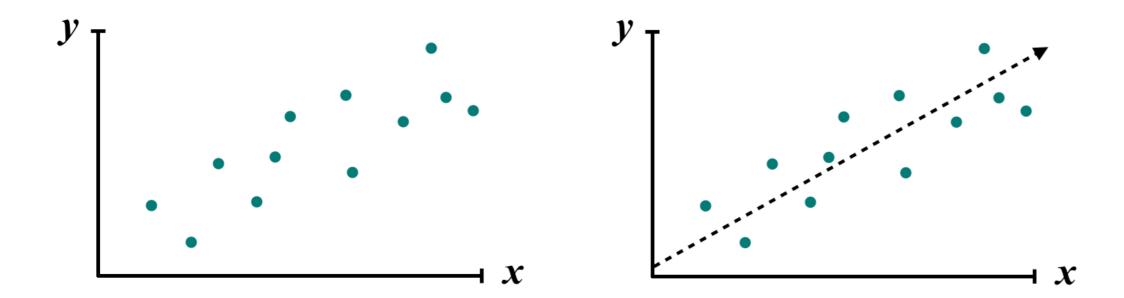
# Making binary predictions with regression

SUPERVISED LEARNING IN R: CLASSIFICATION





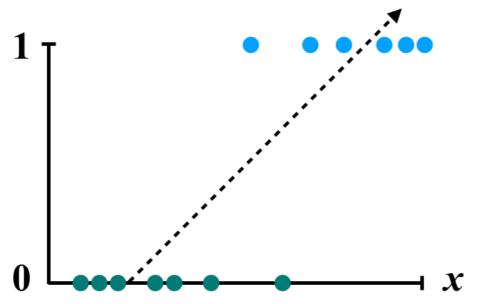
## Introducing linear regression



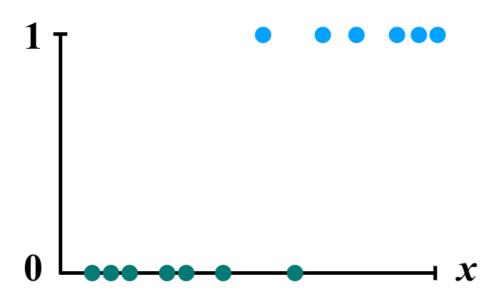


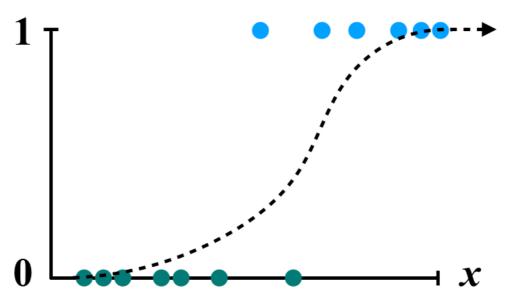
## Regression for binary classification



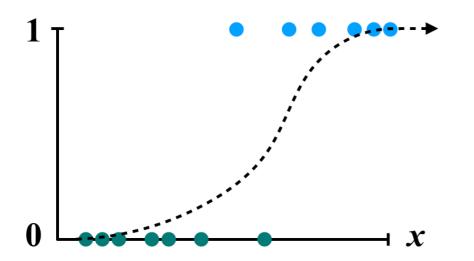


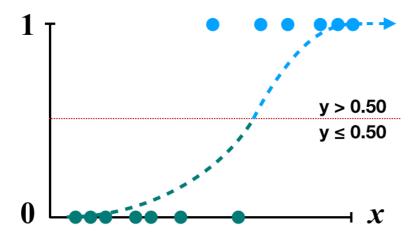
