Assignment 2

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Question 1:

Consider the simple linear regression problem $y = \beta_0 + \beta_1 x + \epsilon$, where $\epsilon \sim \mathcal{N}(0, \sigma^2)$. Assume we are given training data $\{(x_i, y_i)\}_{i=1}^n$ and let $\hat{y}_i = \hat{\beta}_0 + \hat{\beta}_1 x_i$ be the fitted model. Define $e_i = y_i - \hat{y}_i$. Show the following:

1.
$$\sum_{i=1}^{n} e_i = 0$$
.

$$\sum_{i=1}^{n} e_{i} = \sum_{i=1}^{n} (y_{i} - \hat{y}_{i}) = 0$$

$$= \sum_{i=1}^{n} y_{i} - \sum_{i=1}^{n} \hat{y}_{i}$$

$$= \sum_{i=1}^{n} y_{i} - \sum_{i=1}^{n} (\hat{\beta}_{0} + \hat{\beta}_{1}x_{i})$$

$$= \sum_{i=1}^{n} y_{i} - \sum_{i=1}^{n} [(\bar{y} - \hat{\beta}_{1}x_{i}) + \hat{\beta}_{1}x_{i}]$$

$$= \sum_{i=1}^{n} y_{i} - \sum_{i=1}^{n} (\bar{y} - \hat{\beta}_{1}x_{i}) + \sum_{i=1}^{n} \hat{\beta}_{1}x_{i}$$

$$= \sum_{i=1}^{n} y_{i} - \sum_{i=1}^{n} \bar{y} - \sum_{i=1}^{n} \hat{\beta}_{1}x_{i} + \sum_{i=1}^{n} \hat{\beta}_{1}x_{i}$$

$$= \sum_{i=1}^{n} y_{i} - \bar{y}n - \hat{\beta}_{1} \sum_{i=1}^{n} x_{i} + \hat{\beta}_{1} \sum_{i=1}^{n} x_{i}$$

$$= \bar{y}n - \bar{y}n - \hat{\beta}_{1}\bar{x}n + \hat{\beta}_{1}\bar{x}n$$

$$\sum_{i=1}^{n} e_{i} = 0$$

2. The regression line always goes through the point (\bar{x}, \bar{y}) .

Considering:

$$1. \hat{y}_i = \hat{\beta}_0 + \hat{\beta}_1 x_i.$$

2.
$$RSS = \sum_{i=1}^{n} (y_i - \bar{y}_i)^2 = \sum_{i=1}^{n} (y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i)^2$$
.

3.
$$\frac{\partial (c-x)^n}{\partial x} = n(c-x)^{n-1} \frac{\partial x}{\partial x}$$
.

Then, we should minimize the slope

$$min\hat{\beta}_0 = 0 = \frac{\partial \sum_{i=1}^n (y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i)^2}{\partial \hat{\beta}_0}$$

$$0 = \sum_{i=1}^n \frac{\partial (y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i)^2}{\partial \hat{\beta}_0}$$

$$0 = \sum_{i=1}^n -2(y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i) \frac{\partial \hat{\beta}_0}{\partial \hat{\beta}_0}$$

$$0 = \sum_{i=1}^n -2(y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i) \cdot 1$$

$$0 = \sum_{i=1}^n -2(y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i) \cdot 1$$

$$0 = -2 \sum_{i=1}^n (y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i)$$

$$0 = -2 \sum_{i=1}^n y_i - \sum_{i=1}^n \hat{\beta}_0 - \sum_{i=1}^n \hat{\beta}_1 x_i$$

$$0 = y_i - \hat{\beta}_0 - \hat{\beta}_1 x_i$$

$$\hat{\beta}_0 = y_i - \hat{\beta}_1 x_i$$

$$\hat{\beta}_0 = y_i - \hat{\beta}_1 x_i$$

$$\hat{\beta}_0 + \hat{\beta}_1 x_i = y_i = point(x_i y_i)$$

Question 2:

