

Intro to Natural Language Processing (NLP)

FinTech
Lesson 12.1



Class Objectives

- Understand what NLP is, why we use it
- Demonstrate ability to tokenize texts into sentences and words, including handling punctuations and non-alpha characters gracefully
- Implement lematization and stopwording with the understanding of pros and cons of various choices
- Experiment with a few ways of counting tokens and displaying the most frequent ones
- Define concept of ngrams and implement with scikit-learn
- Create wordcloud to show most frequent terms in a text

Disclaimer: The response and content of live data cannot be censored or predicted.



What is Natural Language Processing?




Methods for building computer software that understands, generates, and manipulates human language.

—*Jacob Eisenstein*



What Is NLP Used For?

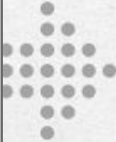
Spell checkers



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Free Online Spell Check Tool

Spellcheck a page or an Entire Website



This tool does not check the following:

- Words that have a capital letter in them
- Words with numbers or special characters in them.

What would you like to spellcheck:

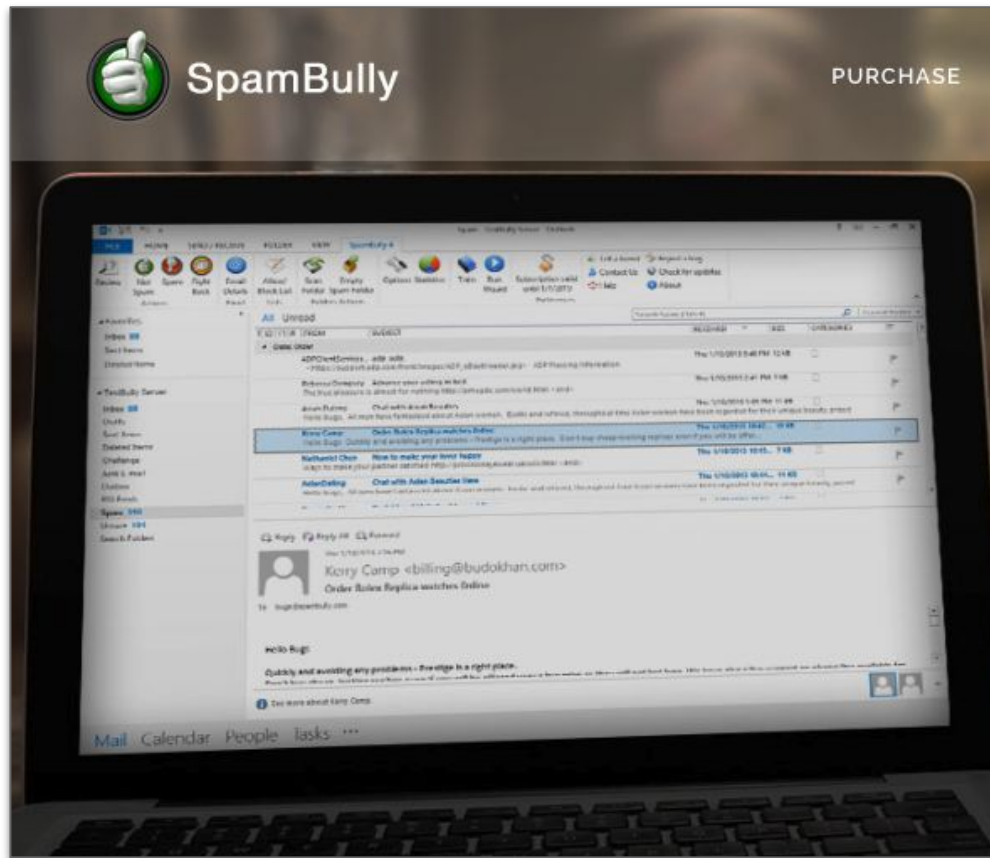
☒ Website ☐ Paste Text ☐ Document

Virtual Assistants

(Alexa, Google Home, Siri)



Spam filters



The image shows a laptop screen displaying the SpamBully software interface. The interface includes a sidebar with navigation options like 'Inbox', 'Spam', and 'Trash'. The main window shows a list of emails, with one email from 'Kerry Camp' selected. The email content is visible, showing a message about 'Order Rules Replicas watches Online'. The background of the laptop screen is a blurred image of a coffee cup and a stack of papers.

