## GDP and life satisfaction

June 6, 2021

```
[88]: # Here are imported the libraries/modules that are used below for the analysis.
      #%matplotlib notebook
      %matplotlib inline
      import numpy as np
      import matplotlib.pyplot as plt
      import scipy as sp
      import pandas as pd
      import sklearn as sk
      from sklearn import neighbors
      from sklearn.metrics import mean_squared_error
      import seaborn as sns
[89]: # Here I use my local file path on reading the .csv files.
      # The reader must use the appropriate path where files are located in their
      \hookrightarrow computers.
      # I select as header the third row of the file qdp per capita (n=2). The \Box
       → delimiter is ","
      GDP=pd.read csv("/Users/damianejlli/Downloads/gdp per capita.csv",,,

delimiter=",", header=2)
      # There is no need to specify the header for the "better life index.csv" file.
      LS=pd.read_csv("/Users/damianejlli/Downloads/better_life_index.csv")
[90]: #I display some of the content of the GDP dataframe.
      GDP.head()
[90]:
        Country Name Country Code
                                                 Indicator Name Indicator Code \
                                   GDP per capita (current US$) NY.GDP.PCAP.CD
               Aruba
      0
                              ABW
        Afghanistan
                              AFG GDP per capita (current US$) NY.GDP.PCAP.CD
      1
                                   GDP per capita (current US$) NY.GDP.PCAP.CD
              Angola
                              AGO
      2
                              ALB GDP per capita (current US$) NY.GDP.PCAP.CD
      3
             Albania
                                   GDP per capita (current US$) NY.GDP.PCAP.CD
             Andorra
                              AND
              1960
                         1961
                                    1962
                                               1963
                                                           1964
                                                                       1965 ... \
```

```
0
          NaN
                      {\tt NaN}
                                   {\tt NaN}
                                               {\tt NaN}
                                                            NaN
                                                                          NaN
  59.773194 59.860874 58.458015
                                        78.706388
                                                     82.095231
                                                                  101.108305
1
2
          NaN
                      NaN
                                   NaN
                                                NaN
                                                            {\tt NaN}
                                                                          NaN
3
          NaN
                                   NaN
                      {\tt NaN}
                                               {\tt NaN}
                                                            {\tt NaN}
                                                                          NaN
4
          {\tt NaN}
                      NaN
                                   {\tt NaN}
                                               {\tt NaN}
                                                            {\tt NaN}
                                                                          NaN ...
            2012
                            2013
                                            2014
                                                            2015
                                                                            2016
   24713.698045
                  26189.435509
                                   26647.938101 27980.880695
0
                                                                  28281.350482
     641.871479
                    637.165523
                                     613.856689
                                                     578.466353
                                                                     509.218661
1
2
    5100.095808
                    5254.882338
                                    5408.410496
                                                    4166.979684
                                                                    3506.072885
3
    4247.629984
                    4413.060861
                                    4578.631994
                                                    3952.801215
                                                                    4124.055726
4 38686.461264 39538.766722 41303.929371 35762.523074 37474.665406
            2017
                            2018
                                            2019
                                                   2020
                                                         Unnamed: 65
   29007.693003
                             {\tt NaN}
                                                    NaN
                                                                   NaN
0
                                             NaN
1
     519.884773
                    493.750418
                                     507.103432
                                                    {\tt NaN}
                                                                   NaN
2
  4095.812942
                                                                   NaN
                    3289.646664
                                    2790.726615
                                                    {\tt NaN}
3
    4531.020806
                    5284.380184
                                    5353.244856
                                                    NaN
                                                                   NaN
4 38962.880354 41793.055258
                                   40886.391165
                                                    NaN
                                                                   NaN
```

[5 rows x 66 columns]

```
[91]: # I select the columns "Country Name" and year "2015" for the analysis in the GDP dataframe.

GPD1=GDP.loc[:,["Country Name", '2015']]
```

[92]: # I display the GDP1 dataframe content.

