## **Automobile Price Prediction**

**About Dataset** This dataset consist of data From 1985 Ward's Automotive Yearbook.

**Content** This data set consists of three types of entities:

- (a) the specification of an auto in terms of various characteristics,
- (b) its assigned insurance risk rating,
- (c) its normalized losses in use as compared to other cars. The second rating corresponds to the degree to which the auto is more risky than its price indicates. Cars are initially assigned a risk factor symbol associated with its price. Then, if it is more risky (or less), this symbol is adjusted by moving it up (or down) the scale. Actuarians call this process "symboling". A value of +3 indicates that the auto is risky, -3 that it is probably pretty safe.
- The third factor is the relative average loss payment per insured vehicle year. This value is normalized for all autos within a particular size classification (two-door small, station wagons, sports/speciality, etc...), and represents the average loss per car per year.

# **Import Libraries**

```
import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
import missingno as msn

import warnings
warnings.filterwarnings('ignore')

pd.set_option('display.max_columns', None)
```

## **Load Dataset**

In [2]: df = pd.read\_csv('D:/DS Bootcamp/Machine Learning/machine learning projects/Machine-Learning-Projects/Automobile Price df.sample(5)

$\cap$	0.14	- Г	7	٦.	0
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	symboling	normalized- losses	make	fuel- type	aspiration	num- of- doors	body- style	drive- wheels	engine- location	wheel- base	length	width	height
14285	3.0	?	mitsubishi	gas	turbo	NaN	hatchback	fwd	front	95.9	173.2	66.3	50.2
23006	1.0	128	nissan	gas	std	two	hatchback	fwd	front	94.5	NaN	63.8	NaN
19921	0.0	?	jaguar	gas	std	four	sedan	rwd	front	113.0	199.6	69.6	52.8
1445	2.0	NaN	toyota	NaN	std	two	NaN	rwd	front	98.4	176.2	65.6	NaN
23744	0.0	161	peugot	gas	std	four	sedan	rwd	NaN	107.9	186.7	68.4	56.7
4 6	_		_	-	_								





```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 30330 entries, 0 to 30329
Data columns (total 26 columns):
    Column
                       Non-Null Count Dtype
    -----
                       _____
    symboling
                       27286 non-null float64
    normalized-losses 27294 non-null object
    make
                       27228 non-null object
    fuel-type
                       27309 non-null object
    aspiration
                       27355 non-null object
    num-of-doors
                       27321 non-null object
    body-style
                       27326 non-null object
    drive-wheels
                       27215 non-null object
    engine-location
                       27352 non-null object
    wheel-base
                       27264 non-null float64
10 length
                       27258 non-null float64
11 width
                       27387 non-null float64
12 height
                       27281 non-null float64
13 curb-weight
                       27302 non-null float64
14 engine-type
                       27285 non-null object
15 num-of-cylinders
                       27298 non-null object
16 engine-size
                       27271 non-null float64
17 fuel-system
                       27249 non-null object
18 bore
                       27373 non-null object
19 stroke
                       27409 non-null object
20 compression-ratio 27327 non-null float64
21 horsepower
                       27182 non-null object
22 peak-rpm
                       27331 non-null object
23 city-mpg
                       27229 non-null float64
24 highway-mpg
                       27303 non-null float64
25 price
                       27287 non-null object
dtypes: float64(10), object(16)
memory usage: 6.0+ MB
```