This question involves the use of multiple linear regression on Auto data set. For most of the analysis, you will need to remove the name variable.

```
library(pacman)
pacman::p_load(ggplot2, ISLR, ggcorrplot)
#load data
data(Auto)
#structure of Auto
str(Auto)
  'data.frame':
                   392 obs. of 9 variables:
                  : num 18 15 18 16 17 15 14 14 14 15 ...
   $ cylinders
                 : num 888888888 ...
   $ displacement: num 307 350 318 304 302 429 454 440 455 390 ...
   $ horsepower
                : num 130 165 150 150 140 198 220 215 225 190 ...
##
   $ weight
                        3504 3693 3436 3433 3449 ...
                  : num
   $ acceleration: num 12 11.5 11 12 10.5 10 9 8.5 10 8.5 ...
##
                 : num 70 70 70 70 70 70 70 70 70 70 ...
                 : num 1 1 1 1 1 1 1 1 1 1 ...
   $ origin
                  : Factor w/ 304 levels "amc ambassador brougham",..: 49 36 231 14 161 141 54 223 241
```

colnames(Auto)

```
## [1] "mpg" "cylinders" "displacement" "horsepower" "weight"
## [6] "acceleration" "year" "origin" "name"
```

1. Produce a scatterplot matrix of all of the variables (you can use the pair() command for this.

```
# using pairs() for scatterplot matrix
pairs(Auto)
```

```
200
                                                    20
                            50
                                                10
                                                                  1.0
                                                                       2.5
                                                         weight
                                                 cceleration
                                                         0 0000
10 30
                   100
                        400
                                    1500
                                                         70 76 82
                                                                            0 150
                                         4500
```

2. Use the lm() function to perform a multiple linear regression with mpg as the response variable. Use the summary() command to print the results. Comment on your findings.

```
models <- list()
# Creating additive models
models$model1 <- lm(data = Auto,formula = mpg ~ cylinders + displacement )
models$model2 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower )
models$model3 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration )
models$model4 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model5 <- lm(data = Auto,formula = mpg ~ cylinders + weight + displacement + year)
models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + acceleration + models$model6 <- lm(data = Auto,formula = mpg ~ cylinders + displacement + horsepower + accelera
```

```
## $model1
##
## Call:
## lm(formula = mpg ~ cylinders + displacement, data = Auto)
## Residuals:
                     Median
       Min
                 10
                                   30
## -13.2304 -3.0383 -0.5243
                               2.4307 18.3134
##
## Coefficients:
                Estimate Std. Error t value Pr(>|t|)
## (Intercept) 36.537707
                           1.196611 30.534 < 2e-16 ***
## cylinders
               -0.576348
                           0.443276 -1.300
                                               0.194
                           0.007226 -7.074 7.02e-12 ***
## displacement -0.051118
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.631 on 389 degrees of freedom
## Multiple R-squared: 0.6498, Adjusted R-squared: 0.648
## F-statistic: 360.8 on 2 and 389 DF, p-value: < 2.2e-16
##
##
## $model2
##
## Call:
## lm(formula = mpg ~ cylinders + displacement + horsepower, data = Auto)
## Residuals:
##
                 1Q Median
       Min
                                   3Q
                                           Max
## -11.7144 -3.1391 -0.3149
                               2.3481 16.5726
##
## Coefficients:
##
                Estimate Std. Error t value Pr(>|t|)
## (Intercept) 39.305268
                           1.324633 29.673 < 2e-16 ***
               -0.719431
## cylinders
                           0.434180
                                    -1.657 0.098331 .
## displacement -0.029120
                           0.008623 -3.377 0.000807 ***
## horsepower
               -0.059935
                           0.013498 -4.440 1.17e-05 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 4.523 on 388 degrees of freedom
## Multiple R-squared: 0.6667, Adjusted R-squared: 0.6641
## F-statistic: 258.7 on 3 and 388 DF, p-value: < 2.2e-16
##
##
## $model3
##
## Call:
## lm(formula = mpg ~ cylinders + displacement + horsepower + acceleration,
      data = Auto)
##
## Residuals:
##
       Min
                 1Q
                     Median
                                   30
                                           Max
## -12.4705 -3.2232 -0.4872 2.2327 16.7881
```

```
##
## Coefficients:
##
               Estimate Std. Error t value Pr(>|t|)
                           2.78672 17.232 < 2e-16 ***
## (Intercept) 48.02130
                                   -1.651 0.099644 .
## cylinders
               -0.70624
                           0.42788
                           0.00857 -2.940 0.003483 **
## displacement -0.02519
               -0.09029
                           0.01583 -5.705 2.31e-08 ***
## horsepower
                           0.11597 -3.540 0.000449 ***
## acceleration -0.41056
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.458 on 387 degrees of freedom
## Multiple R-squared: 0.6771, Adjusted R-squared: 0.6738
## F-statistic: 202.9 on 4 and 387 DF, p-value: < 2.2e-16
##
##
## $model4
##
## Call:
## lm(formula = mpg ~ cylinders + displacement + horsepower + acceleration +
##
      weight, data = Auto)
##
## Residuals:
       Min
                 10
                      Median
                                   30
## -11.5816 -2.8618 -0.3404
                               2.2438 16.3416
## Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
                4.626e+01 2.669e+00 17.331
## (Intercept)
                                               <2e-16 ***
## cylinders
               -3.979e-01 4.105e-01 -0.969
                                               0.3330
                           9.072e-03 -0.009
## displacement -8.313e-05
                                               0.9927
## horsepower
               -4.526e-02 1.666e-02 -2.716
                                               0.0069 **
## acceleration -2.910e-02 1.258e-01 -0.231
                                               0.8171
               -5.187e-03 8.167e-04 -6.351
## weight
                                                6e-10 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.247 on 386 degrees of freedom
## Multiple R-squared: 0.7077, Adjusted R-squared: 0.7039
## F-statistic: 186.9 on 5 and 386 DF, p-value: < 2.2e-16
##
##
## $model5
##
## lm(formula = mpg ~ cylinders + weight + displacement + year,
##
      data = Auto)
##
## Residuals:
##
      Min
               1Q Median
                               3Q
## -9.0169 -2.2958 -0.0967 2.0400 14.4239
## Coefficients:
##
                 Estimate Std. Error t value Pr(>|t|)
```