GPD1

```
[92]:
           Country Name
                                  2015
      0
                  Aruba 27980.880695
      1
            Afghanistan
                           578.466353
      2
                 Angola
                          4166.979684
      3
                Albania
                          3952.801215
      4
                Andorra 35762.523074
      . .
      259
                          3603.025501
                 Kosovo
      260
            Yemen, Rep.
                          1602.037841
      261 South Africa
                          5734.633629
      262
                 Zambia
                          1337.795586
      263
               Zimbabwe
                          1445.071062
```

[264 rows x 2 columns]

```
[93]: \# I set as index the "Country Name" column and rename the column "2015" to "GPD_{\sqcup}
       →per capita 2015 (USD)"
      # and I set the dataframe in alphabetic order
      GDP2=GPD1.set_index("Country Name").rename(columns={"2015": "GDP per capita_
       →2015 (USD)"}).sort_index()
[94]: # I show the first ten rows of the GDP2 dataframe as a matter of example
      # print(GDP2.to_string())
      GDP2.head(10)
[94]:
                           GDP per capita 2015 (USD)
      Country Name
      Afghanistan
                                           578.466353
      Albania
                                          3952.801215
      Algeria
                                          4187.509727
      American Samoa
                                         11843.331183
      Andorra
                                         35762.523074
      Angola
                                          4166.979684
      Antigua and Barbuda
                                         14286.093160
      Arab World
                                         6400.360350
      Argentina
                                         13789.060425
      Armenia
                                          3607.296697
[95]: # I show the first five rows of the LS dataframe as a matter of example.
      LS.head()
[95]:
       LOCATION
                         Country INDICATOR
                                                            Indicator MEASURE \
      0
             AUS
                       Australia
                                    JE_LMIS Labour market insecurity
                                                                             T.
      1
             AUT
                                    JE_LMIS
                                                                             L
                         Austria
                                             Labour market insecurity
      2
             BEL
                         Belgium
                                    JE_LMIS
                                             Labour market insecurity
                                                                             L
             CAN
                          Canada
                                    JE_LMIS
                                             Labour market insecurity
                                                                             L
             CZE Czech Republic
                                    JE_LMIS Labour market insecurity
        Measure INEQUALITY Inequality Unit Code
                                                        Unit PowerCode Code \
      0
          Value
                       TOT
                                Total
                                              PC Percentage
          Value
                       TOT
                                Total
                                                                            0
      1
                                              PC Percentage
      2
          Value
                       TOT
                                Total
                                              PC Percentage
                                                                            0
          Value
                       TOT
                                Total
                                                  Percentage
                                                                            0
                                              PC
          Value
                       TOT
                                Total
                                              PC Percentage
                                                                            0
       PowerCode Reference Period Code Reference Period Value Flag Codes Flags
      0
            Units
                                      NaN
                                                        {\tt NaN}
                                                               5.4
                                                                            NaN
                                                                                   NaN
      1
            Units
                                      NaN
                                                        NaN
                                                                3.5
                                                                            NaN
                                                                                   NaN
      2
            Units
                                                                                   NaN
                                      NaN
                                                        {\tt NaN}
                                                                3.7
                                                                            {\tt NaN}
```

```
3
           Units
                                     NaN
                                                       {\tt NaN}
                                                              6.0
                                                                           {\tt NaN}
                                                                                  NaN
      4
                                                               3.1
            Units
                                     NaN
                                                       {\tt NaN}
                                                                           NaN
                                                                                  NaN
[96]: # I show the shape of the LS dataframe. It has 2369 rows and 17 columns.
      LS.shape
[96]: (2369, 17)
[97]: # I use a conditional to choose all those rows with values "Life satisfaction"
      → in the column "Indicator"
      # and all those equal to "TOT" in the "INEQUALITY" column in the LS dataframe.
      # "TOT" is the total value of life satisfaction for men and women in a given \Box
      \hookrightarrow country.
      LS1=LS[(LS["Indicator"]=="Life satisfaction") & (LS["INEQUALITY"]=="TOT")]
[98]: # I show the first 10 entries of the LS1 dataframe as a matter of exmple.
      LS1.head(10)
[98]:
          LOCATION
                            Country INDICATOR
                                                       Indicator MEASURE Measure \
      1813
                AUS
                          Australia
                                      SW_LIFS Life satisfaction
                                                                            Value
      1814
                                      SW LIFS Life satisfaction
                                                                            Value
                AUT
                            Austria
      1815
                BEL
                            Belgium
                                      SW_LIFS Life satisfaction
