

Investment decision

Problem Statement: A person is going to invest his/her money in a new plot as a long term investment. So he will take the decision on the 3 factors, which are as followed:

1. Can get returns of more than 40%.
2. Plot is in a fertile soil
3. Plot is big enough to make a farm house

Lets make a truth table for investing as per the requirements of that person.

| Return>40% | Fertile soil | Farmhouse | Buy |
|------------|--------------|-----------|-----|
| 1 | 1 | 1 | 1 |
| 1 | 0 | 1 | 1 |
| 1 | 1 | 0 | 1 |
| 1 | 0 | 0 | 0 |
| 0 | 1 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 1 | 0 |
| 0 | 1 | 1 | 0 |

Solution : Hence, we can train perceptron to understand the requirements of a person and than conclude whether he should invest or not. For ex: By studying the above truth table we can clearly see that returns of the investment is of max importance.