SpamBully

PURCHASE DOWNLOAD WATCH DEMO HELP CONTACT

Keep your inbox spam free.

TRY IT NOW

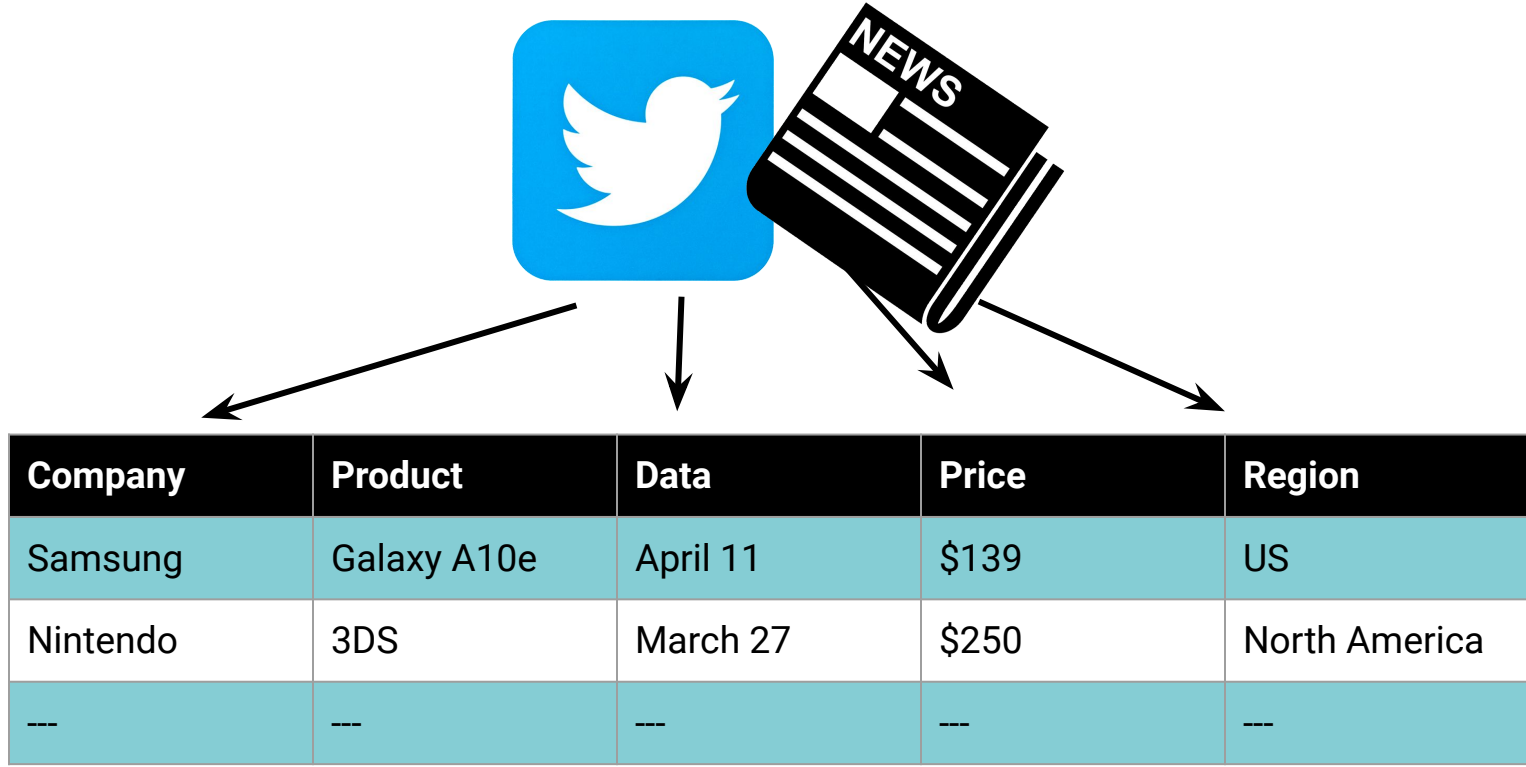
Virtual translations (Google Translate)

The screenshot shows the Google Translate interface. At the top, the Google logo is on the left, and a search bar contains the text "google translate". To the right of the search bar are a microphone icon and a magnifying glass icon. Below the search bar, there are navigation links: "All", "Books", "News", "Shopping", "Images", "More", "Settings", and "Tools". The "All" link is selected and underlined. Below these links, it says "About 547,000,000 results (0.72 seconds)".