                                                                        L
                                                                            Value
      1816
                CAN
                             Canada
                                      SW LIFS Life satisfaction
                                                                            Value
      1817
                CZE Czech Republic
                                      SW_LIFS Life satisfaction
                                                                            Value
      1818
                DNK
                            Denmark
                                      SW LIFS Life satisfaction
                                                                            Value
                                                                       L
      1819
                FIN
                            Finland
                                      SW LIFS Life satisfaction
                                                                            Value
      1820
                FRA
                             France
                                      SW LIFS Life satisfaction
                                                                            Value
      1821
                DEU
                            Germany
                                      SW LIFS Life satisfaction
                                                                       L
                                                                            Value
      1822
                GRC
                             Greece
                                      SW_LIFS Life satisfaction
                                                                            Value
                                                     Unit PowerCode Code PowerCode \
           INEQUALITY Inequality Unit Code
      1813
                  TOT
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
      1814
                  TOT
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
      1815
                  TOT
                                                                         0
                           Total
                                   AVSCORE
                                            Average score
                                                                               Units
      1816
                  TOT
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
      1817
                  TOT
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
      1818
                  TOT
                           Total
                                   AVSCORE Average score
                                                                        0
                                                                               Units
      1819
                  TOT
                                            Average score
                                                                        0
                           Total
                                   AVSCORE
                                                                               Units
      1820
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
                  TOT
      1821
                  TOT
                           Total
                                   AVSCORE
                                            Average score
                                                                         0
                                                                               Units
      1822
                  TOT
                                   AVSCORE
                                            Average score
                                                                               Units
                           Total
            Reference Period Code Reference Period Value Flag Codes Flags
      1813
                              {\tt NaN}
                                                NaN
                                                       7.3
                                                                    NaN
                                                                           NaN
```

```
1814
                             NaN
                                                  NaN
                                                           7.1
                                                                         NaN
                                                                                  NaN
1815
                             NaN
                                                           6.9
                                                                                  NaN
                                                  NaN
                                                                         NaN
                                                           7.4
1816
                             NaN
                                                  NaN
                                                                         NaN
                                                                                  NaN
                                                           6.7
1817
                             NaN
                                                  {\tt NaN}
                                                                         NaN
                                                                                  NaN
1818
                             NaN
                                                  NaN
                                                           7.6
                                                                         NaN
                                                                                  NaN
                                                           7.6
1819
                            NaN
                                                  \mathtt{NaN}
                                                                         NaN
                                                                                  NaN
1820
                            NaN
                                                  \mathtt{NaN}
                                                           6.5
                                                                         NaN
                                                                                  NaN
1821
                                                           7.0
                            NaN
                                                  NaN
                                                                         NaN
                                                                                  NaN
1822
                            NaN
                                                  NaN
                                                           5.4
                                                                         NaN
                                                                                  NaN
```

```
[99]: # First, in the LS1 dataframe, I rename the columns "Country" and "Value"

→ respectively to "Country Name" and "Life Satisfaction Value".

# Second, I set as index of the new dataframe the "Country Name" and after I

→ select all rows in the "Indicator" column

# with entries equal to "Life Satisfaction Value". After the results are sorted

→ alphabetically.

LS2=LS1.rename(columns={"Country" : "Country Name", "Value": "Life Satisfaction

→ Value"}).set_index("Country Name").loc[:, ["Life Satisfaction Value"]].

→ sort_index()
```

