

Code Assignment 1

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```
In [51]: # setup functions↵
```

```
In [ ]: # define X, Y, Z, N, n_x, m_y↵
```

Gradient Descent

```
In [53]: # define gradient_decent()↵
```

```
Out[53]: gradient_decent (generic function with 1 method)
```

Off course, the choice of the stepsize=2.0 is optimized for this concrete example!

```
In [54]: (residual, rides, avg_price, iter, t, p) = gradient_decent(stepsize=2.0)

@show (residual, rides, avg_price, iter, t);

(residual, rides, avg_price, iter, t) = (6.6792805490928935e-6, 30.1967103814
92267, 6144.210478599871, 24, 0.033948589)
```

Newton Descent

```
In [55]: # define newton_decent()↵
```

```
Out[55]: newton_decent (generic function with 1 method)
```

```
In [56]: (residual, rides, avg_price, iter, t, p) = newton_decent(stepsize = .2)

@show (residual, rides, avg_price, iter, t);

(residual, rides, avg_price, iter, t) = (1.4383251444418475e-5, 30.1967092773
2457, 6144.147609907126, 51, 66.096929758)
```

Coordinate Decent

```
In [57]: # define coordinate_decent()↵
```

```
Out[57]: coordinate_decent (generic function with 1 method)
```

```
In [47]: (residual, rides, avg_price, iter, t, p) = coordinate_decent()
```

```
@show (residual, rides, avg_price, iter, t);
```

```
(residual, rides, avg_price, iter, t) = (6.6075340955011415e-6, 30.1967096406  
16426, 6144.168840475095, 27, 62.665376635)
```

Subsidizer Supply

```
In [48]: F(p) = p .+ log.(1 .+ exp.(-p))
```

```
S(p, C) = sum(m_y .* exp.(F(p)' .- C) ./ (1 .+ sum(exp.(F(p)' .- C), 2)), 1)
```

```
Out[48]: S (generic function with 1 method)
```

```
In [50]: (residual, rides, avg_price, iter, t, p) = coordinate_decent(max_iter = 200)
```

```
@show (residual, rides, avg_price, iter, t);
```

```
(residual, rides, avg_price, iter, t) = (0.016388354043165406, 30.20284488613  
2873, 6145.470529569593, 201, 496.836998668)
```

The coordinate descent method is inefficient, when faced with the subsidized supply function.