Multiple Linear Regression Assignment

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In [1]: import pandas as pd
 from sklearn.metrics import mean_absolute_error, mean_squared_error, r2_score
 from statsmodels.regression.linear_model import OLS
 import statsmodels.api as sm
 import matplotlib.pyplot as plt
 import seaborn as sns
 from sklearn.model_selection import train_test_split
 from sklearn.linear_model import LinearRegression

c:\Users\HOME\anaconda3\Lib\site-packages\pandas\core\arrays\masked.py:60: UserWarning: Pandas requires vers
ion '1.3.6' or newer of 'bottleneck' (version '1.3.5' currently installed).
 from pandas.core import (

Out[2]:		ld	Model	Price	Age_08_04	Mfg_Month	Mfg_Year	KM	Fuel_Type	HP	Met_Color	 Central_Lock	Powered_Windows P	' 01
	0	1	TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3- Doors	13500	23	10	2002	46986	Diesel	90.0	1	 1	1	_
	1	2	TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3- Doors	13750	23	10	2002	72937	Diesel	90.0	1	 1	0	
	2	3	TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3- Doors	13950	24	9	2002	41711	Diesel	90.0	1	 0	0	
	3	4	TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3- Doors	14950	26	7	2002	48000	Diesel	90.0	0	 0	0	
	4	5	TOYOTA Corolla 2.0 D4D HATCHB SOL 2/3- Doors	13750	30	3	2002	38500	Diesel	90.0	0	 1	1	

5 rows × 38 columns

```
data.info()
         <class 'pandas.core.frame.DataFrame'>
         RangeIndex: 1436 entries, 0 to 1435
         Data columns (total 38 columns):
                                 Non-Null Count Dtype
              Column
          #
         - - -
                                                  int64
          0
              Ιd
                                 1436 non-null
          1
              Model
                                 1436 non-null
                                                  object
          2
              Price
                                 1436 non-null
                                                  int64
              Age_08_04
          3
                                 1436 non-null
                                                  int64
                                                  int64
          4
              Mfg_Month
                                 1436 non-null
          5
                                 1436 non-null
                                                  int64
              Mfg_Year
          6
              KM
                                 1436 non-null
                                                  int64
          7
              Fuel_Type
                                 1436 non-null
                                                  object
          8
              HΡ
                                 1434 non-null
                                                  float64
          9
              Met_Color
                                 1436 non-null
                                                  int64
          10
              Color
                                 1436 non-null
                                                  object
                                 1436 non-null
          11
             Automatic
                                                  int64
          12
              cc
                                 1436 non-null
                                                  int64
          13
              Doors
                                 1436 non-null
                                                  int64
          14
              Cylinders
                                 1436 non-null
                                                  int64
          15
                                 1436 non-null
             Gears
                                                  int64
          16
             Quarterly_Tax
                                 1436 non-null
                                                  int64
          17
             Weight
                                 1436 non-null
                                                  int64
             Mfr_Guarantee
                                 1436 non-null
                                                  int64
          18
                                 1436 non-null
          19
              BOVAG_Guarantee
                                                  int64
          20
              Guarantee_Period
                                1436 non-null
                                                  int64
                                 1436 non-null
          21
              ABS
                                                  int64
          22 Airbag_1
                                 1436 non-null
                                                  int64
          23 Airbag_2
                                 1436 non-null
                                                  int64
                                 1436 non-null
                                                  int64
          24
             Airco
          25
                                 1436 non-null
             Automatic_airco
                                                  int64
          26 Boardcomputer
                                 1436 non-null
                                                  int64
          27
             CD_Player
                                 1436 non-null
                                                  int64
             Central Lock
          28
                                 1436 non-null
                                                  int64
          29
              Powered_Windows
                                 1436 non-null
                                                  int64
          30
             Power Steering
                                 1436 non-null
                                                  int64
          31 Radio
                                 1436 non-null
                                                  int64
          32 Mistlamps
                                 1436 non-null
                                                  int64
          33 Sport Model
                                 1436 non-null
                                                  int64
          34 Backseat_Divider 1436 non-null
                                                  int64
          35
                                 1436 non-null
             Metallic_Rim
                                                  int64
          36
              Radio_cassette
                                 1436 non-null
                                                  int64
          37
             Tow Bar
                                 1436 non-null
                                                  int64
         dtypes: float64(1), int64(34), object(3)
         memory usage: 426.4+ KB
In [4]: | data.drop(columns=['Cylinders','Mfg_Month','Mfg_Year','Fuel_Type','Met_Color','Color','Automatic','Quarterly_
        data.head()
In [5]:
Out[5]:
            ld
                                                  Model
                                                         Price Age_08_04
                                                                               HP
                                                                                      cc Doors Gears Weight
                                                                           KM
            1 TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3-Doors
                                                        13500
                                                                     23 46986 90.0 2000
                                                                                             3
                                                                                                   5
                                                                                                        1165
                                                                        72937 90.0 2000
            2 TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3-Doors 13750
                                                                                             3
                                                                     23
                                                                                                   5
                                                                                                        1165
            3 TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3-Doors 13950
                                                                     24
                                                                        41711 90.0 2000
                                                                                             3
                                                                                                   5
                                                                                                        1165
            4 TOYOTA Corolla 2.0 D4D HATCHB TERRA 2/3-Doors 14950
                                                                        48000 90.0 2000
         3
                                                                     26
                                                                                             3
                                                                                                   5
                                                                                                        1165
         4 5
                 TOYOTA Corolla 2.0 D4D HATCHB SOL 2/3-Doors 13750
                                                                     30 38500 90.0 2000
                                                                                             3
                                                                                                   5
                                                                                                        1170
In [6]: data.isnull().sum()
Out[6]: Id
         Model
                      0
         Price
                      0
         Age_08_04
                      0
         ΚM
                      0
         ΗP
                      2
                      0
         cc
         Doors
                      0
         Gears
                      0
         Weight
                      0
         dtype: int64
```