### **Handle Data Anomilies**

```
In [4]: question_mark_counts = (df == '?').sum()
question_mark_counts = question_mark_counts[question_mark_counts > 0]
```

```
print(question_mark_counts)
       Columns containing '?'
       normalized-losses
                             5526
       num-of-doors
                              260
       bore
                              531
       stroke
                              532
       horsepower
                              260
       peak-rpm
                              250
       price
                              563
       dtype: int64
        Our first anomilie is '?' in the dataset. We will replace it with NaN
In [5]: for i in df[['normalized-losses', 'num-of-doors', 'bore', 'stroke', 'horsepower', 'peak-rpm', 'price']]:
             df[i].replace('?', np.nan, inplace = True)
         Lets check '?' removed ore not
        df[df['bore'] == '?']
In [6]:
Out[6]:
                                                           num-
                      normalized-
                                                                          drive- engine- wheel-
                                                                                                                          curb-
                                          fuel-
                                                                                                  length width height
           symboling
                                   make
                                                aspiration
                                                             of-
                            losses
                                                                   style wheels location
                                                                                            base
                                                                                                                         weight
                                                           doors
        Firslt anomily solved
        2nd we have wrong Dtypes of columns
          • Change ['bore', 'stroke', 'normalized-losses', 'horsepower', 'peak-rpm', 'price'] into number
In [7]: for column in ['bore', 'stroke', 'normalized-losses', 'horsepower', 'peak-rpm', 'price']:
             df[column] = pd.to_numeric(df[column], errors='coerce')
In [8]: df.dtypes
```

print("Columns containing '?'\n")

```
Out[8]: symboling
                              float64
         normalized-losses
                              float64
        make
                               object
                               object
        fuel-type
         aspiration
                               object
         num-of-doors
                               object
         body-style
                               object
                               object
         drive-wheels
         engine-location
                               object
        wheel-base
                              float64
         length
                              float64
        width
                              float64
         height
                              float64
         curb-weight
                              float64
         engine-type
                               object
        num-of-cylinders
                               object
        engine-size
                              float64
         fuel-system
                               object
         bore
                              float64
         stroke
                              float64
         compression-ratio
                              float64
         horsepower
                              float64
         peak-rpm
                              float64
                              float64
         city-mpg
         highway-mpg
                              float64
         price
                              float64
         dtype: object
```

### Data types issue resolved

#### Lets check more deeper in data

```
for col in df.select_dtypes(include='object').columns:
    print(f'\n{df[col].value_counts().head()}')
print('==========')

for col in df.select_dtypes(include='number').columns:
    print(f'\nUnique values of {col}: {df[col].unique()}')
```

```
Total no of numerical columns are: 16
_____
Total no of categorical columns are: 10
_____
No of Unique values symboling: 6
No of Unique values normalized-losses: 51
No of Unique values wheel-base: 53
No of Unique values length: 75
No of Unique values width: 44
No of Unique values height: 49
No of Unique values curb-weight: 171
No of Unique values engine-size: 44
No of Unique values bore: 38
No of Unique values stroke: 36
No of Unique values compression-ratio: 32
No of Unique values horsepower: 59
No of Unique values peak-rpm: 23
No of Unique values city-mpg: 29
No of Unique values highway-mpg: 30
No of Unique values price: 186
make
             4229
toyota
nissan
             2338
mazda
             2277
mitsubishi
             1796
honda
             1644
Name: count, dtype: int64
fuel-type
gas
         24671
diesel
          2638
Name: count, dtype: int64
aspiration
std
        22383
turbo
         4972
Name: count, dtype: int64
num-of-doors
four
       15292
```

