

Multiple Linear Regression :-

```
import pandas as pd
```

```
import numpy as np
```

```
path = 'D://Programing/ML/SK Learn/Machine Learning A-Z Template Folder/Part 2 -  
Regression/P14-Part2-Regression/Section 7 - Multiple Linear  
Regression/Python/50_Startups.csv'
```

```
dataset = pd.read_csv(path)
```

```
#turning data to matrix
```

```
col = dataset.shape[1]
```

```
X = dataset.iloc[ : , :col-1].values
```

```
y = dataset.iloc[ : , col-1:col].values
```

```
#encoding for dataset
```

```
from sklearn.preprocessing import LabelEncoder , OneHotEncoder
```

```
labelencoder = LabelEncoder()
```

```
X[ : , 3] = labelencoder.fit_transform(X[ : , 3])
```

```
onehotencoder = OneHotEncoder(categorical_features = [3])
```

```
X = onehotencoder.fit_transform(X).toarray()
```

```
#Avoiding the dummy variable trap
```

```
X = X[ : , 1 : ] #we don't need to do that her becouse the python library do that automaticly
```

```
    #but we some time need to do ite once manually
```

```
#spliting the dataset to training set and test set
```

```
from sklearn.model_selection import train_test_split
```

```
X_train , X_test , y_train , y_test = train_test_split(X , y , test_size = 1/5 , random_state = 0)
```

```
#fiting the training set
```

```
from sklearn.linear_model import LinearRegression
```

```
Mlinearregression = LinearRegression()
```

```
Mlinearregression.fit(X_train , y_train)
```

```
#predicting the X test
```

```
y_pred = Mlinearregression.predict(X_test)
```

```
#building the optimal model using backward elimination
```

```
import statsmodels.formula.api as sm
```

```
X = np.append(arr = np.ones((50,1)) , values = X , axis = 1)
```

```
X_opt = X[ : , [0,1,2,3,4,5,6]]
```

```
Mlinearregression_OLS = sm.OLS(endog = y , exog = X_opt).fit()
```

```
Mlinearregression_OLS.summary()
```

```
X_opt = X[ : , [0,1,2,3,4,6]]
```

```
Mlinearregression_OLS = sm.OLS(endog = y , exog = X_opt).fit()
```

```
Mlinearregression_OLS.summary()
```

```
#that without excude Avoiding the dummy variable trap code ..with using it in the tutorial
```

```
#we do the three lines ones then check P value , if we find P value boger than 0.05 we delete that line
```

```
#then we try it agein and agein until all P values be smaller than 0.05
```

if you are also interested in some automatic implementations of Backward Elimination in Python, please find two of them below:

Backward Elimination with p-values only:

```
import statsmodels.formula.api as sm
```

```
def backwardElimination(x, sl):
```

```
numVars = len(x[0])
for i in range(0, numVars):
    regressor_OLS = sm.OLS(y, x).fit()
    maxVar = max(regressor_OLS.pvalues).astype(float)
    if maxVar > sl:
        for j in range(0, numVars - i):
            if (regressor_OLS.pvalues[j].astype(float) == maxVar):
                x = np.delete(x, j, 1)
    regressor_OLS.summary()
return x
```

SL = 0.05

X_opt = X[:, [0, 1, 2, 3, 4, 5]]

X_Modeled = backwardElimination(X_opt, SL)