In [3]: #checking for null values

```
In [7]: # Calculate the average of non-null values in the 'HP' column
         average_hp = data['HP'].mean()
         # Replace null values in the 'HP' column with the average
         data['HP'].fillna(average_hp, inplace=True)
         data.info()
         <class 'pandas.core.frame.DataFrame'>
         RangeIndex: 1436 entries, 0 to 1435
         Data columns (total 10 columns):
                         Non-Null Count Dtype
          #
              Column
                         -----
         ---
          0
              Ιd
                         1436 non-null
                                         int64
          1
              Model
                         1436 non-null
                                         object
                         1436 non-null
          2
             Price
                                         int64
             Age 08 04 1436 non-null
          3
                                        int64
          4
                         1436 non-null
              ΚM
                                        int64
          5
             HP
                         1436 non-null
                                         float64
          6
             CC
                         1436 non-null
                                        int64
          7
                         1436 non-null
              Doors
                                        int64
          8
              Gears
                         1436 non-null
                                         int64
              Weight
                         1436 non-null
                                        int64
         dtypes: float64(1), int64(8), object(1)
         memory usage: 112.3+ KB
         C:\Users\HOME\AppData\Local\Temp\ipykernel_25760\710003151.py:5: FutureWarning: A value is trying to be set
         on a copy of a DataFrame or Series through chained assignment using an inplace method.
         The behavior will change in pandas 3.0. This inplace method will never work because the intermediate object
         on which we are setting values always behaves as a copy.
         For example, when doing 'df[col].method(value, inplace=True)', try using 'df.method({col: value}, inplace=Tr
         ue)' or df[col] = df[col].method(value) instead, to perform the operation inplace on the original object.
           data['HP'].fillna(average_hp, inplace=True)
In [8]: X = data[['Age_08_04', 'KM', 'HP','cc','Doors', 'Gears', 'Weight']]
         y = data['Price']
In [9]: # Splitting data into training and testing
         X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.2, random_state=42)
In [10]: # model building
         model = LinearRegression()
         model.fit(X_train, y_train)
```

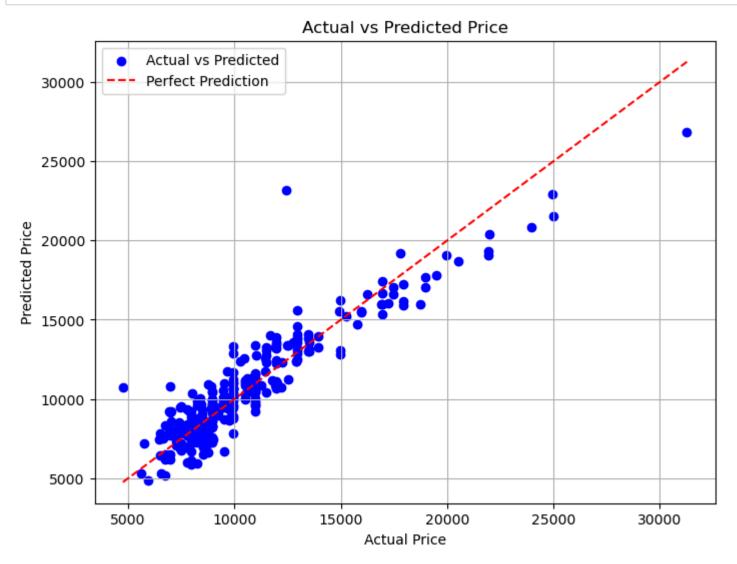
Out[10]: LinearRegression()

