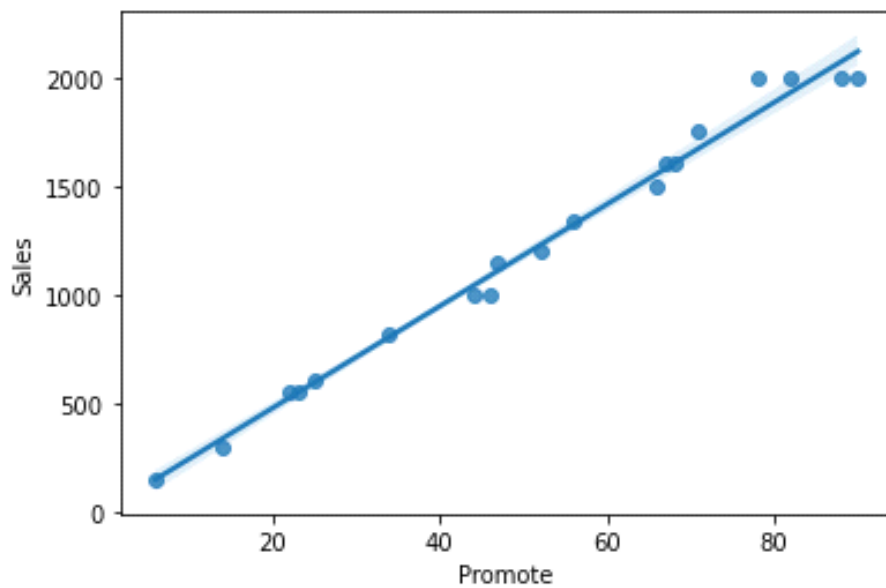
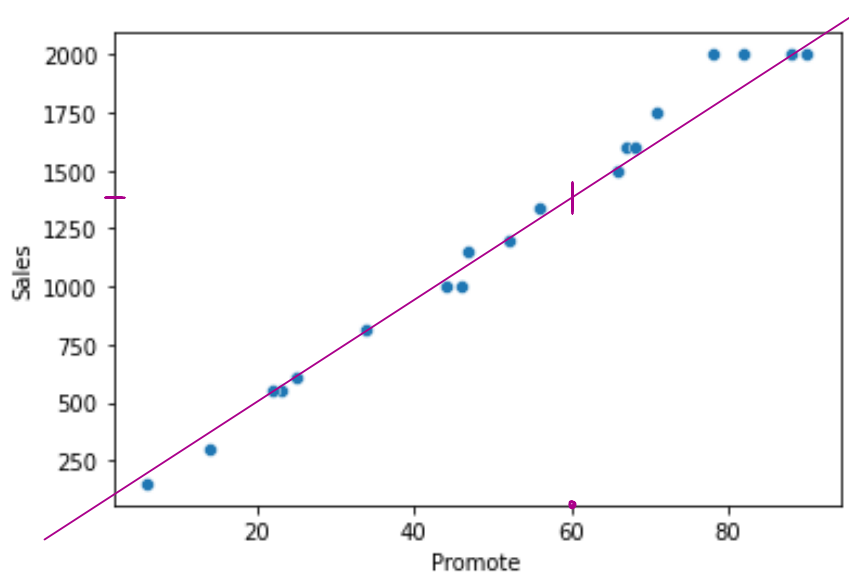


For any scatter plot the response / dependent variable should be at Y-axis



Exercises: Cars93.csv

1. Independent: MPG.City , Dependent: Price
2. Independent: Horsepower , Dependent: Price
3. Independent: MPG.City, Horsepower ; Dependent: Price