[100]: # I show the first 10 entries of the LS2 dataframe as a matter of exmple.

LS2.head(10)

```
[100]: Life Satisfaction Value
```

Country Name Australia 7.3 7.1 Austria Belgium 6.9 Brazil 6.4 Canada 7.4 Chile 6.5 Colombia 6.3 Czech Republic 6.7 7.6 Denmark Estonia 5.7

[101]: # I remove the entry "OECD-Total" country index from the LS2 dataframe because → it is unneccessary for the analysis.

LS3=LS2[LS2.index != "OECD - Total"]

[102]: # I show the first 10 entries of the LS3 dataframe as a matter of exmple.

LS3.head(10)

```
[102]:
                        Life Satisfaction Value
       Country Name
                                              7.3
       Australia
       Austria
                                              7.1
       Belgium
                                              6.9
       Brazil
                                              6.4
       Canada
                                              7.4
       Chile
                                              6.5
       Colombia
                                              6.3
       Czech Republic
                                              6.7
       Denmark
                                              7.6
       Estonia
                                              5.7
[103]: \# I join the LS3 dataframe with the GPD2 dataframe in order to form the final \sqcup
        \rightarrow dataframe, df.
       df=LS3.join(GDP2)
[104]: # I display the entries in the joint dataframe, df.
       df
[104]:
                         Life Satisfaction Value GDP per capita 2015 (USD)
       Country Name
                                               7.3
       Australia
                                                                  56755.721712
                                              7.1
       Austria
                                                                  44178.047378
                                               6.9
       Belgium
                                                                  40991.808138
       Brazil
                                               6.4
                                                                   8814.000987
       Canada
                                              7.4
                                                                  43585.511982
       Chile
                                               6.5
                                                                  13574.171831
       Colombia
                                               6.3
                                                                   6175.876030
       Czech Republic
                                               6.7
                                                                  17829.698322
       Denmark
                                              7.6
                                                                  53254.856370
       Estonia
                                              5.7
                                                                  17522.230186
       Finland
                                              7.6
                                                                  42784.698362
       France
                                               6.5
                                                                  36638.184929
       Germany
                                              7.0
                                                                  41086.729674
       Greece
                                              5.4
                                                                  18167.773727
                                              5.6
                                                                  12706.891215
       Hungary
       Iceland
                                              7.5
                                                                  52564.429179
                                              7.0
       Ireland
                                                                  61995.422803
       Israel
                                              7.2
                                                                  35776.795162
                                               6.0
       Italy
                                                                  30230.226302
       Japan
                                              5.9
                                                                  34524.469861
       Korea
                                              5.9
                                                                           NaN
       Latvia
                                              5.9
                                                                  13774.605274
       Lithuania
                                               5.9
                                                                  14258.229335
```

Luxembourg	6.9	101376.496574
Mexico	6.5	9616.645006
Netherlands	7.4	45175.231893
New Zealand	7.3	38615.995185
Norway	7.6	74355.515858
Poland	6.1	12578.495473
Portugal	5.4	19242.366471
Russia	5.8	NaN
Slovak Republic	6.2	16310.988409
Slovenia	5.9	20881.766930
South Africa	4.7	5734.633629
Spain	6.3	25732.018365
Sweden	7.3	51545.483610
Switzerland	7.5	82081.597162
Turkey	5.5	11006.249736
United Kingdom	6.8	44974.831877
United States	6.9	56839.381774

[105]: # I remove the NaN values from the "df" dataframe to form the final dataframe.  $\rightarrow$  for the analysis, "df1".

df1=df.dropna()

[106]: # I display the df1 dataframe.