The main content area shows a translation box. On the left, it says "English - detected" with a dropdown arrow. On the right, it says "Scottish Gaelic" with a dropdown arrow. Below these, there is a large text area. On the left side of this area, it says "Virtual translations" with a close button (X) to its right. On the right side, it shows the translation: "Eadar-theangachaidhean brìgheil". At the bottom of the text area, there are icons for a speaker (audio) and a microphone (voice input), and a copy icon on the right.

At the bottom of the interface, there are two links: "Open in Google Translate" on the left and "Feedback" on the right.

Handling unstructured data from tweets and Facebook posts



Product Release

NLP

Most industries have large quantities of textual data that can't be efficiently processed manually.

01

Law:

Research, notes,
documents,
records of legal
transactions,
governmental
information

02

Medical Research:

Patient
information/history,
clinical notes,
symptoms

03

Stock Market

Analysis:

Company
disclosures, news
articles, report
narratives

NLP In Finance

Automated sentiment analysis of earnings statements and investor calls



NLP In Finance

Predictions of interest rate from
Federal Reserve testimony



NLP In Finance

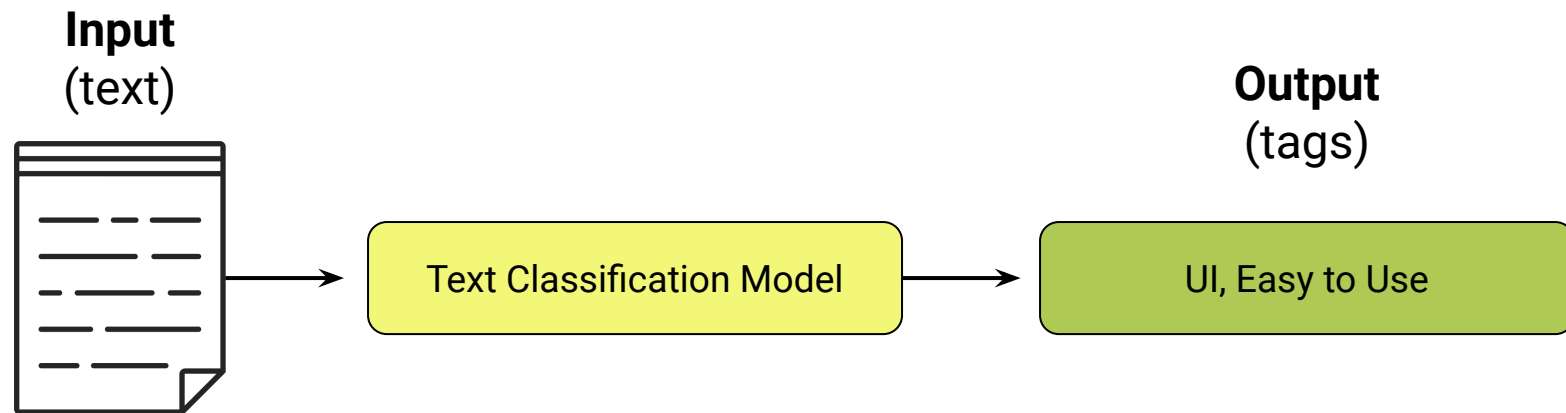
News-based indices of
geopolitical uncertainty



A Few NLP Applications

Text Classification

Classifying statements as subjective/objective, positive/negative; finding the reading level or genre of a text



Recommending systems

NLP is used for job market/skills recommendations



Job Seekers ▾

Small & Medium Businesses ▾

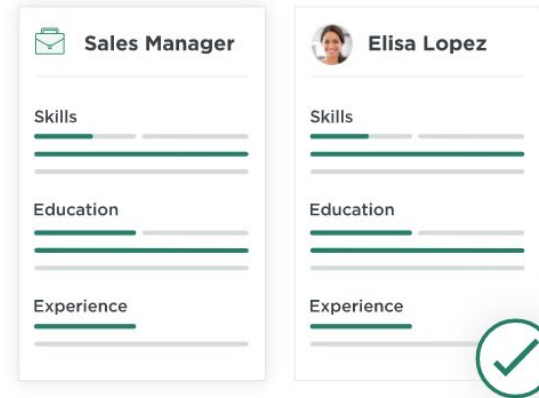
Enterprise Businesses ▾

[Post a Job](#)

[Sign In](#)