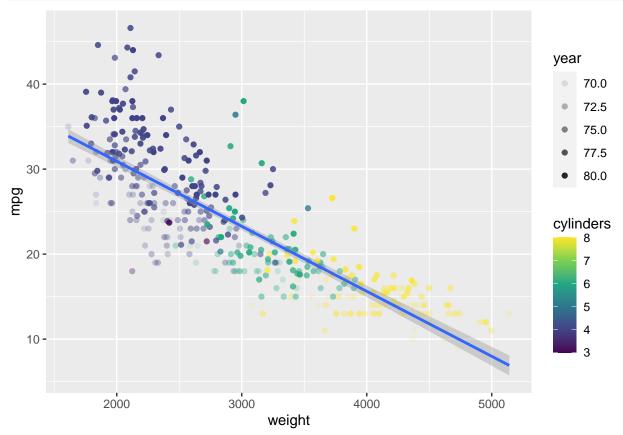
```
## (Intercept) -1.369e+01 4.079e+00 -3.357 0.000868 ***
               -3.217e-01 3.299e-01 -0.975 0.330182
## cylinders
## weight
               -6.612e-03 5.735e-04 -11.531 < 2e-16 ***
## displacement 4.888e-03 6.695e-03
                                      0.730 0.465727
## year
                7.586e-01 5.101e-02 14.872 < 2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.432 on 387 degrees of freedom
## Multiple R-squared: 0.8087, Adjusted R-squared: 0.8067
## F-statistic: 408.9 on 4 and 387 DF, p-value: < 2.2e-16
##
##
## $model6
##
## Call:
## lm(formula = mpg ~ cylinders + displacement + horsepower + acceleration +
      weight + year, data = Auto)
##
## Residuals:
##
      Min
               1Q Median
                               3Q
                                      Max
## -8.6927 -2.3864 -0.0801 2.0291 14.3607
##
## Coefficients:
##
                 Estimate Std. Error t value Pr(>|t|)
## (Intercept) -1.454e+01 4.764e+00 -3.051 0.00244 **
## cylinders
               -3.299e-01 3.321e-01 -0.993 0.32122
## displacement 7.678e-03 7.358e-03
                                       1.044 0.29733
## horsepower
               -3.914e-04 1.384e-02 -0.028 0.97745
## acceleration 8.527e-02 1.020e-01
                                       0.836 0.40383
## weight
               -6.795e-03 6.700e-04 -10.141 < 2e-16 ***
## year
                7.534e-01 5.262e-02 14.318 < 2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.435 on 385 degrees of freedom
## Multiple R-squared: 0.8093, Adjusted R-squared: 0.8063
## F-statistic: 272.2 on 6 and 385 DF, p-value: < 2.2e-16
# Choose a model
lapply(models, AIC)
## $model1
## [1] 2319.131
##
## $mode12
## [1] 2301.702
##
## $model3
## [1] 2291.209
##
## $model4
## [1] 2254.243
##
## $model5
```

```
## [1] 2086.147
##
## $model6
## [1] 2088.91
```

