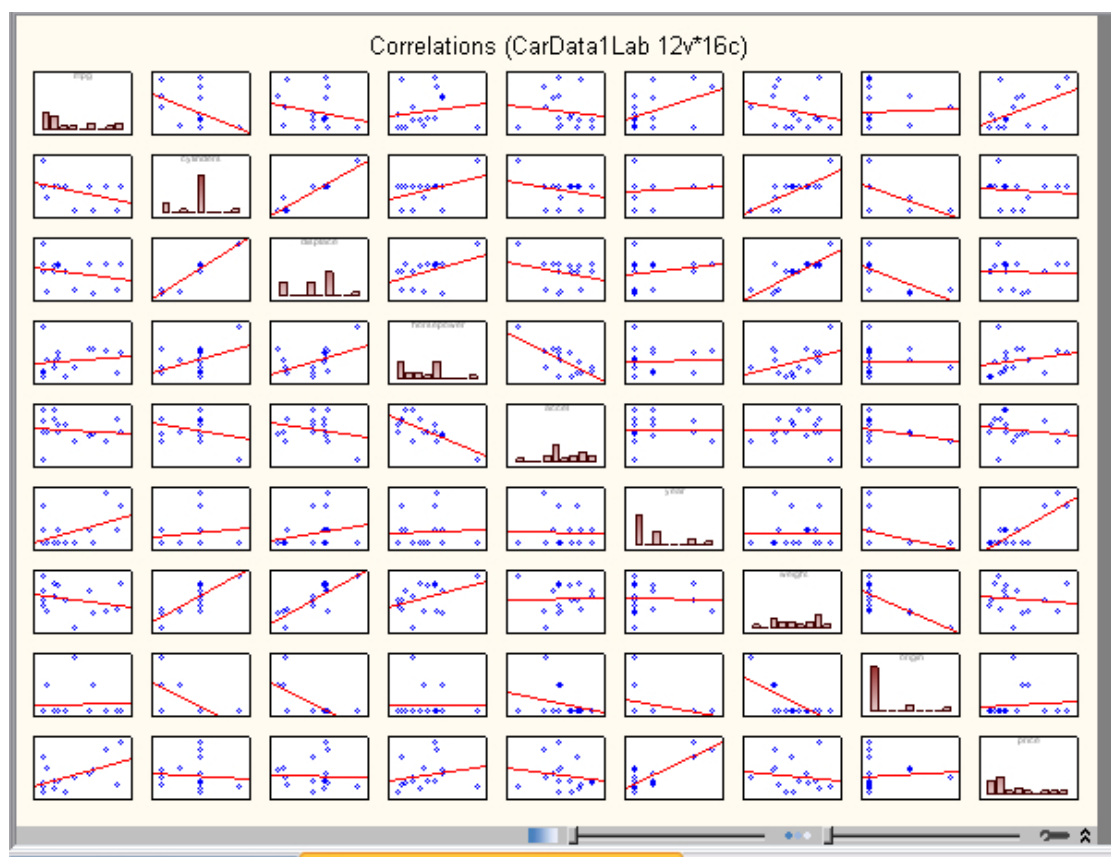


## REGRESSION ANALYSIS

First, the dependence of the output (target) characteristic of the object on one of the input variables  $x_i$  (pair regression) is built, and then the linear model on all input variables  $x_1-x_n$  using the procedures of regression.

### PAIR REGRESSION

Pairwise regression analysis is performed for the first sample - a car with mpg in the range of 20.1-22.5. A set of two-dimensional scattering diagrams is constructed. as the input variable I selected variable *cylinders* , since it has the greatest impact on the target variable – price.