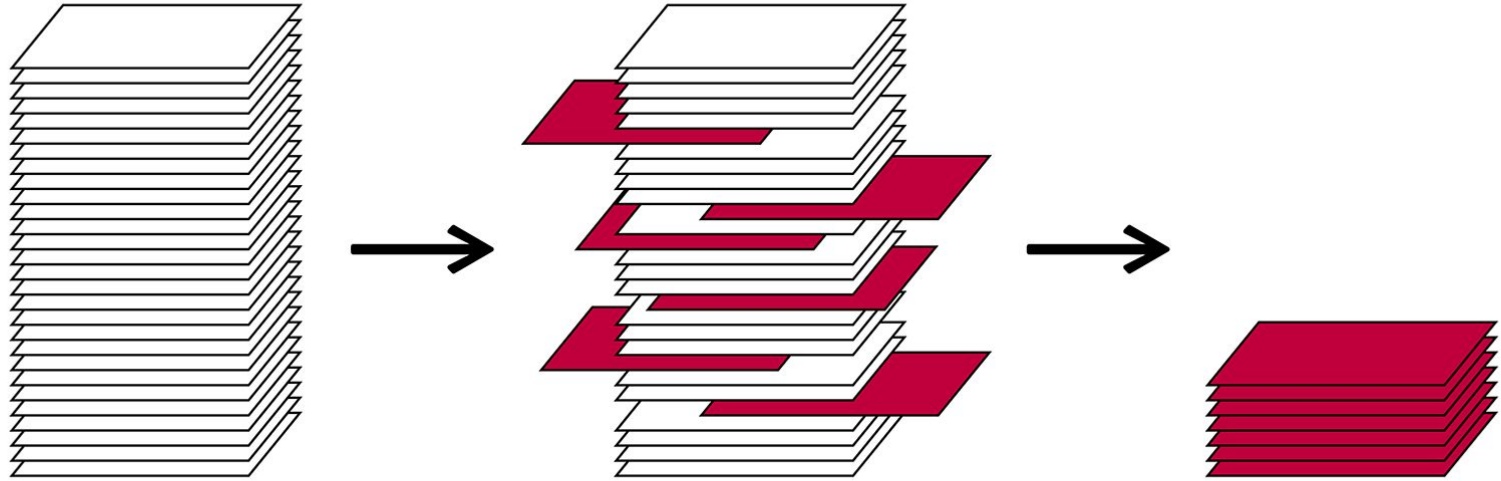
2. Get Instantly Matched

Our powerful matching technology scans thousands of resumes to find candidates with the right skills, education, and experience for your job — then actively invites them to apply.



Information Extraction

Finding the diagnosis from a doctor's notes; identifying names of individuals from a witness statement



Document Summarization

Generating a headline or abstract for a document

reddit r/dataisbeautiful Search r/dataisbeautiful LOG IN SIGN UP

↑ 28.5k ↓ I created a tool to automatically extract the most important sentences... OC CLOSE

↑ 28.5k ↓ Posted by u/Bruce-M OC: 8 1 year ago 3

I created a tool to automatically extract the most important sentences from an article of text; it also has a physics-based network visualization of the underlying algorithm [OC]

OC

Enlarge / Dr. Dre performs onstage with Eminem during the 2018 Coachella Valley Music and Arts Festival Weekend 1 at the Empire Polo Field in Indio, California.

130

A federal trademark judge has ruled in favor of a Pennsylvania-based gynecologist who goes by the name Dr. Dre—finding that use of this name does not violate the trademark of Dr. Dre, the famed rapper.

FURTHER READING

Man ridicules Olive Garden's deplorable letter over trademark dispute

The case, which was filed in October 2015 to the United States Patent and Trademark Office's Trademark Trial and Appeal Board (TTAB), claimed that Dr. Dreton M. Burch's efforts to use the "Dr. Dre" moniker in a trademark were a "close approximation" of the stage name of Andre Young. Dre's lawyers wanted the Dre trademark, which was first filed in 2011, to be annulled.

*Applicant has admitted that DR, DRAI sounds identical to DR, DRE (Burch Tr. at 154-20 155-1).