NOTE: Considering the AIC, I will choose model 5 to develop exercises 3 and 4

3. Use the ggplot() package to plot your findings.

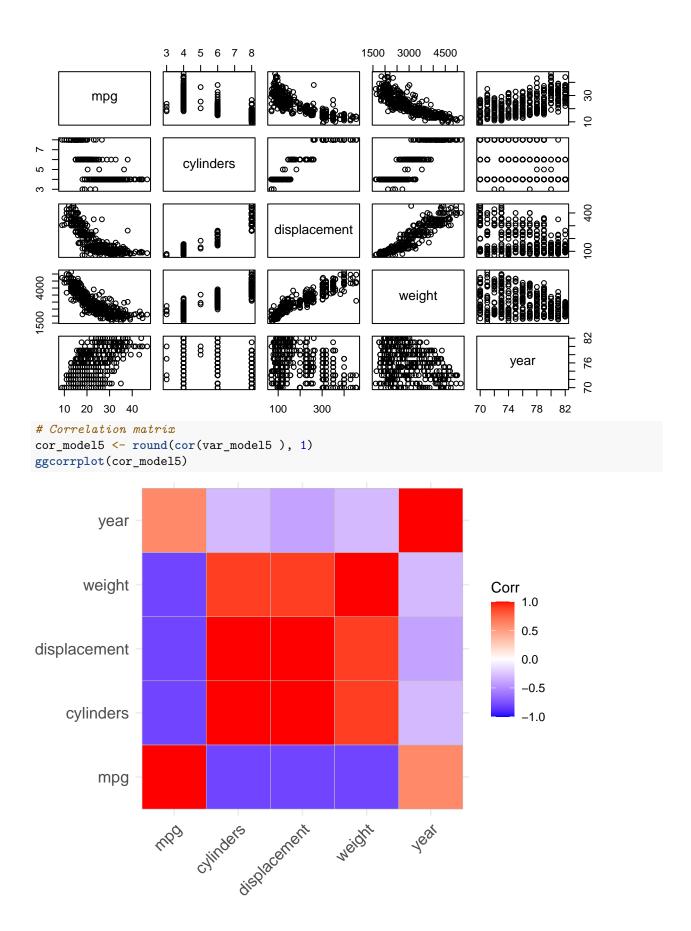
```
# Plot model5: mpg ~ cylinders + displacement + weight + year
ggplot(Auto, aes(x = weight, y = mpg)) +
geom_point(aes(col = cylinders, alpha = year)) +
geom_smooth(method = lm, formula = y ~ x)+
scale_color_viridis_c()
```



4. Based on the correlation matrix and the scatter plots, try transformation of the predictors (e.g, X^2 or \sqrt{X}). Comment on your findings.

