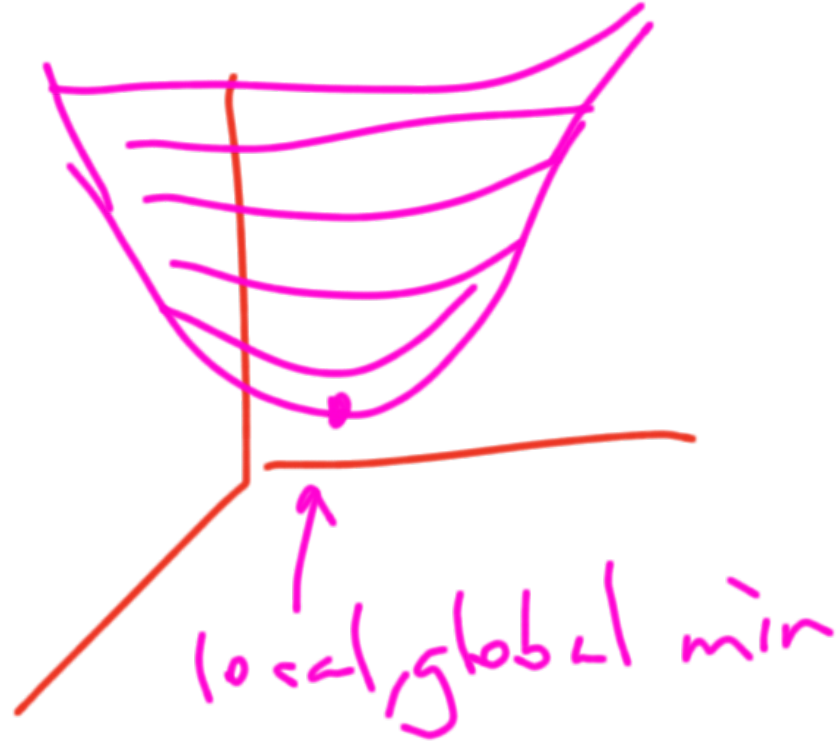


$$y_i \approx \hat{y}_i = \hat{\beta}_0 + \hat{\beta}_1 x_i$$

$$\sum_{i=1}^3 \underbrace{(y_i - \hat{y}_i)^2}_{\text{KKT}} = \text{KKT}$$

$$\min_{\hat{\beta}_0, \hat{\beta}_1} \text{KKT} ?$$

$$(x_1, y_1) = (1, 1), (x_2, y_2) = (3, 3), (x_3, y_3) = (2, 3)$$



$$KKT = (y_1 - \hat{y}_1)^2 + (y_2 - \hat{y}_2)^2 + (y_3 - \hat{y}_3)^2$$

$$\min_{\hat{\beta}_0, \hat{\beta}_1} (y_1 - \hat{\beta}_0 - \hat{\beta}_1 x_1)^2 + (y_2 - \hat{\beta}_0 - \hat{\beta}_1 x_2)^2 + (y_3 - \hat{\beta}_0 - \hat{\beta}_1 x_3)^2$$

||

$$\min_{\hat{\beta}_0, \hat{\beta}_1} f(\hat{\beta}_0, \hat{\beta}_1)$$

$$f_{\hat{\beta}_0} = -2(y_1 - \hat{\beta}_0 - \hat{\beta}_1 x_1) - 2(y_2 - \hat{\beta}_0 - \hat{\beta}_1 x_2) - 2(y_3 - \hat{\beta}_0 - \hat{\beta}_1 x_3) = 0$$

$$-2(y_1 + y_2 + y_3) + 6\hat{\beta}_0 + 2\hat{\beta}_1(x_1 + x_2 + x_3) = 0$$

$$f_{\hat{\beta}_1} = -2x_1(y_1 - \hat{\beta}_0 - \hat{\beta}_1 x_1) - 2x_2(y_2 - \hat{\beta}_0 - \hat{\beta}_1 x_2) - 2x_3(y_3 - \hat{\beta}_0 - \hat{\beta}_1 x_3) = 0$$

$$-2(x_1 y_1 + x_2 y_2 + x_3 y_3) + 2\hat{\beta}_0(x_1 + x_2 + x_3) + \dots = 0$$

$$\hat{\beta}_1 = \frac{\sum_{i=1}^3 (x_i - \bar{x})(y_i - \bar{y})}{\sum_{i=1}^3 (x_i - \bar{x})^2}, \quad \hat{\beta}_0 = \bar{y} - \hat{\beta}_1 \bar{x}$$

$$\bar{x} = \frac{1}{3} \sum_{i=1}^3 x_i = \frac{1}{3} (1 + 2 + 3) = 2$$

$$\bar{y} = \frac{1}{3} \sum_{i=1}^3 y_i = \frac{1}{3} (1 + 3 + 3) = \frac{7}{3}$$

$$\hat{\beta}_1 = \frac{\sum_{i=1}^3 (x_i - \bar{x})(y_i - \bar{y})}{\sum_{i=1}^3 (x_i - \bar{x})^2}$$

$$= \frac{(1-2)(1-7/3) + (2-2)(3-7/3) + (3-2)(3-7/3)}{(1-2)^2 + (2-2)^2 + (3-2)^2}$$

$$= \frac{(-1)(-4/3) + 0 + 1 \cdot (2/3)}{1 + 0 + 1} = \frac{2}{2} = 1$$

$$\hat{\beta}_0 = \bar{y} - \hat{\beta}_1 \bar{x} = 7/3 - 1 \cdot 2 \\ = \boxed{1/3}$$

$$y \approx \frac{1}{3} + x$$

$$\min \sum_{i=1}^3 (y_i - \hat{y}_i)^2$$