two 11769

Name: count, dtype: int64

body-style

sedan 12776 hatchback 9371 wagon 3361 hardtop 1016 convertible 802

Name: count, dtype: int64

drive-wheels

fwd 15777 rwd 10174

4wd 1264

Name: count, dtype: int64

engine-location front 26990

rear 362

Name: count, dtype: int64

engine-type

ohc 19569

ohcf 2003

ohcv 1716 dohc 1671

1 1654

Name: count, dtype: int64

num-of-cylinders

four 21056

six 3310

five 1450 eight 672

two 521

Name: count, dtype: int64

fuel-system

mpfi 12506

2bbl 8834

idi 2622

```
1bbl
        1405
spdi
        1207
Name: count, dtype: int64
_____
Unique values of symboling: [ 3. 1. 2. nan 0. -1. -2.]
Unique values of normalized-losses: [ nan 164. 158. 192. 188. 121. 98. 81. 118. 148. 110. 145. 137. 101.
  78. 106. 85. 107. 104. 113. 150. 129. 115. 93. 161. 153. 125. 128.
103. 122. 108. 194. 231. 119. 154. 74. 186. 83. 102. 89. 87. 77.
  91. 168. 134. 65. 197. 90. 94. 256. 95. 142.]
Unique values of wheel-base: [ 88.6 94.5 99.8 99.4 105.8 nan 99.5 101.2 103.5 110. 88.4 93.7
103.3 95.9 86.6 96.5 94.3 96. 113. 102. 93.1 95.3 98.8 104.9
106.7 115.6 96.6 120.9 112. 102.7 93. 96.3 95.1 97.2 100.4 91.3
 99.2 107.9 114.2 108. 89.5 98.4 96.1 99.1 93.3 97. 96.9 95.7
102.4 102.9 104.5 97.3 104.3 109.1
Unique values of length: [168.8 171.2 176.6 nan 177.3 192.7 178.2 176.8 189. 197. 141.1 155.9
157.3 174.6 144.6 150. 163.4 157.1 167.5 175.4 169.1 170.7 172.6 199.6
191.7 159.1 166.8 169. 177.8 175. 190.9 187.5 202.6 208.1 199.2 178.4
173. 173.2 172.4 165.3 170.2 165.6 162.4 173.4 181.7 184.6 186.7 198.9
167.3 168.9 175.7 181.5 186.6 157.9 172. 173.5 173.6 158.7 169.7 166.3
168.7 176.2 175.6 183.5 187.8 171.7 159.3 165.7 180.2 183.1 188.8 178.5
158.8 180.3 156.9 193.8]
Unique values of width: [64.1 65.5 66.2 nan 66.3 71.4 67.9 64.8 66.9 70.9 60.3 63.6 63.8 64.6
63.9 64. 65.2 66. 61.8 69.6 70.6 64.2 65.7 66.5 66.1 70.3 71.7 70.5
72. 68. 64.4 65.4 68.4 68.3 65. 72.3 66.6 63.4 65.6 67.7 67.2 68.8
68.9 66.4 62.5]
Unique values of height: [ nan 48.8 52.4 54.3 53.1 55.7 55.9 52. 53.7 56.3 53.2 50.8 50.6 59.8
50.2 52.6 54.5 58.3 53.3 54.1 51. 53.5 51.4 52.8 47.8 49.6 55.5 54.4
56.5 56.7 55.4 54.8 49.4 51.6 54.7 55.1 56.1 49.7 58.7 56. 50.5 55.2
52.5 53. 54.9 59.1 53.9 57.5 56.2 55.6]
Unique values of curb-weight: [2548. 2823. 2337. 2824. 2507. 2844. 2954. 3086. 3053. 2395. 2710. 2765.
3055. 3230. 3380. 3505. nan 1874. 1909. 1876. 1989. 2191. 2811. 1713.
