test = y[:train_size], y[train_size:]
print("Shape of X_train:", X_train.shape)
print("Shape of X_test:", X_test.shape)
Shape of X_train: (536, 60, 1)
Shape of X_test: (135, 60, 1)
Build and Train the Standard LSTM Model
In [85]:
```

```
# Define the LSTM model
lstm_model = Sequential()
lstm_model.add(LSTM(units=50, return_sequences=True,
input_shape=(X_train.shape[1], 1)))
lstm_model.add(Dropout(0.2))
lstm_model.add(LSTM(units=50, return_sequences=False))
lstm_model.add(Dropout(0.2))
lstm_model.add(Dense(1))
lstm_model.compile(optimizer='adam', loss='mean_squared_error')
# Print model summary
lstm_model.summary()
# Define callbacks: EarlyStopping and ModelCheckpoint
es = EarlyStopping(monitor='val_loss', patience=5, verbose=1,
restore_best_weights=True)
mc = ModelCheckpoint('best_lstm_model.h5', monitor='val_loss', save_best_only=True,
verbose=1)
/usr/local/lib/python3.11/dist-packages/keras/src/layers/rnn/rnn.py:200: UserWarning:
Do not pass an `input_shape`/`input_dim` argument to a layer. When using Sequential
models, prefer using an `Input(shape)` object as the first layer in the model instead.
super().__init__(**kwargs)
Model: "sequential_8"
Layer (type) | Output Shape | Param # |
```



Total params: 30,651 (119.73 KB)

Trainable params: 30,651 (119.73 KB)

Non-trainable params: 0 (0.00 B)

In [86]:

```
history_lstm = lstm_model.fit(X_train, y_train, epochs=50, batch_size=32, validation_split=0.1, callbacks=[es, mc], verbose=1)
```

val_loss: 0.0616

16/16	- 0s 11ms/step - loss: 0.1128
Epoch 1: val_loss improved from inf to 0.06490, savir	ng model to best_lstm_model.h5
WARNING:absl:You are saving your model as an HDF `keras.saving.save_model(model)`. This file format is recommend using instead the native Keras format, e. `model.save('my_model.keras')` or `keras.saving.sa'my_model.keras')`.	s considered legacy. We g.
16/16 val_loss: 0.0649	- 3s 37ms/step - loss: 0.1111 -
Epoch 2/50	
13/16	- 0s 10ms/step - loss: 0.0662
Epoch 2: val_loss improved from 0.06490 to 0.06105, best_lstm_model.h5	, saving model to
WARNING:absl:You are saving your model as an HDF `keras.saving.save_model(model)`. This file format is recommend using instead the native Keras format, e. `model.save('my_model.keras')` or `keras.saving.sa' 'my_model.keras')`.	s considered legacy. We g.
	- 0s 16ms/step - loss: 0.0651 -
val_loss: 0.0611 Epoch 3/50	
	- 0s 9ms/step - loss: 0.0611
Epoch 3: val_loss did not improve from 0.06105	υs эπε/step - toss. υ.υστί
	- 0s 12ms/step - loss: 0.0606 -
Epoch 4/50	
13/16	- 0s 9ms/step - loss: 0.0581
Epoch 4: val_loss did not improve from 0.06105	
16/16	- 0s 15ms/step - loss: 0.0579 -

Epoch 5/50	
15/16	— 0s 8ms/step - loss: 0.0593
Epoch 5: val_loss did not improve from 0.06105	
16/16 val_loss: 0.0613	— 0s 12ms/step - loss: 0.0590 -
Epoch 6/50	
14/16	— 0s 9ms/step - loss: 0.0593
Epoch 6: val_loss did not improve from 0.06105	
16/16 val_loss: 0.0623	— 0s 15ms/step - loss: 0.0590
Epoch 7/50	
15/16	— 0s 8ms/step - loss: 0.0537
Epoch 7: val_loss improved from 0.06105 to 0.06102 best_lstm_model.h5	2, saving model to
WARNING:absl:You are saving your model as an HD `keras.saving.save_model(model)`. This file format recommend using instead the native Keras format, e`model.save('my_model.keras')` or `keras.saving.s 'my_model.keras')`.	is considered legacy. We
16/16	— 0s 14ms/step - loss: 0.0541
val_loss: 0.0610	
Epoch 8/50	
15/16	— 0s 8ms/step - loss: 0.0613
Epoch 8: val_loss did not improve from 0.06102	
16/16 val_loss: 0.0657	— 0s 12ms/step - loss: 0.0611
Epoch 9/50	
14/16	– 0s 8ms/step - loss: 0.0526

Epoch 9: val_loss improved from 0.06102 to 0.06076, saving model to best_lstm_model.h5

WARNING:absl:You are saving your model as an HDF5 file via `model.save()` or `keras.saving.save_model(model)`. This file format is considered legacy. We recommend using instead the native Keras format, e.g. `model.save('my_model.keras')` or `keras.saving.save_model(model, 'my_model.keras')`. ----- **0s** 15ms/step - loss: 0.0537 -16/16 val loss: 0.0608 Epoch 10/50 ----- **0s** 8ms/step - loss: 0.0554 14/16 ——— Epoch 10: val_loss did not improve from 0.06076 16/16 -----**Os** 14ms/step - loss: 0.0559 val_loss: 0.0614 Epoch 11/50 **Os** 8ms/step - loss: 0.0539 15/16 ——— Epoch 11: val_loss did not improve from 0.06076 **0s** 12ms/step - loss: 0.0542 -16/16 —— val_loss: 0.0613 Epoch 12/50 **15/16 ———— 0s** 8ms/step - loss: 0.0542 Epoch 12: val_loss did not improve from 0.06076 **0s** 12ms/step - loss: 0.0546 -16/16 val_loss: 0.0613 Epoch 13/50 **Os** 8ms/step - loss: 0.0581 15/16 —— Epoch 13: val_loss did not improve from 0.06076 **0s** 15ms/step - loss: 0.0581 -16/16 — val_loss: 0.0611 Epoch 14/50

0s 8ms/step - loss: 0.0575

Epoch 14: val_loss did not improve from 0.06076

15/16 ---

