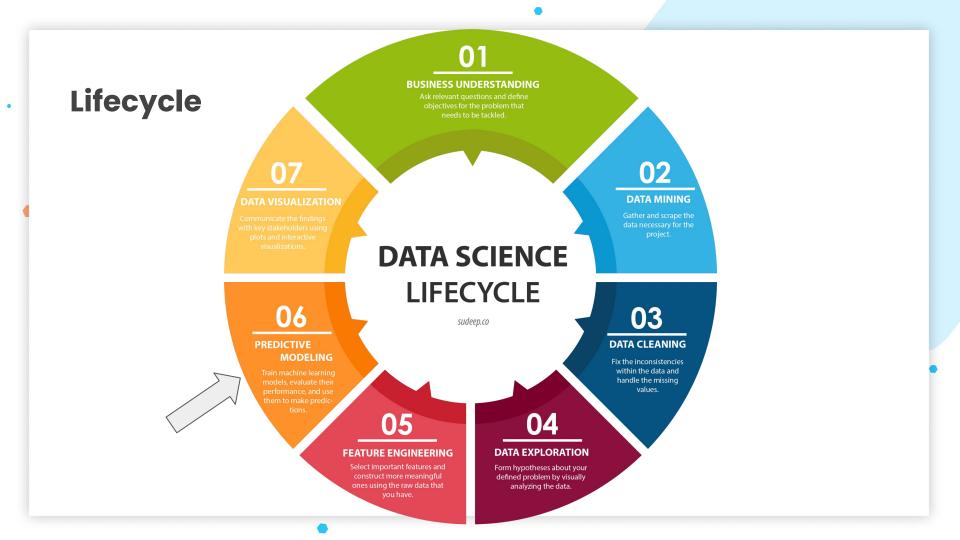


Week 7



So far we've seen KNN, both for Regression and Classification.

Today we will explore more models, such as:

- Linear Regression
- Logistic Regression
- Decision Trees

Linear Regression

Linear Regression

Linear Regression is a fundamental machine learning algorithm used for predictive analysis, when our target is numeric/continuous (Regression).

It models the relationship between a **dependent variable(target)** and **one or more independent variables(features)** by fitting a linear equation to the observed data.

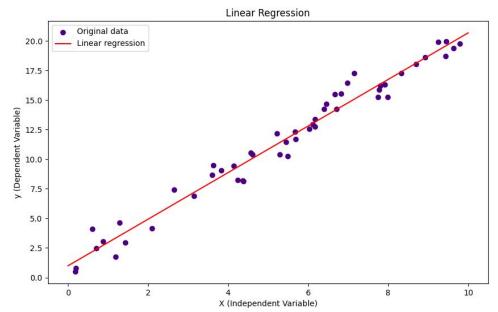
Linear Regression

Linear Regression Equation

$$y = b_0 + b_1 x$$

Where:

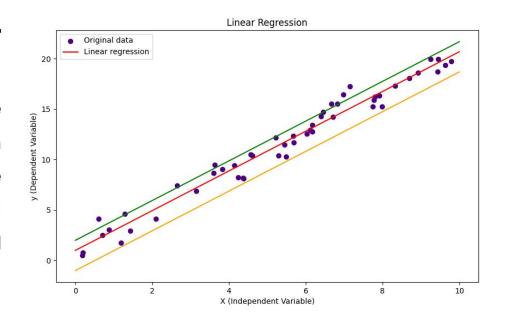
- b0 is the y-intercept
- b1 is the slope



Supervised Learning Linear Regression

But how does it fit in to our data?

Linear regression finds the best-fitting straight line through the data points by adjusting the line until it minimizes the **overall distance between the line and the points.**

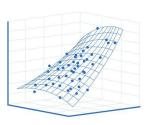


Linear Regression

Simple Linear Regression



Multiple Linear Regression



What if we have more features?

Often we use more than a single feature to predict our target.

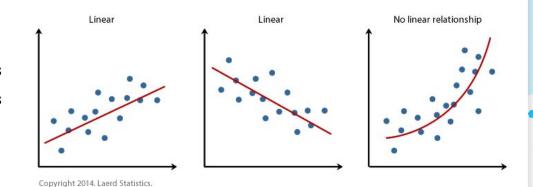
In this case we have:

$$y = b_0 + b_1 x_1 + b_2 x_2 + ... + b_k x_k + \epsilon$$

Supervised Learning Linear Regression

Although Linear Regression is widely employed in various industry solutions, it does have certain limitations.