## Introducing logistic regression





### Making predictions with logistic regression





```
pred <- ifelse(prob > 0.50, 1, 0)
```



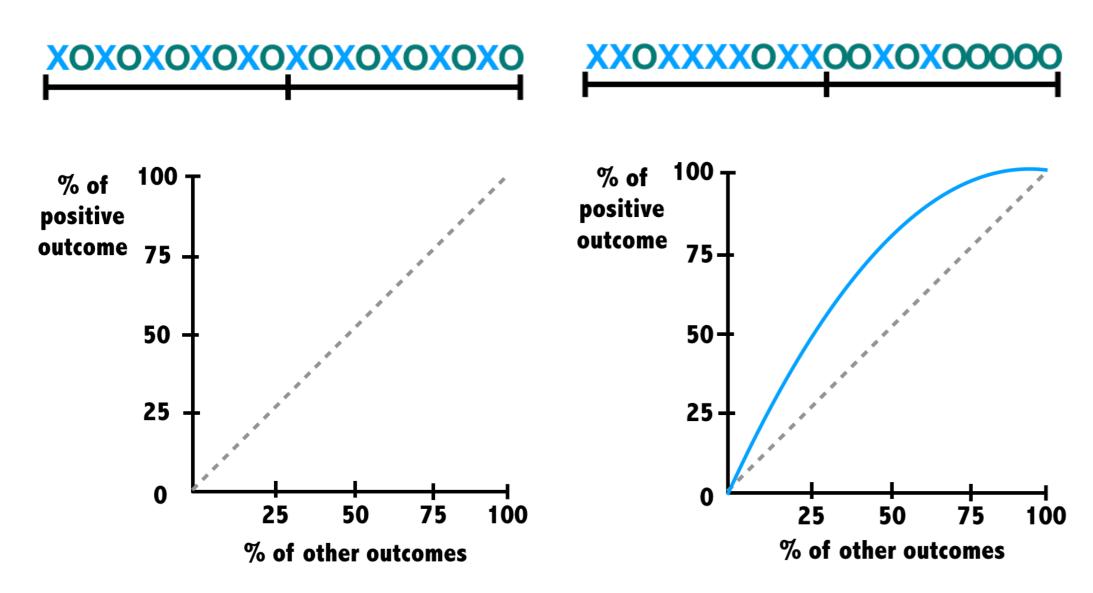
## Model performance tradeoffs

SUPERVISED LEARNING IN R: CLASSIFICATION

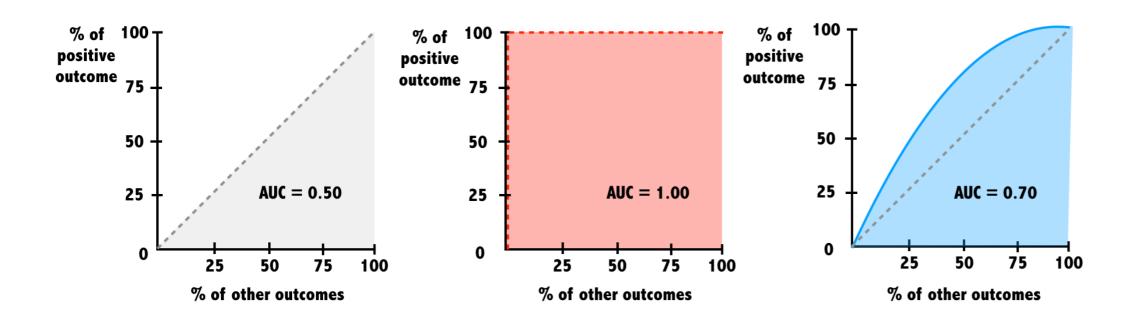




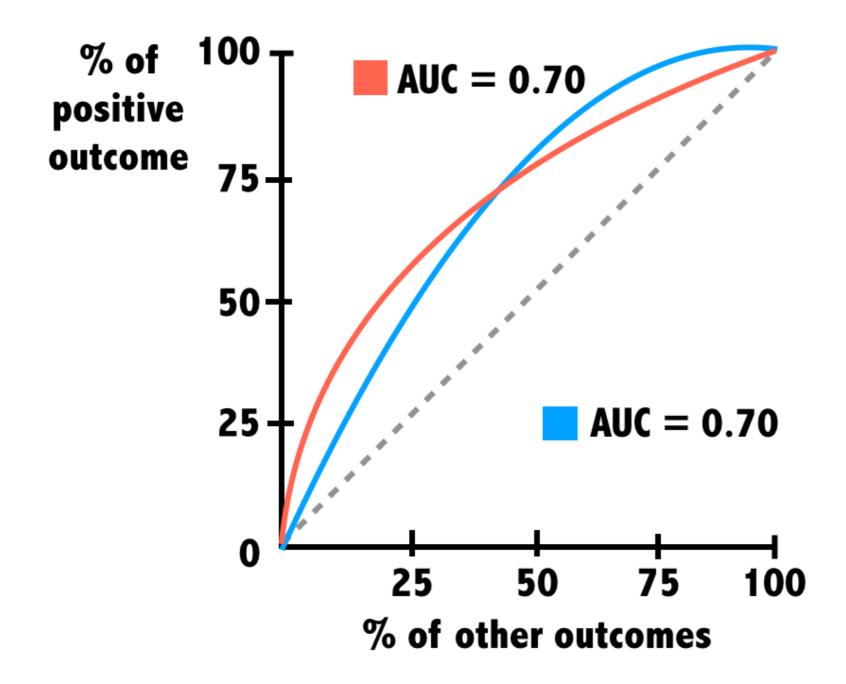
#### **Understanding ROC curves**



#### Area under the ROC curve



#### Using AUC and ROC appropriately







# Dummy variables, missing data, and interactions

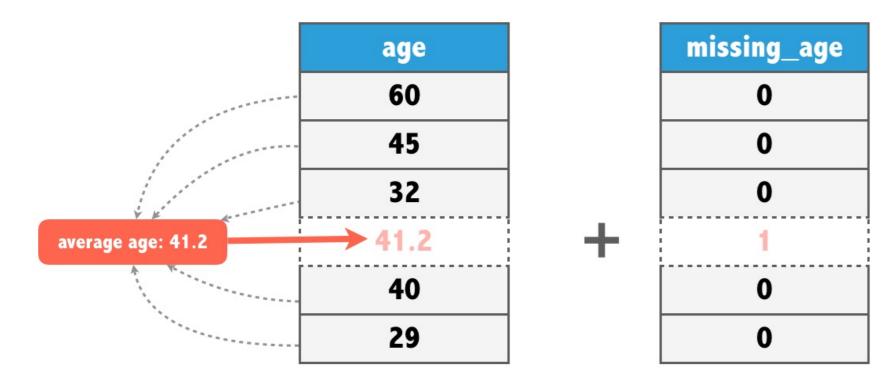