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```
y_pred = model.predict(X_test)
         y_pred
Out[11]: array([11317.29846269, 8918.78448174, 9508.39211097, 8955.14888673,
                10121.39398108, 7808.73026425, 8751.48049021, 8331.5710554
                14101.48850062, 13179.89223506, 9363.66103953, 9358.44792209,
                12983.08190044, 13084.74314686, 9723.53402998, 8260.78213152,
                12289.14865243, 17457.6433218, 7248.99190041, 9199.79143909,
                12781.98460541, 17805.25653403, 7891.731488 , 10501.38181749,
                 7384.6863781 , 15982.73181616, 9587.63680684, 7209.61640308,
                15528.95640743, 14575.07570822, 8121.67265842, 9897.36562072,
                 8527.39842461, 10105.47486 , 10290.01689199, 8009.79681932,
                 8879.03383954, 9970.58683286, 16223.91417702, 9450.5482417,
                 9895.41549571, 9549.12748319, 7874.0059817, 5304.66145181,
                 6776.53298118, 17025.58771169, 9439.1487023, 10676.62851279,
                 8753.10136092, 13561.46150248, 13071.11791915, 6336.78660072,
                14720.80364294, 16192.68367949, 5895.88938661, 7710.08351801,
                10433.39346801, 10755.2298625 , 15989.2094808 , 19295.78399874,
                12582.92854649, 8177.98654965, 7820.53806335, 10969.42657911,
                13404.04353174, 8880.94751207, 13246.05392788, 7462.71599004,
                 8212.48104622, 10794.32630058, 20392.77082581, 11104.22462733,
                13035.83359397, 7430.88845995, 18680.15237257, 13896.49842862,
                 8125.88333407, 7515.31218552, 9823.96008124, 9138.66206306,
                10310.01478154, 8620.79406485, 10451.66616524, 10826.40903424,
                 7528.26247066, 6204.35834531, 11113.81553548, 13072.1317895 ,
                 9578.97035424, 10938.87174629, 7723.89975973, 6600.62794536,
                10533.16768182, 10858.32297228, 12767.01224126, 9242.24566937,
                21559.31488482, 7931.71163825, 14088.85459766, 8669.86991925,
                10823.74048077, 9633.83193524, 10660.21436746, 16606.48359058,
                 8824.9011955 , 7615.45801056, 16651.21852912, 7726.415331
                 9677.6767579 , 8602.65146125, 11744.10729572, 10718.56852545,
                 9842.43269038, 13839.84541861, 9435.55405949, 8149.96780275,
                 6441.74808155, 13466.05550582, 12512.58761777, 13992.94875489,
                 7855.31260592, 7328.48327203, 8295.43982644, 15343.59777183,
                11700.21465675, 8862.52819095, 13118.57313739, 9214.69253766,
                 8484.18050782, 12594.57081096, 11235.38533731, 15437.22859294,
                10550.98892697, 9416.49468055, 6475.60577524, 9482.64225583,
                10336.40764056, 11588.81827877, 8282.88906872, 4859.41257292,
                12405.1571968 , 10868.51239783 , 12447.21277639 , 8373.85947313 ,
                12260.18950736, 11342.61022128, 7087.94750705, 8595.35448414,
                 8311.14378414, 11308.13632058, 10362.86109319, 15941.00294438,
                 8412.61015029, 9122.26913082, 11262.94516294, 11049.8388455 ,
                 8739.34212925, 13362.36079671, 9954.97686301, 19185.67754138,
                11175.43728294, 15600.3067613 , 15243.45854883, 7715.34333289,
                 8966.37123073, 12840.44466373, 7949.49211599, 13578.48210484,
                 8179.69570164, 7553.96411107, 8138.46085534, 12400.4302999 ,
                 9337.73397779, 12882.91283948, 10424.71028454, 9440.30235817,
                16630.50776774, 10727.07788155, 9743.30243675, 10580.19675798,
                12291.45071252, 10999.7571833 , 13735.81960649, 7840.44172986,
                 9215.61148302, 7537.47949853, 5912.08712983, 8246.02203086,
                 9655.60759342, 10955.67122004, 9133.70421686, 7426.82795062,
                 6094.97081459, 11237.05601969, 10444.01282666, 10988.30999071,
                 6911.83499103, 7176.67878244, 9987.45249597, 17657.61440416,
                 9230.96178132, 7697.26348611, 6935.76282976, 8760.59180958,
                16001.67548641, 17033.80944857, 10641.12331639, 10052.91936623,
                10975.56213778, 9122.86725356, 9038.97576428, 11182.3946493,
                 9880.69075703, 10168.89693847, 6885.99016714, 11747.89001919,
                 7859.48484486, 9236.27583405, 7195.96225064, 11575.35928217,
                 8612.71492981, 10640.02292362, 10841.13824371, 10145.3293956 ,
                17257.08062768, 6499.00639241, 16035.22803052, 7434.95059674,
                13248.06355443, 7307.32876259, 12346.85440714, 9595.67261001,
                26861.59651671, 7813.29385495, 9342.53176066, 8275.78687473,
                13892.7662371 , 13219.7823173 , 10101.32945727, 8555.39292519,
                13945.51552728, 19086.82280143, 13600.98214274, 9589.78188029,
                20843.86245257, 9723.40163446, 9303.93309249, 9951.7001493,
                10014.13073616, 9166.70807671, 8587.71156122, 10435.09180677,
                                5293.7713379 , 10490.81406101, 10838.20679766,
                 8612.82477957,
                 6693.82471313, 10048.30431112, 13391.79948721, 10974.06447497,
                12889.00492215, 6935.55416054, 5965.93379116, 10660.53999114,
                 6489.80995654, 12382.13934489, 13347.55148902, 5205.90915787,
                 8741.22660416, 8006.44385786, 13236.09993988, 15541.16399947,
                 6659.60088182, 13551.91800103, 7793.79519491, 7242.56020753,
                 8451.35592526, 7852.50242273, 6184.4414426, 23169.42490472,
                22930.66625603, 10290.05142602, 7197.49733726, 19062.07312988,
                 8114.75304238, 13578.89719728, 10788.35719806, 10783.62401512])
```

In [11]: |# Making Predictions