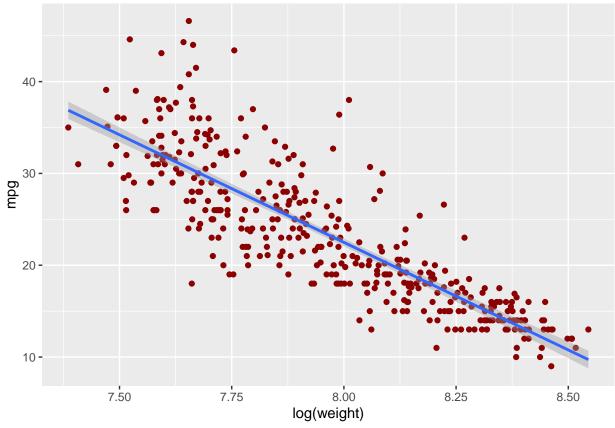
```
# filter varibales from model5
var_model5 <- Auto[,c(1,2,3,5,7)]

# scatterplot for variables in model5
pairs(var_model5)</pre>
```



```
# Considering different transformation for the variable weight
summary(lm(data = Auto, mpg ~ weight))
##
## Call:
## lm(formula = mpg ~ weight, data = Auto)
##
## Residuals:
##
       Min
                 1Q
                     Median
                                   3Q
                                           Max
## -11.9736 -2.7556 -0.3358
                               2.1379 16.5194
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
                                   57.87
## (Intercept) 46.216524
                          0.798673
                                            <2e-16 ***
                          0.000258 -29.64
## weight
              -0.007647
                                            <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.333 on 390 degrees of freedom
## Multiple R-squared: 0.6926, Adjusted R-squared: 0.6918
## F-statistic: 878.8 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ weight^2))
##
## Call:
## lm(formula = mpg ~ weight^2, data = Auto)
## Residuals:
##
       Min
                 1Q
                     Median
                                   3Q
                                           Max
## -11.9736 -2.7556 -0.3358
                               2.1379 16.5194
##
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
## (Intercept) 46.216524
                          0.798673
                                    57.87
                                             <2e-16 ***
## weight
              -0.007647
                          0.000258 -29.64
                                             <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.333 on 390 degrees of freedom
## Multiple R-squared: 0.6926, Adjusted R-squared: 0.6918
## F-statistic: 878.8 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ log(weight)))
##
## Call:
## lm(formula = mpg ~ log(weight), data = Auto)
##
## Residuals:
       Min
##
                 1Q
                     Median
                                   3Q
                                           Max
## -12.4315 -2.6752 -0.2888 1.9429 16.0136
##
## Coefficients:
##
              Estimate Std. Error t value Pr(>|t|)
```

```
## (Intercept) 209.9433
                         6.0002
                                 34.99
                                         <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.189 on 390 degrees of freedom
## Multiple R-squared: 0.7127, Adjusted R-squared: 0.7119
## F-statistic: 967.3 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ sqrt(weight)))
##
## Call:
## lm(formula = mpg ~ sqrt(weight), data = Auto)
##
## Residuals:
       \mathtt{Min}
                1Q Median
                                 3Q
                                         Max
## -12.2402 -2.9005 -0.3708 2.0791 16.2296
## Coefficients:
              Estimate Std. Error t value Pr(>|t|)
## (Intercept) 69.67218 1.52649 45.64 <2e-16 ***
## sqrt(weight) -0.85560
                         0.02797 -30.59
                                         <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.239 on 390 degrees of freedom
## Multiple R-squared: 0.7058, Adjusted R-squared: 0.705
## F-statistic: 935.4 on 1 and 390 DF, p-value: < 2.2e-16
# Plot regression after transformation
ggplot(Auto, aes(y = mpg)) +
 geom_point(aes(x = log(weight)), color = 'darkred')+
 geom_smooth(aes(x = log(weight)), method = 'lm')
## `geom_smooth()` using formula = 'y ~ x'
```



Considering different transformation for the variable displacement
summary(lm(data = Auto, mpg ~ displacement))

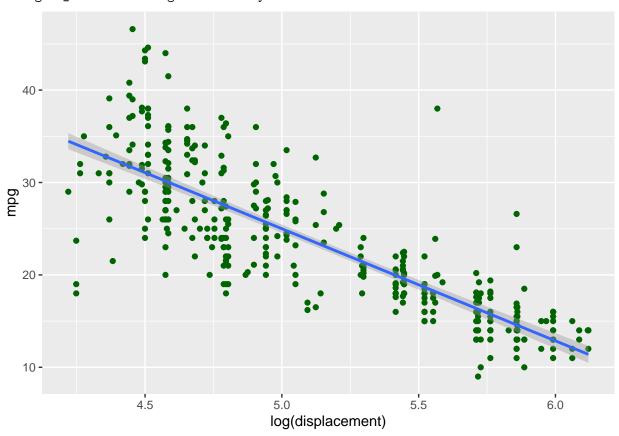
```
##
## Call:
## lm(formula = mpg ~ displacement, data = Auto)
##
## Residuals:
##
       Min
                 1Q
                      Median
                                   3Q
                                           Max
## -12.9170 -3.0243 -0.5021
                               2.3512 18.6128
##
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
##
## (Intercept) 35.12064
                           0.49443
                                     71.03
                                            <2e-16 ***
## displacement -0.06005
                           0.00224 -26.81
                                             <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.635 on 390 degrees of freedom
## Multiple R-squared: 0.6482, Adjusted R-squared: 0.6473
## F-statistic: 718.7 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ displacement^2))
##
## Call:
## lm(formula = mpg ~ displacement^2, data = Auto)
##
```

```
## Residuals:
##
       Min
                 1Q
                    Median
                                   30
                                           Max
## -12.9170 -3.0243 -0.5021 2.3512 18.6128
##
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
##
## (Intercept) 35.12064
                           0.49443
                                   71.03
                                             <2e-16 ***
## displacement -0.06005
                           0.00224 - 26.81
                                             <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.635 on 390 degrees of freedom
## Multiple R-squared: 0.6482, Adjusted R-squared: 0.6473
## F-statistic: 718.7 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ log(displacement)))
##
## Call:
## lm(formula = mpg ~ log(displacement), data = Auto)
## Residuals:
       Min
                 1Q
                      Median
                                   30
## -16.1204 -2.5843 -0.4217
                               2.1979 19.9005
## Coefficients:
##
                    Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                     85.6906
                               2.1422
                                          40.00 <2e-16 ***
                                 0.4155 -29.21
## log(displacement) -12.1385
                                                 <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.377 on 390 degrees of freedom
## Multiple R-squared: 0.6863, Adjusted R-squared: 0.6855
## F-statistic: 853.4 on 1 and 390 DF, p-value: < 2.2e-16
summary(lm(data = Auto, mpg ~ sqrt(displacement)))
##
## lm(formula = mpg ~ sqrt(displacement), data = Auto)
##
## Residuals:
##
       Min
                 1Q
                     Median
                                   3Q
                                           Max
## -14.4034 -2.7367 -0.4956
                               2.3207 19.3499
## Coefficients:
                     Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                     47.11839
                                 0.86246
                                           54.63 <2e-16 ***
## sqrt(displacement) -1.75878
                                 0.06186 - 28.43
                                                  <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 4.458 on 390 degrees of freedom
## Multiple R-squared: 0.6746, Adjusted R-squared: 0.6738
```

```
## F-statistic: 808.5 on 1 and 390 DF, p-value: < 2.2e-16

# Plot regression after transformation
ggplot(Auto, aes(y = mpg)) +
geom_point(aes(x = log(displacement)), color = 'darkgreen')+
geom_smooth(aes(x = log(displacement)), method = 'lm')</pre>
```

