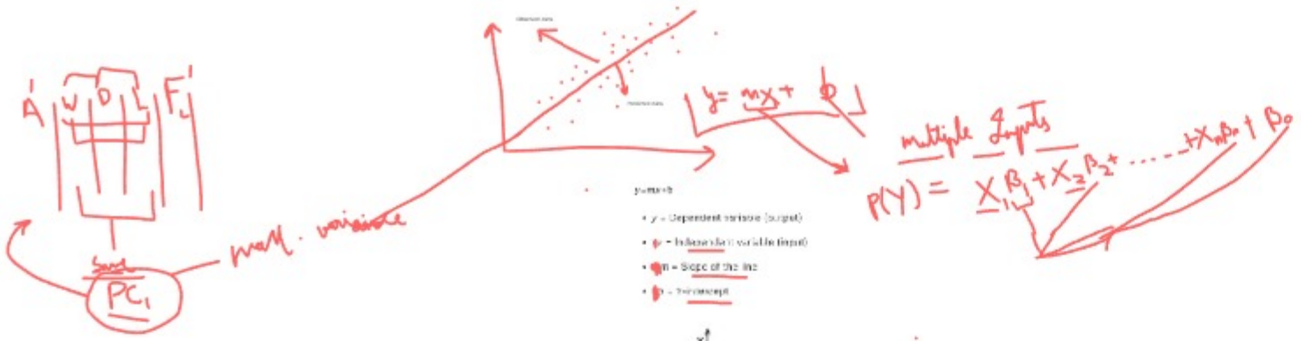
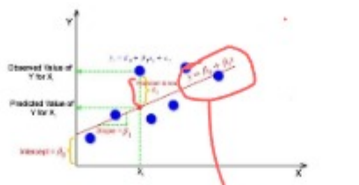


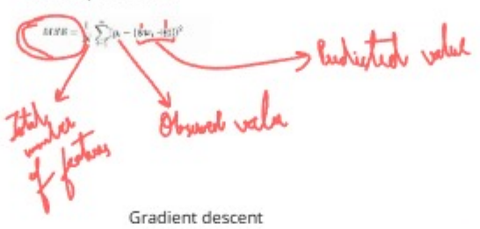


this is formula for error

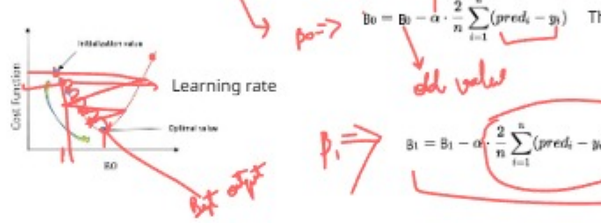
ε i = y predicted - y i

Cost function
it tells us the optimal values for the coefficients which proviudes th best fit line

Mean squared error



Gradient descent
It is an optimization algo that optimize the cost function to reach the minimum value



Step 1
p(y)=X1b1 + b0

b1,b2=0
learning rate= 0.01
p(y)=0

Step 2
MSE=1/4[(0-20)^2+
(0-40)^2+(0-60)^2+(0-80)^2]

MSE=3000

Step 3
Gradient descent