- Assumes that the relationship between independent variables and dependent variables is linear.
- Sensitive to outliers.



Logistic Regression

Logistic Regression

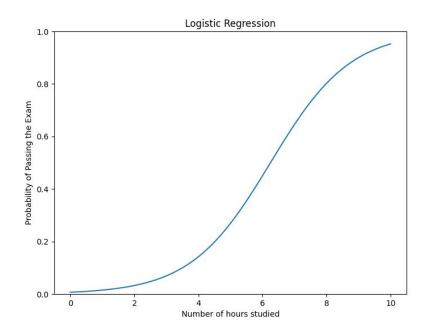
Logistic Regression is also a fundamental machine learning algorithm used for predictive analysis, but in this case we use it for **Classification** problems (usually binary).

It calculates the probability of the **class** of a specific datapoint based on input features.

Supervised Learning Logistic Regression

Logistic Regression fits an S shaped curve to the data, called Sigmoid.

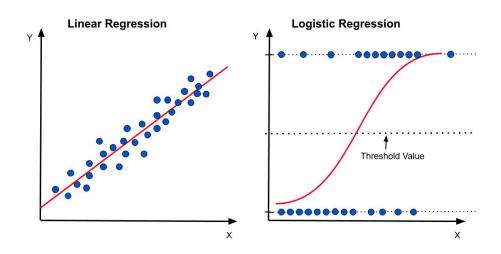
When stacked, it can generate really powerful models (Deep Learning).



Logistic Regression

Logistic Regression Formula

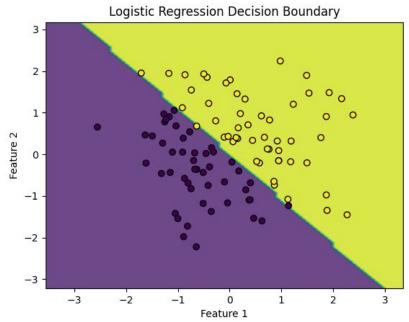
$$y = \frac{1}{1 + e^{(b_1 x + b_0)}}$$



Logistic Regression

Logistic Regression Limitations

- Fails in non-linearly separable data.
- Do not work well for multi-class problems



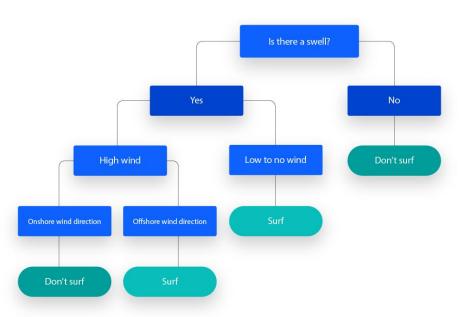
Decision Trees

Supervised Learning Decision Trees

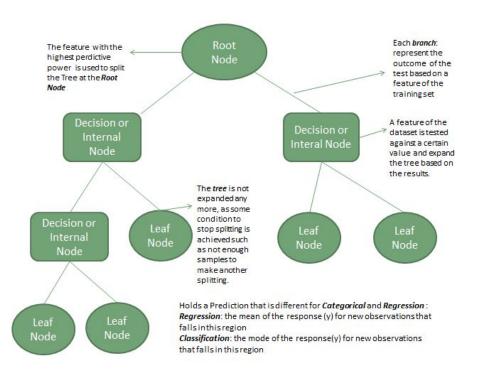
A **Decision Tree** is a widely-used supervised learning method capable of handling both **classification** and **regression** problems. It dissects a dataset into smaller subsets by employing if-then-else decision rules based on the data's features.

Supervised Learning Decision Trees

Each level of the Decision Tree "asks" a question about a specific feature and divides the paths into several nodes.



Decision Trees



Decision Trees

Decision Tree Limitations

- Affected by noise in the data
- Decision nodes limited to binary outcomes (reducing the complexity that tree can handle)
- Can overfit very quickly