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r/dataisbeautiful

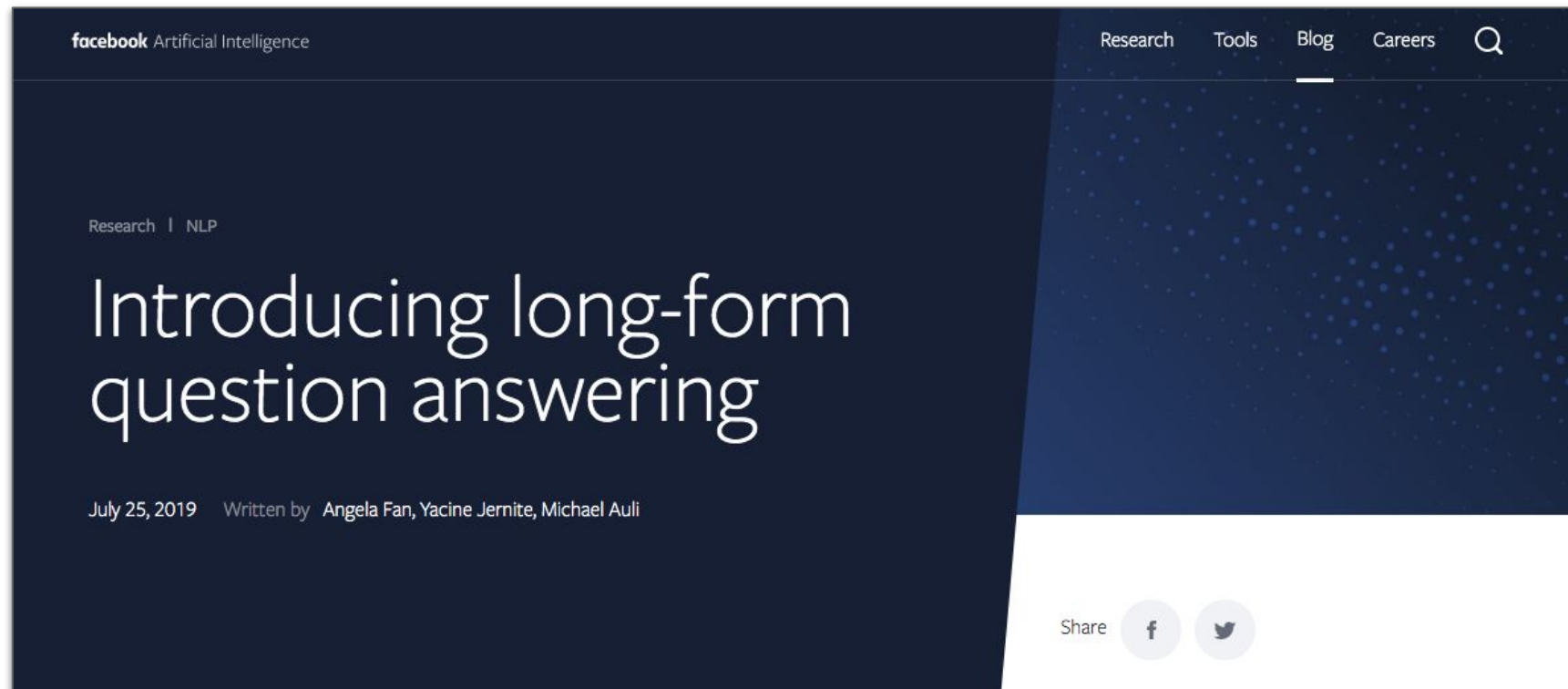
13.8m Members 10.1k Online Feb 14, 2012 Cake Day

A place for visual representations of data: Graphs, charts, maps, etc. DataIsBeautiful is for visualizations that effectively convey information. Aesthetics are an important part of information visualization, but pretty pictures are not the aim of this subreddit.

JOIN

Complex Question Answering

Answering a question about a subject given resources or a document on that subject



NLP is HARD: Humans intuitively interpret natural language, but even we aren't great at it all the time. Natural language is:

Contextual:

The meaning of text depends on situation, speaker, and listener.

Ambiguous:

Words have multiple meanings and can mean different things in different contexts.

Nonstandard:

There is no general set of rules, especially across dialects, groups, etc.