df1

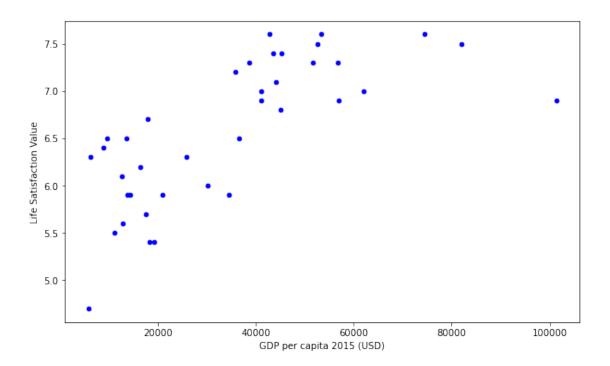
[106]:		Life	Satisfaction	Value	GDP per	capita 2015 (USD)
	Country Name					
	Australia			7.3		56755.721712
	Austria			7.1		44178.047378
	Belgium			6.9		40991.808138
	Brazil			6.4		8814.000987
	Canada			7.4		43585.511982
	Chile			6.5		13574.171831
	Colombia			6.3		6175.876030
	Czech Republic			6.7		17829.698322
	Denmark			7.6		53254.856370
	Estonia			5.7		17522.230186
	Finland			7.6		42784.698362
	France			6.5		36638.184929
	Germany			7.0		41086.729674
	Greece			5.4		18167.773727
	Hungary			5.6		12706.891215
	Iceland			7.5		52564.429179
	Ireland			7.0		61995.422803
	Israel			7.2		35776.795162

```
6.0
Italy
                                                         30230.226302
                                      5.9
                                                         34524.469861
Japan
Latvia
                                      5.9
                                                         13774.605274
                                      5.9
                                                         14258.229335
Lithuania
Luxembourg
                                      6.9
                                                        101376.496574
                                      6.5
                                                          9616.645006
Mexico
Netherlands
                                      7.4
                                                         45175.231893
New Zealand
                                      7.3
                                                         38615.995185
                                      7.6
Norway
                                                         74355.515858
Poland
                                      6.1
                                                         12578.495473
                                      5.4
Portugal
                                                         19242.366471
Slovak Republic
                                      6.2
                                                         16310.988409
Slovenia
                                      5.9
                                                         20881.766930
                                      4.7
South Africa
                                                          5734.633629
                                      6.3
                                                         25732.018365
Spain
Sweden
                                      7.3
                                                         51545.483610
Switzerland
                                      7.5
                                                         82081.597162
Turkey
                                      5.5
                                                         11006.249736
United Kingdom
                                      6.8
                                                         44974.831877
United States
                                      6.9
                                                         56839.381774
```

```
[107]: \# I calculate the shape of the df1 dataframe. The dataframe has 38 rows and 2_{\square} \hookrightarrow columns. df1.shape
```

[107]: (38, 2)

[108]: <AxesSubplot:xlabel='GDP per capita 2015 (USD)', ylabel='Life Satisfaction Value'>



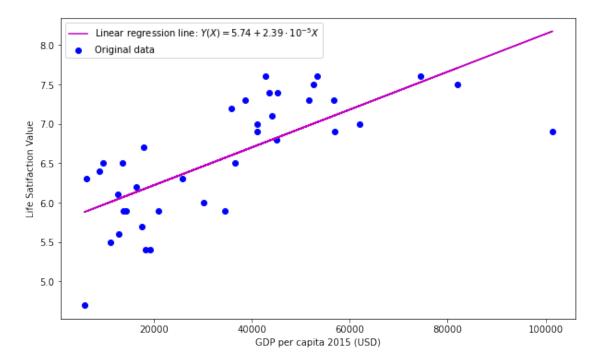
```
\rightarrow dataframe
       # and display the correlation dataframe.
       df1.corr()
[109]:
                                   Life Satisfaction Value GDP per capita 2015 (USD)
       Life Satisfaction Value
                                                    1.000000
                                                                                0.720287
       GDP per capita 2015 (USD)
                                                   0.720287
                                                                                1.000000
[110]: # I extract all values of the "GPD per capita 2015 (USD)" and "Life"
        \hookrightarrow Satisfaction Value" columns and
       # form new (38x1) column arrays "a" and "b".
       a=df1.loc[:, ["GDP per capita 2015 (USD)"]].values
       b=df1.loc[:, ["Life Satisfaction Value"]].values
[111]: # I reshape the original (38x1) column arrary "a" to a (1x38) row array "X".
       X=a.reshape(38)
[112]: # I display the "X" array.
       X
```

[109]: # I calculate the Pearson correlation coeffeicient r for the data in the dflu