1819. 1837. 1940. 1956. 2010. 2024. 2236. 2289. 2304. 2372. 2465. 2293.
2734. 4066. 3950. 1890. 1900. 1905. 1945. 2380. 2385. 2500. 2410. 2443.
2425. 2670. 2700. 3515. 3750. 3495. 3770. 3740. 3685. 3900. 3715. 2910.
1944. 2004. 2370. 2328. 2833. 2921. 2405. 2403. 1889. 2017. 1938. 1951.
```

```
2028. 1971. 2037. 2324. 2302. 3095. 3296. 3060. 3071. 3139. 3020. 3197.
 3430. 3075. 3285. 3485. 3130. 1918. 2128. 2535. 2818. 2778. 2756. 2800.
 3366. 2579. 2658. 2707. 2758. 2808. 2847. 2050. 2120. 2240. 2145. 2190.
2340. 2510. 2290. 2455. 2420. 1985. 2015. 2280. 2081. 2109. 2275. 2094.
2122. 2140. 2169. 2204. 2265. 2300. 2540. 2536. 2551. 2679. 2714. 2975.
2326. 2480. 2414. 2458. 2976. 3016. 3131. 2261. 2209. 2264. 2212. 2319.
2221. 2661. 2563. 2912. 2935. 3042. 3157. 2952. 3049. 3012. 3217. 3062.
2040. 2650. 2254. 1950. 2460. 3045. 2695. 2008. 2365. 1967. 3252. 3034.
1488. 2926. 3151. 3110.]
Unique values of engine-size: [ nan 130. 152. 109. 136. 131. 108. 164. 209. 61. 90. 98. 122. 156.
  92. 79. 110. 111. 119. 258. 326. 91. 70. 80. 140. 134. 183. 234.
 308. 304. 103. 97. 120. 181. 151. 194. 203. 132. 121. 146. 171. 161.
141. 173. 145.]
Unique values of bore: [3.47 nan 3.19 3.13 3.5 3.31 3.62 2.91 3.03 2.97 3.34 3.6 2.92 3.15
3.63 3.54 3.08 3.39 3.76 3.43 3.58 3.46 3.8 3.78 3.17 3.35 3.59 2.99
3.33 3.7 3.61 3.94 3.74 2.54 3.05 3.27 3.24 3.01 2.68]
Unique values of stroke: [2.68 3.47 nan 3.4 2.8 3.19 3.39 3.03 3.11 3.23 3.46 3.9 3.41 3.07
3.58 4.17 2.76 3.15 3.16 3.64 3.1 3.35 3.12 3.86 3.29 3.27 3.52 2.19
3.21 2.9 2.07 2.36 2.64 3.08 3.5 3.54 2.87]
                                              8. 8.5 8.3 7. 8.8 nan 9.5 9.6 9.41 9.4
Unique values of compression-ratio: [ 9. 10.
 7.6 9.2 10.1 9.1 8.1 8.6 22. 21.5 7.5 21.9 7.8 8.4
21.
       8.7 9.31 9.3 7.7 22.5 23. 22.7 11.5
Unique values of horsepower: [111. 154. 102. 115. 110. nan 140. 160. 101. 121. 182. 48. 70. 68.
  88. 145. 76. 60. 86. 100. 78. 90. 176. 262. 135. 84. 64. 120.
  72. 123. 155. 184. 175. 116. 55. 69. 97. 152. 200. 95. 143. 207.
 288. 73. 82. 94. 62. 56. 112. 92. 161. 156. 85. 52. 114. 162.
134. 106. 142. 58.]
Unique values of peak-rpm: [ nan 5500. 5800. 4250. 5400. 5100. 5000. 4800. 6000. 4750. 4650. 4200.
4350. 4500. 5200. 4150. 5600. 5900. 5750. 5250. 4400. 6600. 5300. 4900.]
Unique values of city-mpg: [21. 19. 24. 18. nan 17. 16. 23. 20. 15. 47. 38. 37. 31. 49. 30. 27. 25.
```