`geom_smooth()` using formula = 'y ~ x'



Fit model without transformation and with transformation in the variables
model5_original <- lm(data = Auto,formula = mpg ~ cylinders + weight + displacement + year)
summary(model5_original)</pre>

```
##
## Call:
## lm(formula = mpg ~ cylinders + weight + displacement + year,
##
       data = Auto)
##
## Residuals:
##
               1Q Median
                                3Q
  -9.0169 -2.2958 -0.0967 2.0400 14.4239
##
##
## Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
##
## (Intercept) -1.369e+01 4.079e+00 -3.357 0.000868 ***
               -3.217e-01 3.299e-01 -0.975 0.330182
## cylinders
## weight
                -6.612e-03 5.735e-04 -11.531 < 2e-16 ***
## displacement 4.888e-03 6.695e-03
                                       0.730 0.465727
```

```
7.586e-01 5.101e-02 14.872 < 2e-16 ***
## year
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.432 on 387 degrees of freedom
## Multiple R-squared: 0.8087, Adjusted R-squared: 0.8067
## F-statistic: 408.9 on 4 and 387 DF, p-value: < 2.2e-16
model5_tranf <- lm(data = Auto, formula = mpg ~ cylinders + log(weight) + log(displacement) + year)
summary(model5_tranf)
##
## Call:
## lm(formula = mpg ~ cylinders + log(weight) + log(displacement) +
##
       year, data = Auto)
##
## Residuals:
##
     Min
             1Q Median
                           ЗQ
                                 Max
## -9.861 -1.919 -0.019 1.641 13.286
##
## Coefficients:
                     Estimate Std. Error t value Pr(>|t|)
##
## (Intercept)
                    119.37349
                                10.07726 11.846
                                                   <2e-16 ***
## cylinders
                                           1.937
                                                   0.0534 .
                      0.54452
                                 0.28106
## log(weight)
                    -17.81797
                                 1.69993 -10.482
                                                   <2e-16 ***
## log(displacement) -3.14263
                                 1.25598
                                          -2.502
                                                   0.0128 *
## year
                      0.77684
                                 0.04604 16.872
                                                   <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.139 on 387 degrees of freedom
## Multiple R-squared: 0.8399, Adjusted R-squared: 0.8383
## F-statistic: 507.7 on 4 and 387 DF, p-value: < 2.2e-16
#Compare the how they fit depending on transformation
AIC(model5_original, model5_tranf)
##
                   df
                          AIC
## model5 original 6 2086.147
```

Note: In this last exercise, we can appreciate how transformation could improve the model fit. In this case, the better transformation was log(), in both variables. It increased the R-square and affected the AIC.

model5_tranf

6 2016.185