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```
import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
from sklearn.linear_model import LinearRegression
from sklearn.model_selection import train_test_split
from sklearn import metrics
import statsmodels.api as sm
```

```
data_raw = pd.read_csv('.../datasets/Greece - Agriculture and Rural
Development/agriculture-and-rural-development_grc.csv')
pd.set_option('display.max_columns', 4)
data_raw.head()
```

	Agricultural land (% of land area)	Agricultural land (sq. km)	 Rural population growth (annual %)	Surface area (sq. km)
0	NaN	NaN	 NaN	NaN
1	69.123351	89100.0	 -0.387316	131960.0
2	69.061288	89020.0	 -1.462143	131960.0
3	69.984484	90210.0	 -1.718278	131960.0
4	69.751746	89910.0	 -1.758920	131960.0

5 rows × 23 columns

```
variable_x = "Crop production index (2014-2016 = 100)"
variable_y = "Cereal production (metric tons)"
data = data_raw[[variable_x, variable_y]].dropna().reset_index(drop=True)
data.head()
```

## Crop production index (2014-2016 = 100) Cereal production (metric tons)

0	62.570000	2243876.0
1	50.700001	2426843.0
2	57.430000	2122537.0
3	57.150002	2874641.0
4	61.770000	2940922.0

```
data.shape
```

```
(58, 2)
```

```
 X\_train, \ X\_test, \ y\_train, \ y\_test = train\_test\_split(data[variable\_x].to\_numpy(), \ data[variable\_y].to\_numpy(), \ test\_size=0.2, \ random\_state=42)
```

```
model = LinearRegression().fit(X_train.reshape(-1, 1), y_train)
 print(f"Intercept: {model.intercept_}")
 print(f"Slope: {model.coef_}")
 Intercept: -338797.3306638906
 Slope: [51647.36492435]
 y_pred = np.around(model.predict(X_test.reshape(-1, 1)), 1)
 y_pred
 array([2892778.3, 2960952.8, 5072813.5, 3795574.4, 5177141.4, 4196357.7,
        4998957.8, 4700952.6, 4551691.8, 3424746.3, 4813543.9, 2612849.7])
 fig, ax = plt.subplots()
 plt.scatter(X_train, y_train, color='red')
 ax.axline((X\_test[1], \ y\_pred[1]), \ slope=model.coef\_[0])\\
 plt.title('Linear regression - Cereal production', fontsize=16)
 plt.xlabel(variable_x, fontsize=14)
 plt.ylabel(variable_y, fontsize=14)
 plt.tight_layout()
 plt.show()
         Linear regression - Cereal production
broduction (metric tons)
4.5
3.5
3.0
2.5
2.0
      50
             60
          Crop production index (2014-2016 = 100)
 print('Mean Absolute Error:', metrics.mean_absolute_error(y_test, y_pred))
 print('Mean Squared Error:', metrics.mean_squared_error(y_test, y_pred))
 print('Root Mean Squared Error:', np.sqrt(metrics.mean_squared_error(y_test,
 y_pred)))
 Mean Absolute Error: 300467.2
 Mean Squared Error: 142457458025.50165
 Root Mean Squared Error: 377435.36933560116
 print("R-Square value:", metrics.r2_score(y_test, y_pred))
 R-Square value: 0.8563623217388497
 X_stat = sm.add_constant(X_train)
 regsummary = sm.OLS(y_train, X_stat).fit()
 regsummary.summary()
```

Dep. Variable: R-squared: 0.744 у Model: OLS Adj. R-squared: 0.738 F-statistic: Method: Least Squares 127.6 Date: Fri, 16 Dec 2022 Prob (F-statistic): 1.36e-14 Time: 14:35:49 Log-Likelihood: -668.16 No. Observations: 46 AIC: 1340. **Df Residuals:** BIC: 1344. 44 Df Model: 1 **Covariance Type:** nonrobust

## **OLS Regression Results**

[0.025 std err t P>|t| 0.975] coef **const** -3.388e+05 4.26e+05 -0.796 0.430 -1.2e+06 5.19e+05 5.165e+04 4571.889 11.297 0.000 4.24e+04 6.09e+04 Durbin-Watson: 1.986 **Omnibus:** 0.370 Prob(Omnibus): 0.831 Jarque-Bera (JB): 0.538 Skew: -0.082 Prob(JB): 0.764 Cond. No. Kurtosis: 2.496 534.

## Notes:

[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.

```
fig, ax = plt.subplots()
x_axis = np.arange(12)

plt.bar(x_axis-0.2, y_test, width=0.4, label = "Actual")
plt.bar(x_axis+0.2, y_pred, width=0.4, label = "Predicted")

plt.xlabel("Sample", fontsize=14)
plt.ylabel("Count", fontsize=14)

plt.legend()

plt.tight_layout()
plt.show()
```