Unique values of highway-mpg: [27. 26. 30. 22. nan 25. 20. 29. 28. 53. 43. 41. 38. 24. 54. 42. 34. 33.

13. 26. 22. 14. 45. 28. 32. 35. 34. 29. 36. 33.]

19. 17. 31. 23. 32. 18. 16. 37. 50. 39. 36. 47. 46.]

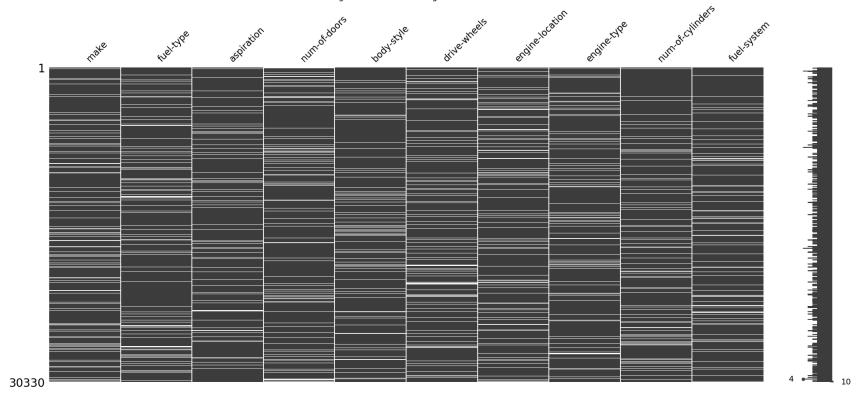
```
Unique values of price: [13495. 16500. 13950. 17450. 15250. 17710. 18920. 23875.
                                                                              nan 16430.
 16925. 20970. 21105. 24565. 30760. 41315. 5151. 6295. 6575. 5572.
 6377. 6229. 6692. 7609. 8558. 8921. 12964. 6479. 6855. 5399.
 6529. 7129. 7295. 7895. 9095. 8845. 10295. 12945. 10345. 6785.
 35550. 36000. 6095. 6795. 6695. 7395. 10945. 11845. 13645. 15645.
 8495. 10595. 10245. 11245. 18280. 18344. 28248. 28176. 34184. 35056.
 40960. 45400. 16503. 5389. 6189. 6669. 7689. 9959. 12629. 14489.
 6989. 9279. 5499. 7099. 6649. 7349. 7299. 7799. 7499. 7999.
 8249. 8949. 13499. 17199. 19699. 18399. 13200. 12440. 16900. 16695.
 17075. 16630. 17950. 18150. 7957. 12764. 22018. 32528. 34028. 37028.
 9895. 12170. 15040. 15510. 18620. 5118. 7053. 7603. 7126. 7775.
 9960. 9233. 11259. 7463. 10198. 8013. 11694. 6338. 6488. 7898.
 8778. 6938. 7788. 8358. 9258. 8058. 9298.
                                                9538. 8449. 9639.
 9989. 11199. 11549. 17669. 8948. 10698. 9988. 10898. 11248. 16558.
15998. 15690. 15750. 7975. 7995. 8195. 9495. 9995. 11595. 9980.
13295. 13845. 12290. 12940. 15985. 16515. 18950. 16845. 22470. 22625.
14399. 6849. 21485. 9295. 7198. 7738. 5195. 11900. 36880. 14869.
13860. 18420. 19045. 32250. 8499. 6918. 31600. 5348. 9549. 8238.
25552. 15580. 13415. 11048. 11850. 10795. 8189.]
```

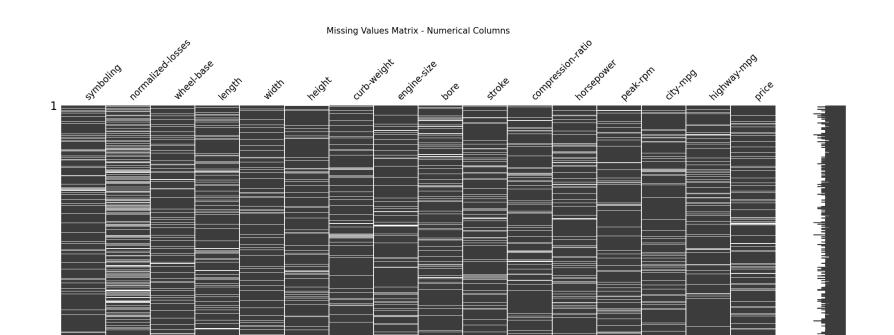
All anomilies resolved

# **Handle Missing Values**

```
In [10]: msn.matrix(df.select_dtypes(include=['object']))
    plt.title('Missing Values Matrix - Categorical Columns', fontsize=15)
    plt.show()

msn.matrix(df.select_dtypes(include=['number']))
    plt.title('Missing Values Matrix - Numerical Columns', fontsize=15)
    plt.show()
```





### Every columns missing values is MCAR, thats a good to go

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In [11]: (df.isnull().sum() / len(df) \* 100).sort\_values(ascending=False).reset\_index().rename(columns={'index':'feature', 0:

Out[11]:

|    | feature           | null_percentage |
|----|-------------------|-----------------|
| 0  | normalized-losses | 28.229476       |
| 1  | price             | 11.889219       |
| 2  | bore              | 11.500165       |
| 3  | stroke            | 11.384768       |
| 4  | horsepower        | 11.236400       |
| 5  | num-of-doors      | 10.778107       |
| 6  | peak-rpm          | 10.712166       |
| 7  | drive-wheels      | 10.270359       |
| 8  | make              | 10.227498       |
| 9  | city-mpg          | 10.224200       |
| 10 | fuel-system       | 10.158259       |
| 11 | length            | 10.128586       |
| 12 | wheel-base        | 10.108803       |
| 13 | engine-size       | 10.085724       |
| 14 | height            | 10.052753       |
| 15 | engine-type       | 10.039565       |
| 16 | symboling         | 10.036268       |
| 17 | num-of-cylinders  | 9.996703        |
| 18 | curb-weight       | 9.983515        |
| 19 | highway-mpg       | 9.980218        |
| 20 | fuel-type         | 9.960435        |
| 21 | body-style        | 9.904385        |

