```
# Importing necessary libraries
import pandas as pd
import numpy as np
import statsmodels.api as sm
from sklearn.model selection import train_test_split, cross_val_score
from sklearn.linear model import LinearRegression
import matplotlib.pyplot as plt
# Load the dataset
data = pd.read csv("https://cf-courses-data.s3.us.cloud-object-
storage.appdomain.cloud/IBM-ML240EN-SkillsNetwork/labs/data/
CarPrice Assignment.csv")
# Data preprocessing
# Dropping unnecessary columns and handling categorical variables
data = data.drop(['CarName', 'car_ID'], axis=1)
data = pd.get dummies(data, drop first=True)
# Splitting the data into features and target variable
X = data.drop('price', axis=1)
y = data['price']
# Splitting the dataset into training and testing sets
X train, X test, y train, y test = train test split(X, y,
test size=0.2, random state=42)
# Creating the model
model = LinearRegression()
# Fitting the model on the training data
model.fit(X train, y train)
# Evaluating model performance using cross-validation
cv scores = cross val score(model, X, y, cv=5)
# Printing cross-validation scores
print("Cross-validation scores:", cv scores)
print("Mean cross-validation score:", cv scores.mean())
# Print model coefficients
print("Intercept:", model.intercept )
print("Coefficients:", model.coef_)
# Make predictions
predictions = model.predict(X test)
# Visualizing actual vs predicted prices
plt.scatter(y test, predictions)
```

```
plt.xlabel("Actual Prices")
plt.ylabel("Predicted Prices")
plt.title("Actual vs Predicted Prices")
plt.plot([min(y test), max(y test)], [min(y test), max(y test)],
color='red') # Perfect prediction line
plt.show()
Cross-validation scores: [ 0.62378736  0.63163559  0.31315605
0.36430923 -0.494424661
Mean cross-validation score: 0.28769271591789536
Intercept: -29773.17149301443
Coefficients: [ 9.72800990e+01 1.08169496e+02 -8.21707142e+01
5.71524325e+02
  1.11260589e+02
                 3.77338016e+00
                                  1.23899791e+02 -2.10742817e+03
 -3.87492846e+03 -2.73509262e+02
                                  1.76038614e+00 1.97395045e+00
 -2.36154810e+02 1.94134939e+02 -2.54812275e+03
                                                  1.84243982e+03
 -3.08277949e+02 -3.79461257e+03 -2.55863553e+03 -1.62120718e+03
 -3.22852281e+03 -2.34660582e+02 8.51335193e+02 1.08215940e+04
 -5.78036634e+03 -2.08833665e+03
                                  2.19796085e+03 6.01564055e+02
 -4.25447726e+03 2.82854565e+01 -7.51357577e+03 -8.47512520e+03
 -7.42734443e+03 1.81898940e-12 -1.20843838e+04 2.82854565e+01
  1.50895655e+02 -6.89336450e+02  2.54812275e+03 -2.70819592e+03
  2.32285535e+02 -2.25594029e+03 -5.06408453e+02]
```

## Actual vs Predicted Prices