```
# Get the date index for plotting the test set
test_dates = time_series.index[-len(y_test_inv):]
```

```
plt.figure(figsize=(14,7))

plt.plot(test_dates, y_test_inv, color='blue', label='Actual Units Sold')

plt.plot(test_dates, lstm_predictions_inv, color='red', label='LSTM Predicted Units Sold')

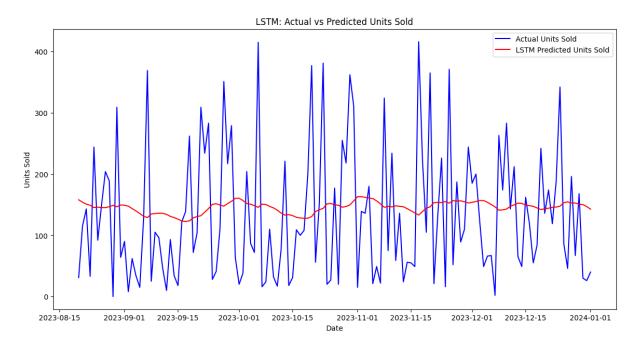
plt.xlabel('Date')

plt.ylabel('Units Sold')

plt.title('LSTM: Actual vs Predicted Units Sold')

plt.legend()

plt.show()
```



Build and Train a Bidirectional LSTM (BiLSTM) Model In [90]:

Define the Bidirectional LSTM model bilstm_model = Sequential()

```
# First layer: Bidirectional LSTM with dropout
bilstm_model.add(Bidirectional(LSTM(units=50, return_sequences=True),
input_shape=(X_train.shape[1], 1)))
bilstm_model.add(Dropout(0.2))
# Second layer: Standard LSTM
bilstm_model.add(LSTM(units=50, return_sequences=False))
bilstm_model.add(Dropout(0.2))
bilstm_model.add(Dense(1))
bilstm_model.compile(optimizer='adam', loss='mean_squared_error')
bilstm_model.summary()
# Callbacks: EarlyStopping and ModelCheckpoint for BiLSTM
es_bi = EarlyStopping(monitor='val_loss', patience=5, verbose=1,
restore_best_weights=True)
mc_bi = ModelCheckpoint('best_bilstm_model.h5', monitor='val_loss',
save_best_only=True, verbose=1)
/usr/local/lib/python3.11/dist-packages/keras/src/layers/rnn/bidirectional.py:107:
UserWarning: Do not pass an `input_shape`/`input_dim` argument to a layer. When
using Sequential models, prefer using an `Input(shape)` object as the first layer in the
model instead.
super().__init__(**kwargs)
Model: "sequential_9"
Layer (type)
                       Output Shape
                                                  Param #
```