|    | feature           | null_percentage |
|----|-------------------|-----------------|
| 22 | compression-ratio | 9.901088        |
| 23 | engine-location   | 9.818661        |
| 24 | aspiration        | 9.808770        |
| 25 | width             | 9.703264        |

- The 'price' column is our target variable, and we should not impute missing values for it. Filling these missing values could introduce bias into the model, leading to inaccurate predictions and affecting the integrity of the model's results
- Split num columns and cat columns then fill with their appropriate method
- Lastly we check the missing values > 20% how to deal them so no random noise occurs

```
In [12]: df = df.dropna(subset=['price'])
```

#### First we deal with the numerical features

#### Lets make a Distribution Plot to look the columns behave

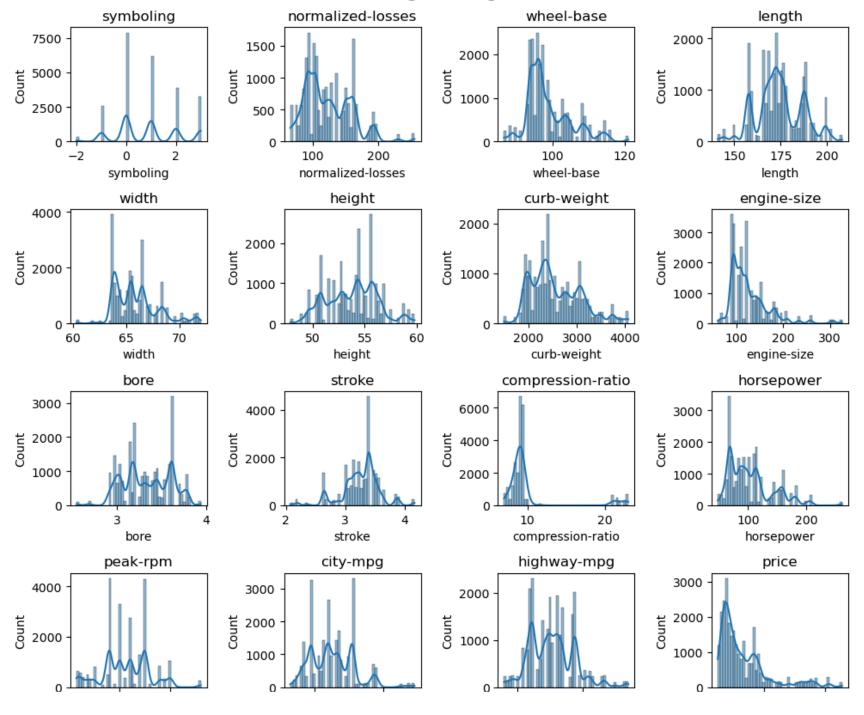
```
In [14]: plt.figure(figsize=(10, 9))

for i, col in enumerate(numerical_features):
    plt.subplot(4, 4, i+1)
    sns.histplot(df[col], bins=50, kde=True, )
    plt.title(f'{col}')

plt.suptitle('Before filling missing values', fontsize=16)

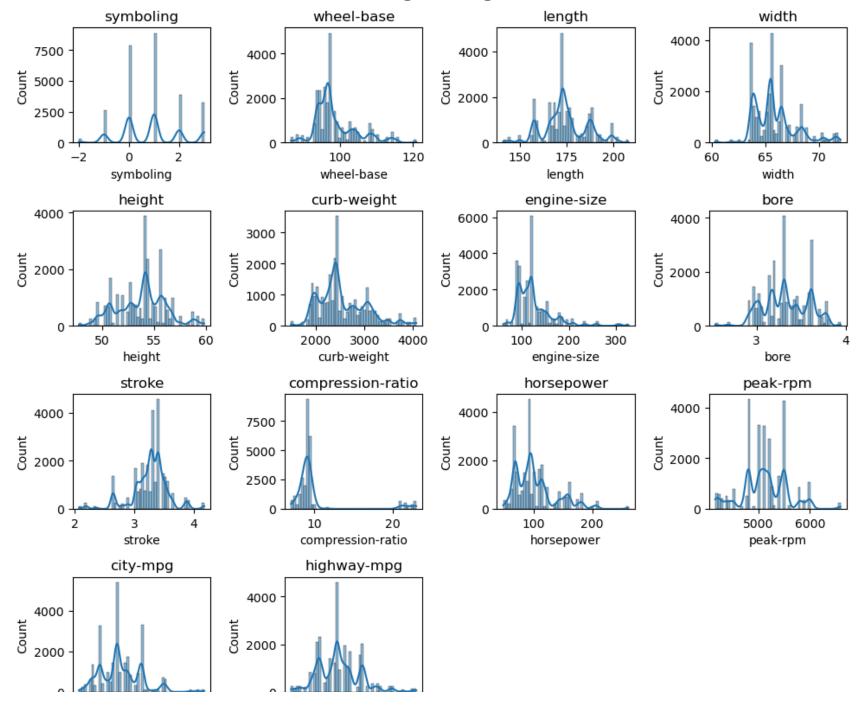
plt.tight_layout()
plt.show()
```

