



**FIGURE 6.8.** Left: Plots of squared bias (black), variance (green), and test MSE (purple) for the lasso on a simulated data set. Right: Comparison of squared bias, variance and test MSE between lasso (solid) and ridge (dotted). Both are plotted against their  $R^2$  on the training data, as a common form of indexing. The crosses in both plots indicate the lasso model for which the MSE is smallest.