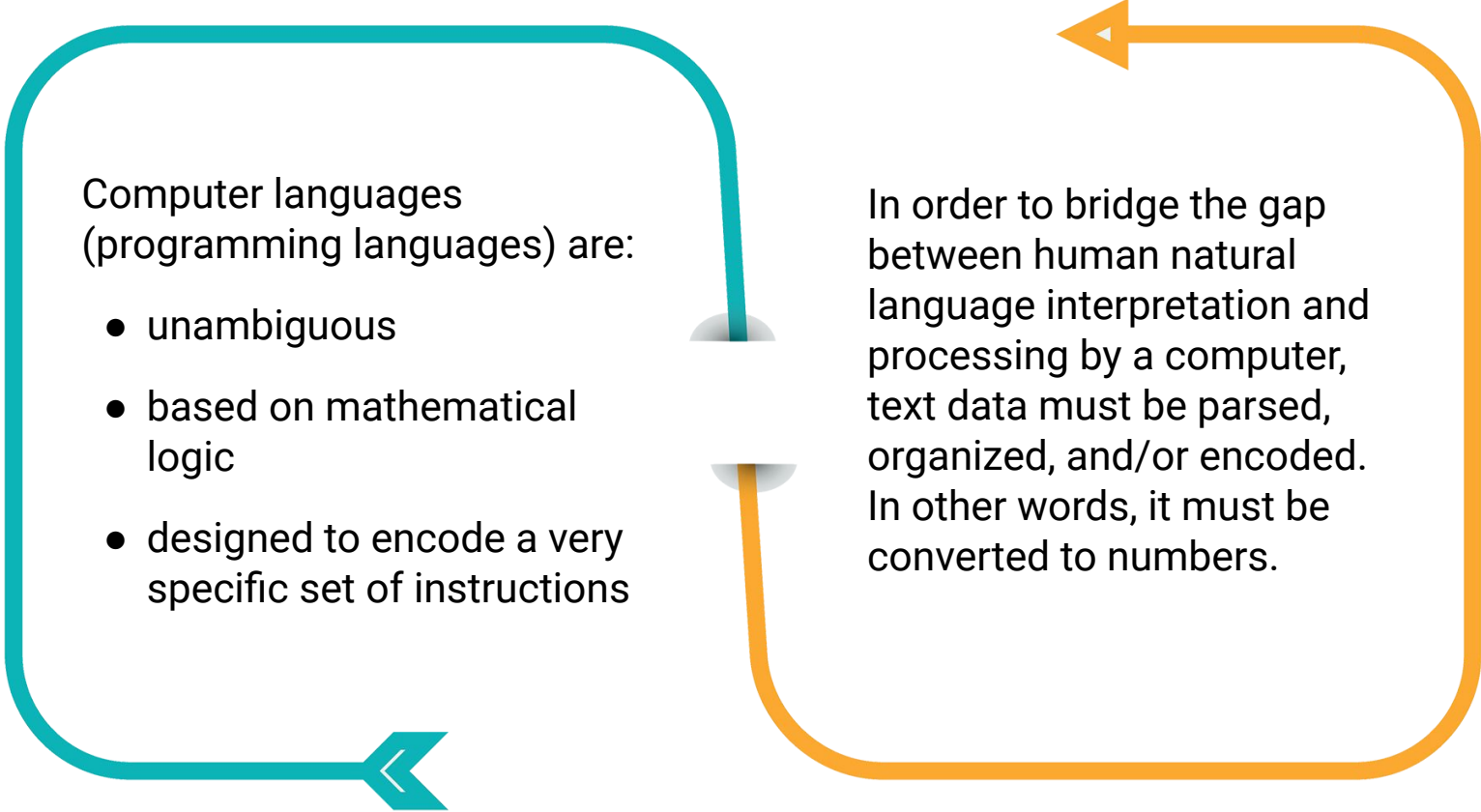


Example:

Let's eat, Grandpa!



Natural Languages vs. Computer Languages



Computer languages
(programming languages) are:

- unambiguous
- based on mathematical logic
- designed to encode a very specific set of instructions

In order to bridge the gap between human natural language interpretation and processing by a computer, text data must be parsed, organized, and/or encoded. In other words, it must be converted to numbers.

NLP Workflow

01

Preprocessing: preparing the text, including ingestion

02

Extraction: get interesting features of the text

03

Analysis: summarize these features

04

Representation: visualize your analysis

Tokenization

Tokenization

The process of segmenting running text into words, sentences, or phrases.



Text needs to be segmented into units in order for any processing to be done.



A token is a group of characters that have meaning. It can be words, sentences, or phrases.



Sometimes characters such as punctuation are discarded.



Tokenization is similar to using `.split()` in Python.