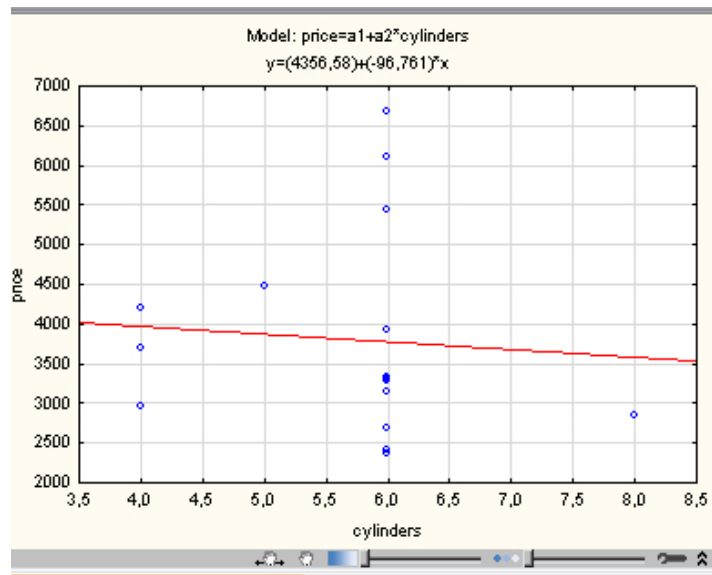


Picture 1. The set of two-dimensional scattering diagrams

Next, the following models were constructed using the least squares method:

## Linear model

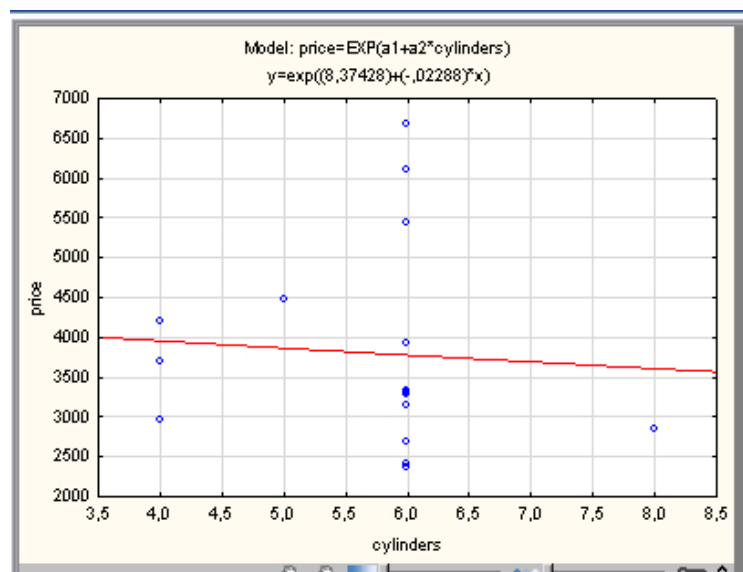
Model:  $\text{price} = a_1 + a_2 * \text{cylinders}$  and  $R^2 = 0,005826$



Picture 2.. Linear regression model

## Exponential model

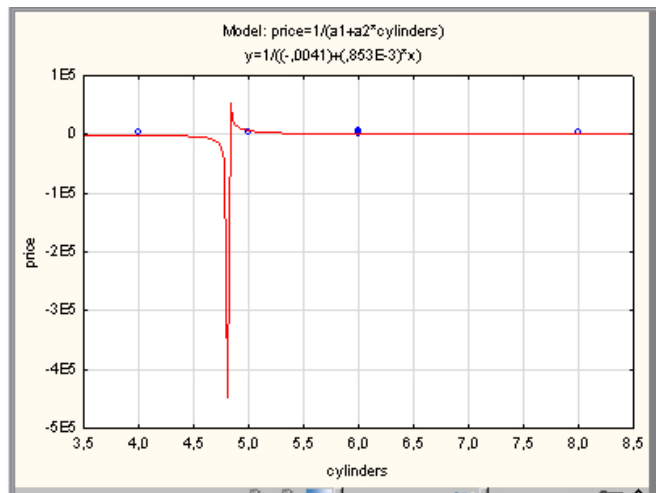
Model:  $\text{price} = \text{EXP}(a_1 + a_2 * \text{cylinders})$  and  $R^2 = 0,005252$



Picture 3. Exponential regression model

## Inverse model

Model:  $\text{price} = 1 / (a_1 + a_2 * \text{cylinders})$  and  $R^2 = 0$



Picture 4. Inverse regression model

Coefficient of determination  $R^2$  shows the discrepancies between the observed and estimated values of the output variable, the closer it is to unity, the more consistent the model with the data. The best is a linear model.