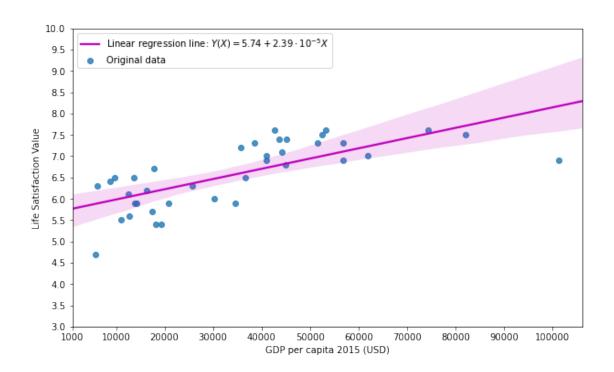
```
[112]: array([ 56755.72171242, 44178.04737774, 40991.80813814,
                                                                   8814.00098681,
               43585.51198178, 13574.17183072, 6175.8760297, 17829.69832237,
                                                                   36638.18492916,
               53254.85637009, 17522.23018625, 42784.69836164,
               41086.72967373, 18167.77372717, 12706.89121489, 52564.42917946,
               61995.42280258, 35776.79516181, 30230.22630213, 34524.46986093,
               13774.60527391, 14258.22933451, 101376.49657434, 9616.64500569,
               45175.23189338, 38615.99518491, 74355.51585756, 12578.49547344,
               19242.3664711 , 16310.988409 , 20881.76692993 , 5734.63362915 ,
               25732.01836475, 51545.48360953, 82081.59716162, 11006.2497364,
               44974.83187718, 56839.38177423])
[113]: # I reshape the original (38x1) column "b" array to a (1x38) row array "y".
       y=b.reshape(38)
[114]: # I display the "y" array.
       У
[114]: array([7.3, 7.1, 6.9, 6.4, 7.4, 6.5, 6.3, 6.7, 7.6, 5.7, 7.6, 6.5, 7.,
              5.4, 5.6, 7.5, 7., 7.2, 6., 5.9, 5.9, 5.9, 6.9, 6.5, 7.4, 7.3,
              7.6, 6.1, 5.4, 6.2, 5.9, 4.7, 6.3, 7.3, 7.5, 5.5, 6.8, 6.9
[115]: | \# First, I assume a simple linear regression model for the data in "X" and "y"
       \hookrightarrow arrays
       # and calculate the slope, intercept etc., of the linear regression method.
       # Here I use the "stats" module of "Scipy" library and its linear regression
       \rightarrow built in method.
       result = sp.stats.linregress(X, y)
[116]: # I print the results of the simple linear regression method.
       print(result)
      LinregressResult(slope=2.3996299825729615e-05, intercept=5.7417543537553195,
      rvalue=0.7202871953226535, pvalue=3.426556470065171e-07,
      stderr=3.851624914535905e-06, intercept stderr=0.15853194959552194)
[117]: | \# I  create a figure with a single subplot where the original data of the df1_{\sqcup}
       \hookrightarrow dataframe
       # and the linear regression line Y(X) are shown.
       fig, ax=plt.subplots(figsize=(10, 6))
       ax.scatter(X, y, color='b', label="Original data")
       ax.plot(X, result.intercept + (result.slope)*X, color="m", label="Linear_"
       \rightarrowregression line: Y(X)=5.74+2.39 \cdot 10^{-5} X")
       ax.set_xlabel("GDP per capita 2015 (USD)")
```

```
ax.set_ylabel("Life Satifaction Value")
plt.legend()
```

## [117]: <matplotlib.legend.Legend at 0x7faf477c7eb0>



[118]: <matplotlib.legend.Legend at 0x7faf4819fc40>



Model t\_score: 2.0280940009804502

```
[120]: # Second, I use the KNN regression method to find a relationship between the data for K=5 (default value).

model=sk.neighbors.KNeighborsRegressor(n_neighbors=5)
```

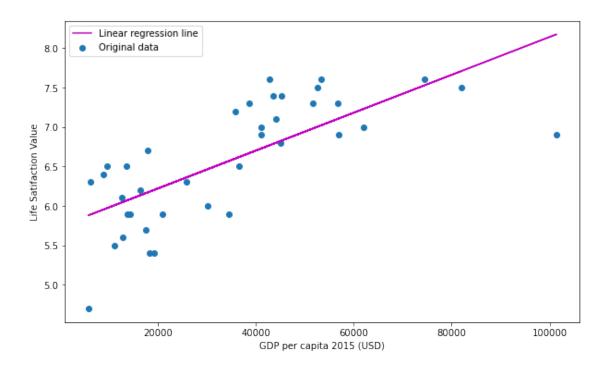
```
[121]: # I use the fit() function to fit the data of the KNN method
# and reshape the X and y 1D arrays to form 2D arrays to use for the KNN method.

model.fit(X.reshape(-1, 1),y.reshape(-1, 1))
```