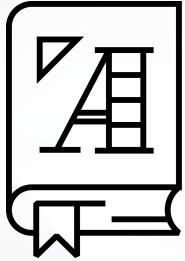
Sentence segmentation and tokenization are often the first steps in an NLP pipeline.

Let's eat, Grandpa!



`["let's", "eat", "grandpa"]`





Tokenization: The process of splitting up a text document into units, most often sentences or words



Instructor Demonstration

Tokenization



Activity: Tokenizing Reuters

In this activity you will practice sentence and word tokenization on some articles from the Reuters corpus, and place the results in a pandas DataFrame.

Suggested Time:
15 minutes





Time's Up! Let's Review.

Stopwords



Stopwords: Words that, for analysis purposes, do not have informational content. Words like “the,” “there,” and “in.”

Stopwords

Stopwords are words that are useful for grammar and syntax, but they don't contain any important content.



Generally, stopwords are the most commonly used words in the document.



Examples: *this, to, the, a, there, an*



Stopwords are often removed because they don't distinguish between relevant and irrelevant content.



Instructor Demonstration
Stop Words



Activity: Crude Stopwords

In this activity you will practice creating a function that strips non-letter characters from a document and then applies stopwording.

Suggested Time:
15 minutes



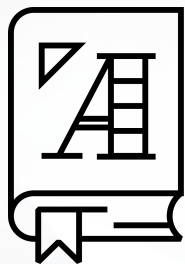


Time's Up! Let's Review.

Take a Break!



Lemmatization



Lemmatization: standardizing the "morphology" of words. For example, *walking*, *walked*, and *walks* will all become *walk*.



Instructor Demonstration

Lemmatization



Activity: Lemmatize

In this activity, you will create a function that performs stopwording, regex cleaning of non-letter characters, word tokenizing, and lemmatization on each word in the article.

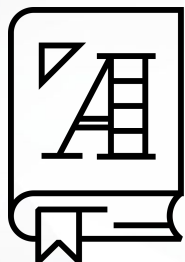
Suggested Time:
15 minutes





Time's Up! Let's Review.

N-Grams

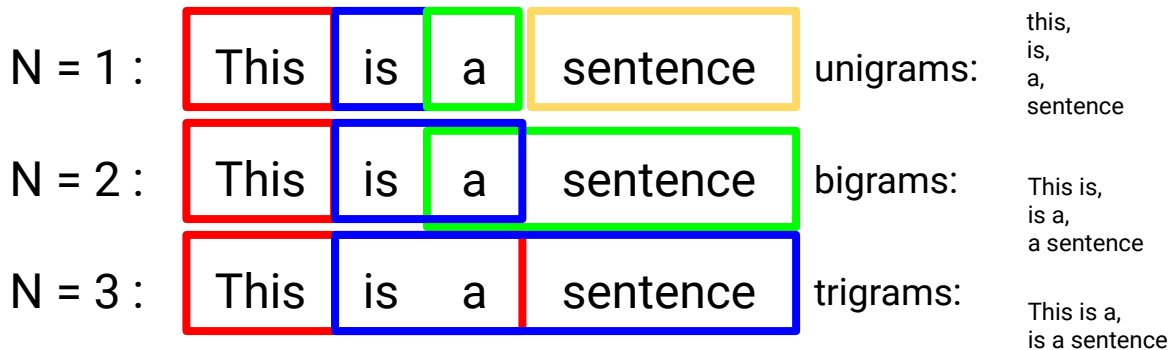


N-Grams: Tokens that include multi-word phrases. The n is the number of words—for example, bigrams are two-word combinations.

N-Grams

A group of n words appearing in sequence from a text.

- Splitting on single words can result in a model where syntax and order are ignored.
- Using an **n-gram** can be helpful in identifying the multi-word expressions or phrases.
- N-grams can be used to calculate how often words follow one another and are applied in generating text. (predictive keyboard)
- N-grams are helpful in applications like sentiment analysis, where the ordering of the words is important to the context.





Instructor Demonstration

N-Grams



Activity: Counter

In this activity, you will create a function that pre-processes and outputs a list of the most common words in a corpus.

Suggested Time:
15 minutes





Time's Up! Let's Review.



Instructor Demonstration
Word Cloud



Activity: Gas Cloud

In this activity, you will practice creating a word cloud from a subset of the Reuters corpus.

Suggested Time:
15 minutes





Time's Up! Let's Review.



Questions?