```
| bidirectional_3 (Bidirectional) | (None, 60, 100)
                                                  20,800
dropout_18 (Dropout) (None, 60, 100)
                                                  0
                                          30,200
lstm_19 (LSTM)
                      (None, 50)
                         (None, 50)
dropout_19 (Dropout)
                       (None, 1)
dense_9 (Dense)
                                            51
Total params: 51,051 (199.42 KB)
Trainable params: 51,051 (199.42 KB)
Non-trainable params: 0 (0.00 B)
In [91]:
history_bilstm = bilstm_model.fit(X_train, y_train,
              epochs=50,
              batch_size=32,
              validation_split=0.1,
              callbacks=[es_bi, mc_bi],
              verbose=1)
```

13/16	Os 16ms/step - loss: 0.0964
Epoch 1: val_loss improved from inf to 0.0629	32, saving model to best_bilstm_model.h5
WARNING:absl:You are saving your model as `keras.saving.save_model(model)`. This file recommend using instead the native Keras fo `model.save('my_model.keras')` or `keras.sa'my_model.keras')`.	format is considered legacy. We ormat, e.g.
16/16	3s 45ms/step - loss: 0.0910 -
val_loss: 0.0629	
Epoch 2/50	
16/16	0s 12ms/step - loss: 0.0572
Epoch 2: val_loss improved from 0.06292 to 0 best_bilstm_model.h5).06266, saving model to
WARNING:absl:You are saving your model as `keras.saving.save_model(model)`. This file recommend using instead the native Keras fo `model.save('my_model.keras')` or `keras.sa'my_model.keras')`.	format is considered legacy. We ormat, e.g.
16/16	0s 21ms/step - loss: 0.0573 -
val_loss: 0.0627	•
Epoch 3/50	
13/16	0s 10ms/step - loss: 0.0587
Epoch 3: val_loss improved from 0.06266 to 0 best_bilstm_model.h5).06215, saving model to
WARNING:absl:You are saving your model as `keras.saving.save_model(model)`. This file recommend using instead the native Keras fo `model.save('my_model.keras')` or `keras.sa'my_model.keras')`.	format is considered legacy. We ormat, e.g.
16/16	 0s 16ms/step - loss: 0.0589 -
val_loss: 0.0622	
Epoch 4/50	
12/16	0s 10ms/step - loss: 0.0556

Epoch 4: val_loss did not improve from 0.06215				
16/16	- 0s 16ms/step - loss: 0.0565 -			
val_loss: 0.0623				
Epoch 5/50				
13/16	- 0s 10ms/step - loss: 0.0592			
Epoch 5: val_loss improved from 0.06215 to 0.06181 best_bilstm_model.h5	, saving model to			
WARNING:absl:You are saving your model as an HDF `keras.saving.save_model(model)`. This file format is recommend using instead the native Keras format, e. `model.save('my_model.keras')` or `keras.saving.sa' 'my_model.keras')`.	is considered legacy. We .g.			
16/16 val_loss: 0.0618	- 0s 16ms/step - loss: 0.0583 -			
Epoch 6/50				
11/16	- 0s 10ms/step - loss: 0.0589			
Epoch 6: val_loss did not improve from 0.06181				
16/16 val_loss: 0.0626	- 0s 14ms/step - loss: 0.0582 -			
Epoch 7/50				
12/16	- 0s 10ms/step - loss: 0.0550			
Epoch 7: val_loss did not improve from 0.06181				
16/16 val_loss: 0.0620	- 0s 13ms/step - loss: 0.0558 -			
Epoch 8/50				
12/16	- 0s 10ms/step - loss: 0.0585			
Epoch 8: val_loss did not improve from 0.06181				
16/16 val_loss: 0.0628	- 0s 13ms/step - loss: 0.0579 -			
Epoch 9/50				
12/16	- 0s 10ms/step - loss: 0.0536			

Epoch 9: val_loss improved from 0.06181 to 0.06128, saving model to best_bilstm_model.h5