[121]: KNeighborsRegressor()

```
[122]: # I calculate the predicted values of the KNN method for
       # the GDP data "X" not present in the df1 dataframe for the countries of \Box
       → Albania, United Arab Emirates and Armenia.
       X_new=[[3952.801215],[38663.383807],[3607.296697]]
[123]: | # I Print the predicted values of "Life Satisfaction Value" respectively
       # for Albania, United Arab Emirates and Armenia.
       print(model.predict(X_new))
      [[5.88]
       [6.98]
       [5.88]]
[124]: | # I print the value of the generalized correlation coefficient R 2 for the KNN,
       \rightarrow model for K=5.
       print("Model R^2 value: ", model.score(X.reshape(-1, 1),y.reshape(-1, 1),__
        Model R^2 value: 0.6961783837097519
[125]: # Here as a matter of example, I show that what I found for the simple linear.
       →regression above
       # can be done aslo by using the sklearn module as well.
       model = sk.linear_model.LinearRegression(fit_intercept=True)
       model.fit(X.reshape(-1, 1),y.reshape(-1, 1))
[125]: LinearRegression()
[126]: # I show that the sklearn module gives exactly the same results obtained above
        \rightarrow with the stats module.
       yfit = model.predict(X.reshape(-1, 1))
       fig, ax=plt.subplots(figsize=(10, 6))
       ax.scatter(X.reshape(-1, 1), y.reshape(-1, 1), label="Original data")
       ax.plot(X.reshape(-1, 1), yfit, color="m", label="Linear regression line")
       ax.set_xlabel("GDP per capita 2015 (USD)")
       ax.set_ylabel("Life Satifaction Value")
       ax.legend()
```

[126]: <matplotlib.legend.Legend at 0x7faf4830ca90>



```
[127]: # I print the values of slope and intercept coefficients for the linear model

→ obtained using sklearn.

# The values agree with those obtained with the stats module.

print("Model slope: ", model.coef_[0])
print("Model intercept:", model.intercept_)
```

Model slope: [2.39962998e-05] Model intercept: [5.74175435]

[129]: # To test the model accuracy of the train-test analysis, First I try the linear

→regression model.

model1 = sk.linear\_model.LinearRegression(fit\_intercept=True)

model1.fit(X\_train, y\_train)