SUPERVISED LEARNING IN R: CLASSIFICATION





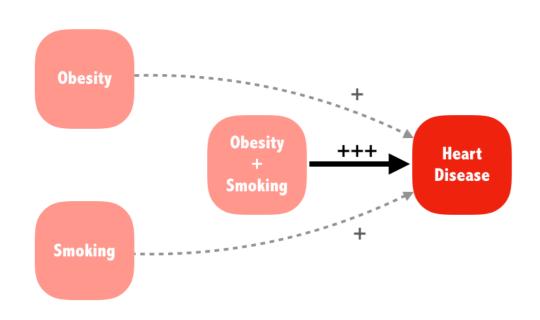
### Dummy coding categorical data

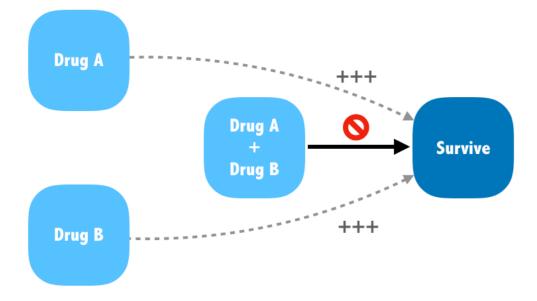
## Imputing missing data





#### Interaction effects







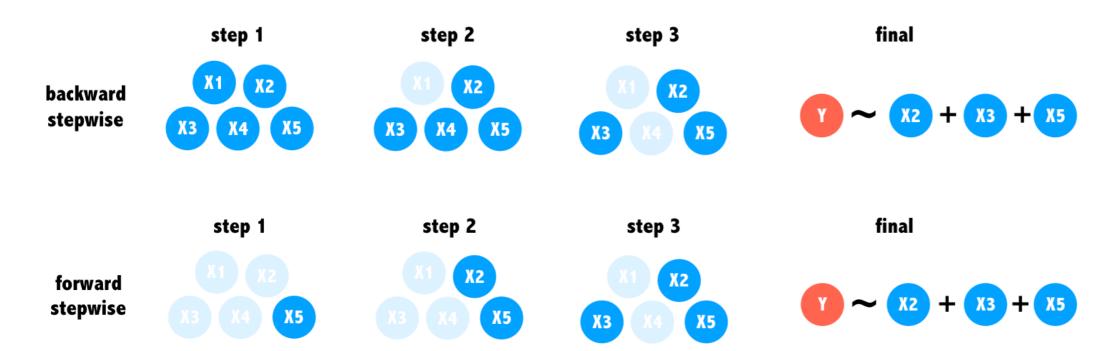
#### Automatic feature selection

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## Stepwise regression



## Stepwise regression caveats