WARNING:absl:You are saving your model as an HDF5 file via `model.save()` or `keras.saving.save_model(model)`. This file format is considered legacy. We recommend using instead the native Keras format, e.g.

`model.save('my_model.keras')` or `keras.saving.save_model(model, 'my_model.keras')`.

16/16 — **Os** 16ms/step - loss: 0.0547 -

val_loss: 0.0613

Epoch 10/50

12/16 — **Os** 10ms/step - loss: 0.0541

Epoch 10: val_loss did not improve from 0.06128

16/16 — 0s 13ms/step - loss: 0.0548 -

val_loss: 0.0620

Epoch 11/50

11/16 — **0s** 11ms/step - loss: 0.0535

Epoch 11: val_loss improved from 0.06128 to 0.06069, saving model to best_bilstm_model.h5

WARNING:absl:You are saving your model as an HDF5 file via `model.save()` or `keras.saving.save_model(model)`. This file format is considered legacy. We recommend using instead the native Keras format, e.g.

`model.save('my_model.keras')` or `keras.saving.save_model(model, 'my_model.keras')`.

16/16 — 0s 16ms/step - loss: 0.0551 -

val_loss: 0.0607

Epoch 12/50

12/16 — **0s** 10ms/step - loss: 0.0557

Epoch 12: val_loss did not improve from 0.06069

val_loss: 0.0607

Epoch 13/50

13/16 — **Os** 10ms/step - loss: 0.0621

Epoch 13: val_loss did not improve from 0.06069

16/16 — **Os** 13ms/step - loss: 0.0608 -

val_loss: 0.0637

Epoch 14/50

12/16 — **0s** 10ms/step - loss: 0.0592

Epoch 14: val_loss did not improve from 0.06069

16/16 — **Os** 14ms/step - loss: 0.0588 -

val_loss: 0.0633

Epoch 15/50

13/16 — 0s 10ms/step - loss: 0.0617

Epoch 15: val_loss did not improve from 0.06069

16/16 — **Os** 13ms/step - loss: 0.0603 -

val_loss: 0.0609

Epoch 16/50

12/16 — **Os** 11ms/step - loss: 0.0608

Epoch 16: val_loss did not improve from 0.06069

16/16 — **Os** 17ms/step - loss: 0.0603 -

val_loss: 0.0664

Epoch 16: early stopping

Restoring model weights from the end of the best epoch: 11.

Evaluate and Plot Predictions for BiLSTM Model

In [92]:

BiLSTM Predictions on test data

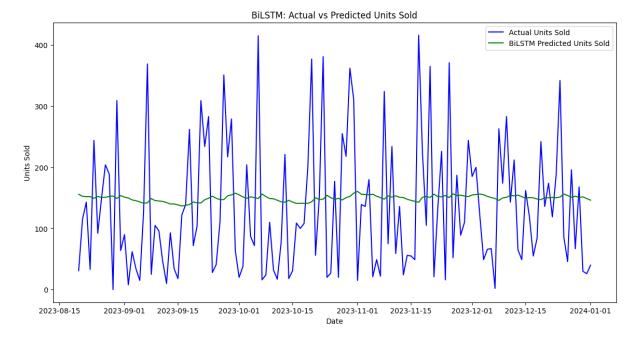
bilstm_predictions = bilstm_model.predict(X_test)

Inverse transform predictions and the true values

bilstm_predictions_inv = scaler.inverse_transform(bilstm_predictions)

```
5/5 —
                                                   0s 65ms/step
In [93]:
bilstm_rmse = np.sqrt(mean_squared_error(y_test_inv, bilstm_predictions_inv))
bilstm_mae = mean_absolute_error(y_test_inv, bilstm_predictions_inv)
print(f"BiLSTM Test RMSE: {bilstm_rmse:.2f}")
print(f"BiLSTM Test MAE: {bilstm_mae:.2f}")
BiLSTM Test RMSE: 108.60
BiLSTM Test MAE: 92.23
In [94]:
plt.figure(figsize=(14,7))
plt.plot(test_dates, y_test_inv, color='blue', label='Actual Units Sold')
plt.plot(test_dates, bilstm_predictions_inv, color='green', label='BiLSTM Predicted Units
Sold')
plt.xlabel('Date')
plt.ylabel('Units Sold')
plt.title('BiLSTM: Actual vs Predicted Units Sold')
plt.legend()
```

plt.show()



Declaration

I, Yashas Nepalia, confirm that the work submitted in this assignment is my own and has been completed following academic integrity guidelines. The code is uploaded on my GitHub repository account, and the repository link is provided below:

GitHub Repository Link: https://github.com/YashasNepalia/Deep-Learning.git

Signature: Yashas Nepalia