Dummying the Data / One Hot Encoding



Dummying the Data / One Hot Encoding

X1	X1_A	X1_B	X1_C
A	1	0	0
A	1	0	0
A	1	0	0
A	1	0	0
B	0	1	0
B	0	1	0
B	0	1	0
C	0	0	1
C	0	0	1
C	0	0	1

X1_B	X1_C
0	0
0	0
0	0
0	0
1	0
1	0
1	0
0	1
0	1
0	1

y_i \hat{y}_i

Existing	Predicted
56	55.2
64	45.33
94	85.44
55	54.22
22	30

$$MAE = \frac{|56-55.2| + |64-45.33| + \dots + |22-30|}{5} = 7.365$$

Existing	Predicted
56	57
64	58
94	90
55	53
22	24

$$MAE = 3$$

X : Lot Size, Bedrooms, Bathrooms, Storeys

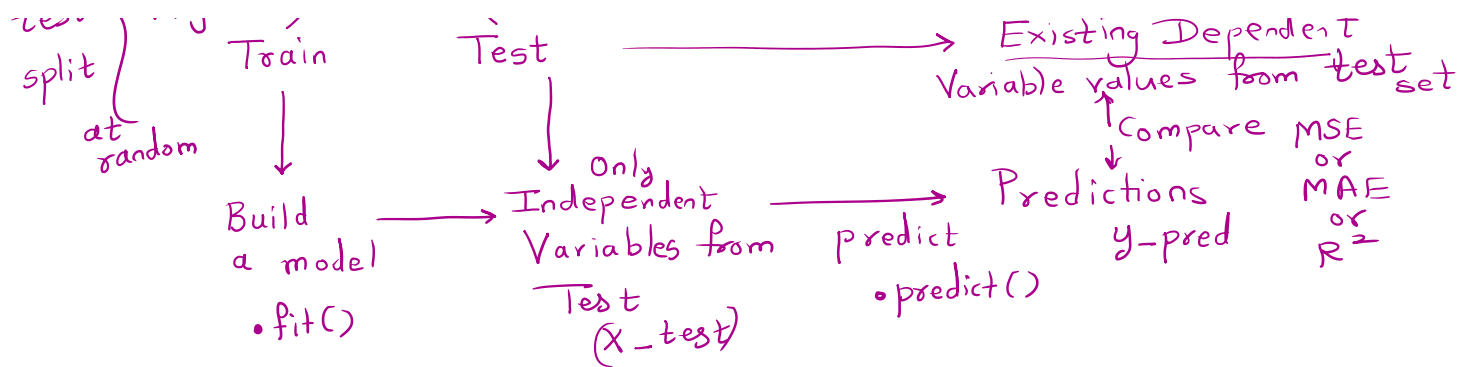
X : Lot Size, Bedrooms

```
In [80]: print(mean_absolute_error(y, y_pred_trn))
...: print(mean_squared_error(y, y_pred_trn))
...: print(r2_score(y, y_pred_trn))
15620.221815301456
448196130.4555012
0.3702693440581585
```

```
In [82]: print(mean_absolute_error(y, y_pred_trn))
...: print(mean_squared_error(y, y_pred_trn))
...: print(r2_score(y, y_pred_trn))
13318.45543520826
330563406.94941866
0.5355472817735651
```

ML Model Evaluation



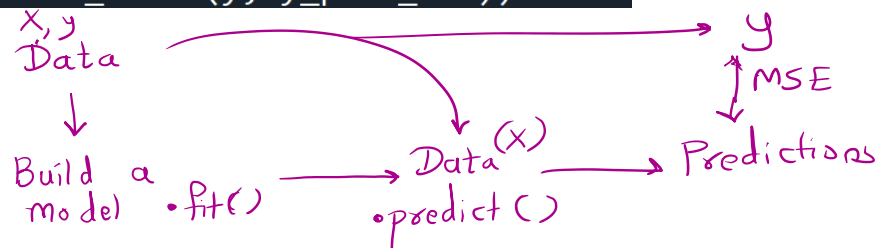


```

lr = LinearRegression()
lr.fit(X, y)

print("Slopes =", lr.coef_)
print("Intercept =", lr.intercept_)

y_pred_trn = lr.predict(X)
print(mean_absolute_error(y, y_pred_trn))
  
```



```

In [148]: dum_sals = pd.get_dummies(sals)
...: X = dum_sals[['Department_B', 'Department_C',
...:               'Department_D']]
...: y = dum_sals['Salary']
...:
...: lr = LinearRegression()
...: lr.fit(X, y)
...: print("Slopes =", lr.coef_)
...: print("Intercept =", lr.intercept_)
Slopes = [3548.375      6664.35714286 9190.45238095]
Intercept = 34000.5
  
```

$$\text{Salaries} = 34000.5 + \underset{\substack{1 \text{ or } 0}}{B} * 3548.375 + \underset{\substack{1 \text{ or } 0}}{C} * 6664.357 + \underset{\substack{1 \text{ or } 0}}{D} * 9190.4523$$

D:-

$$\text{Salaries} = 34000.5 + 1(9190.4523)$$

B:-

$$\text{Salaries} = 34000.5 + 1(3548.375) = 3748.375$$

A:-

$$\text{Salaries} = 34000.5$$

```

In [150]: dum_sals = pd.get_dummies(sals)
...: X = dum_sals[['Department_A', 'Department_B',
...:               'Department_D']]
...: y = dum_sals['Salary']
...:
...: lr = LinearRegression()
...: lr.fit(X, y)
...: print("Slopes =", lr.coef_)
...: print("Intercept =", lr.intercept_)
Slopes = [-6664.35714286 -3115.98214286  2526.0952381 ]
Intercept = 40664.857142857145

```

$$\text{Salary} = 40664.857 + A * 6664.357 - 3115.982 * B + D * 2526.095$$

$$D:- \text{Salary} = 40664.857 + 1(2526.095) = 43190.952$$

$$B:- \text{Salary} = 40664.857 - 1(3115.982) = 37548.875$$

$$A:- \text{Salary} = 40664.857 - 1(6664.357) = 35000.5$$

$$C:- \text{Salary} = 40664.857$$

```

In [152]: sals.groupby('Department')['Salary'].mean()
Out[152]:
Department
A      34000.500000
B      37548.875000
C      40664.857143
D      43190.952381

```