[129]: LinearRegression()

```
[130]: | # I print the values of the slope and intercept coefficients obtained from the
        → trainig data.
       print("Model_1 slope: ", model1.coef_[0])
       print("Model_1 intercept:", model1.intercept_)
      Model_1 slope: [3.08345433e-05]
      Model 1 intercept: [5.54446493]
[131]: # I print the values of the generalized correlation coefficients R^2 of the
        →train and test data of the linear regression model.
       print("Model_1 train R^2 value: ", model1.score(X_train, y_train))
       print("Model_1 test R^2 value: ", model1.score(X_test, y_test))
      Model_1 train R^2 value: 0.589117260119626
      Model_1 test R^2 value: -0.37033956276075175
[132]: # Second, I try the KNN regression model to test the accuracy of the train-test,
       \rightarrow data analysis.
       from sklearn.preprocessing import StandardScaler
       scaler = StandardScaler()
       X_train_scaled = scaler.fit_transform(X_train) # I scale and fit-transform the_
       → training predictor data for better stability.
       X_test_scaled = scaler.transform(X_test) # I scale the test predictor data.
       model2 = sk.neighbors.KNeighborsRegressor(n_neighbors=3) # I use a value of K=3_1
        →which gives the best model accuracy.
       model2.fit(X_train_scaled, y_train)
[132]: KNeighborsRegressor(n_neighbors=3)
[133]: # I print the values of the generalized correlation coefficients R 2 of the
        \rightarrow train and test data of the KNN regression model.
       print("Model train R^2 value: ", model2.score(X_train_scaled, y_train))
       print("Model test R^2 value: ", model2.score(X_test_scaled, y_test))
      Model train R^2 value: 0.6880950044165277
      Model test R<sup>2</sup> value: 0.7714814814814819
[134]: # I create a for-loop to evaluate the RMSE and R \( \tau \) vules as a function of K to \( \tau \).
       \rightarrow test the KNN model accuracy.
       # The value of K=3 gives the best model accuracy.
       rmse_val = [] # I create an empty list to store the root-mean-square values of
        \hookrightarrow the error.
```

```
R score = [] # I create an empty list to store the values of R^2 score.
for K in range(0, 22):
    K = K+1
    model3 = sk.neighbors.KNeighborsRegressor(n_neighbors = K).
 →fit(X_train_scaled, y_train) #fit the model
    pred=model3.predict(X_test_scaled) # make prediction on test set
    error = np.sqrt(mean_squared_error(y_test, pred)) #calculate rmse
    rmse_val.append(error) #store rmse values
    R_score.append(model3.score(X_test_scaled, y_test))
    print('RMSE and R^2 values for k=', K, 'are respectively:', error, model3.
 →score(X_test_scaled, y_test))
RMSE and R^2 values for k=1 are respectively: 0.4373213921133974
0.4900000000000001
RMSE and R^2 values for k=2 are respectively: 0.36012150727219816
0.65416666666668
RMSE and R^2 values for k=3 are respectively: 0.29273613450417124
0.7714814814814819
RMSE and R^2 values for k=4 are respectively: 0.32198117180978103
0.7235416666666672
RMSE and R^2 values for k=5 are respectively: 0.3267261850540906
0.7153333333333333
RMSE and R^2 values for k=6 are respectively: 0.30709209621147127
0.7485185185185184
RMSE and R^2 values for k=7 are respectively: 0.31719433301677885
0.7317006802721087
RMSE and R^2 values for k=8 are respectively: 0.31957613529486195
0.7276562500000001
RMSE and R^2 values for k=9 are respectively: 0.3482761781923885
0.6765432098765429
RMSE and R^2 values for k=10 are respectively: 0.35677373782272703
0.660566666666665
RMSE and R^2 values for k = 11 are respectively: 0.327635531226871
0.7137465564738292
RMSE and R^2 values for k=12 are respectively: 0.3478605244123631
0.6773148148148151
RMSE and R^2 values for k=13 are respectively: 0.3450302276441379
0.6825443786982248
RMSE and R^2 values for k=14 are respectively: 0.36340053519442095
0.6478401360544223
RMSE and R^2 values for k=15 are respectively: 0.38446933124329513
0.60582222222222
RMSE and R^2 values for k=16 are respectively: 0.39330331806380636
0.5875000000000007
RMSE and R^2 values for k=17 are respectively: 0.43575591561455507
0.49364475201845515
```

```
RMSE and R^2 values for k= 18 are respectively: 0.48153400710645494 0.3816666666666793

RMSE and R^2 values for k= 19 are respectively: 0.5163933092725883 0.2889012003693463

RMSE and R^2 values for k= 20 are respectively: 0.5302534771220263 0.250216666666682

RMSE and R^2 values for k= 21 are respectively: 0.5621670090211143 0.15724867724867808

RMSE and R^2 values for k= 22 are respectively: 0.5844268577556262 0.08918732782369299
```

```
[135]: # I show the plot of the MSE and R^2 values vs. K values

K=np.arange(1, 23)

fig, ax=plt.subplots(figsize=(10, 6))
ax.plot(K, np.array(rmse_val)**2, label="test $MSE$ value",marker="o")
ax.plot(K, np.array(R_score), label="test $R^2$ value",marker="o")
ax.set_xlabel("$K$")
ax.set_xlabel("$K$")
ax.set_yticks(K, minor=False)
ax.set_yticks(np.arange(0.0, 0.85, 0.05), minor=False)
ax.set_title("KNN regression model for the test data")
ax.legend()
```

[135]: <matplotlib.legend.Legend at 0x7faf48351910>

