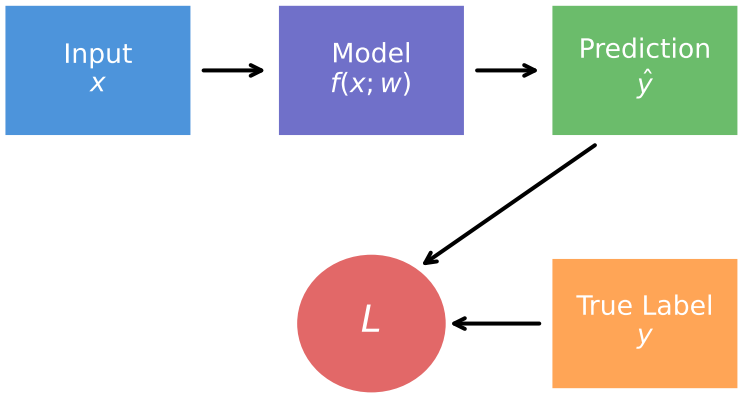
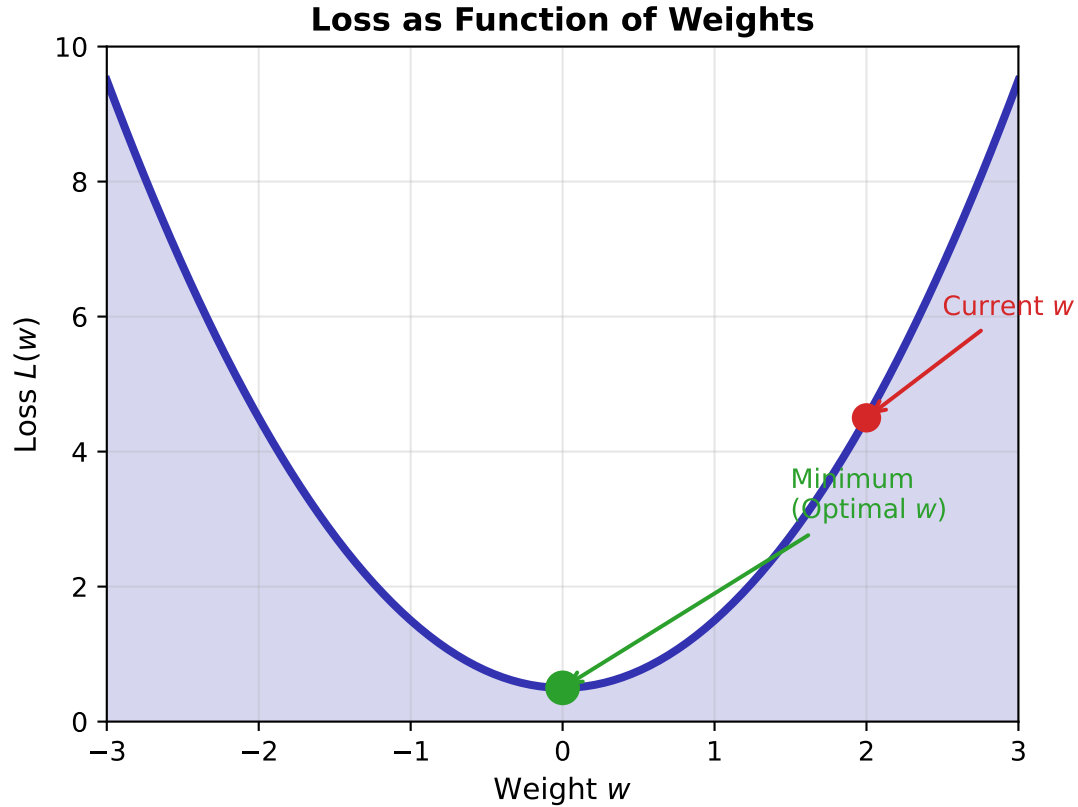
## Loss Function: Measures Prediction Error




$L(\hat{y}, y) =$ Error between prediction and truth