```
In [12]: # Plot actual vs predicted prices
plt.figure(figsize=(8, 6))
plt.scatter(y_test, y_pred, color='blue', label='Actual vs Predicted')
plt.plot([min(y_test), max(y_test)], [min(y_test), max(y_test)], color='red', linestyle='--', label='Perfect
plt.xlabel('Actual Price')
plt.ylabel('Predicted Price')
plt.title('Actual vs Predicted Price')
plt.legend()
plt.grid(True)
plt.show()
```



```
In [13]: # Model Evaluation

mae = mean_absolute_error(y_test, y_pred)
mse = mean_squared_error(y_test, y_pred)
r2 = r2_score(y_test, y_pred)
```

```
In [14]: print("Mean Absolute Error:", mae)
print("Mean Squared Error:", mse)
print("R-squared:", r2)
```

Mean Absolute Error: 996.0847838224187 Mean Squared Error: 1978084.8261539815 R-squared: 0.8517487723649542

```
In [15]:
    # Create a DataFrame with the features of the new data
    new_data = pd.DataFrame({'Age_08_04': 22,'KM': 43610,'HP': 192,'cc': 2000, 'Doors': 3,'Gears': 6,'Weight': 1

# Predict the price using the trained model
    predicted_price = model.predict(new_data)

print("Predicted Price:", predicted_price)

# without removing outliers
```

Predicted Price: [20584.99836958]

Removing Outliers

```
In [16]: # Training initial linear regression model
initial_model = OLS(y_train, sm.add_constant(X_train)).fit()
```

```
In [17]: # Calculate Cook's distance
         influence = initial_model.get_influence()
         cooks_distance = influence.cooks_distance[0]
         # Set the threshold for Cook's distance
         threshold = 1
         # Identify outliers
         outliers_indices = [i for i, d in enumerate(cooks_distance) if d > threshold]
In [18]: X_train_clean = X_train.drop(outliers_indices, errors='ignore')
         y_train_clean = y_train.drop(outliers_indices, errors='ignore')
         # Retraining
         clean_model = LinearRegression()
         clean_model.fit(X_train_clean, y_train_clean)
Out[18]: LinearRegression()
```

In a Jupyter environment, please rerun this cell to show the HTML representation or trust the notebook. On GitHub, the HTML representation is unable to render, please try loading this page with nbviewer.org.

```
In [ ]:
         new_data = {
             'Age_08_04': 22,
             'KM': 43610,
             'HP': 192,
             'cc': 2000,
             'Doors': 3,
             'Gears': 6,
             'Weight': 1185
        }
```

```
In [19]:
         # Converting the new data to a DataFrame
         new_data_df = pd.DataFrame([new_data])
         # Predicting price
         predicted_price = clean_model.predict(new_data_df)
         print("Predicted Price:", predicted_price[0])
```

Predicted Price: 20584.998369577228