## Before filling missing values



```
5000
                            6000
                                                 20
                                                           40
                                                                              20
                                                                                       40
                                                                                                               20000
                                                                                                                        40000
                     peak-rpm
                                                    city-mpg
                                                                                highway-mpg
                                                                                                                  price
In [15]: without normalzie = ['symboling', 'wheel-base', 'length', 'width',
                 'height', 'curb-weight', 'engine-size', 'bore', 'stroke',
                 'compression-ratio', 'horsepower', 'peak-rpm', 'city-mpg',
                 'highway-mpg']
         df[without_normalzie] = df[without_normalzie].fillna(df[without_normalzie].median())
         df[without normalzie].isnull().sum()
Out[15]: symboling
                               0
         wheel-base
                               0
         length
         width
         height
         curb-weight
         engine-size
                               0
          bore
          stroke
          compression-ratio
                               0
          horsepower
          peak-rpm
                               0
          city-mpg
         highway-mpg
         dtype: int64
In [16]:
         plt.figure(figsize=(10, 9))
         for i, col in enumerate(df[without_normalzie]):
             plt.subplot(4, 4, i+1)
             sns.histplot(df[col], bins=50, kde=True, )
             plt.title(f'{col}')
         plt.suptitle('After filling missing values', fontsize=16)
         plt.tight_layout()
         plt.show()
```

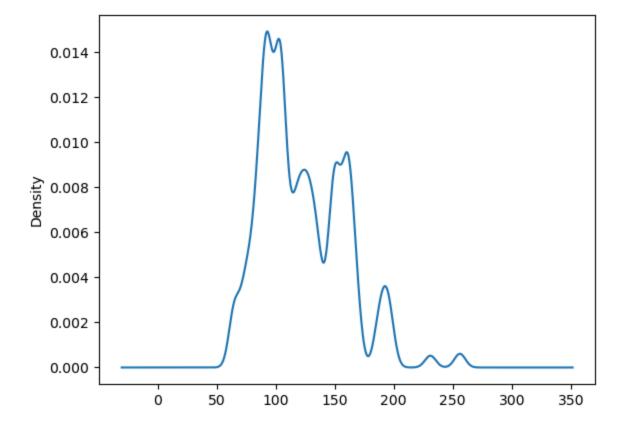
# After filling missing values





### **Random Sampling**

Out[18]: <Axes: ylabel='Density'>



#### SO the distribution remains same as after filling missing values

#### **Handle categorical features**

```
categorical_features= ['make', 'fuel-type', 'aspiration', 'num-of-doors', 'body-style',
In [19]:
                 'drive-wheels', 'engine-location', 'engine-type', 'num-of-cylinders',
                 'fuel-system']
         cat_columns_missing_values = (df[categorical_features].isnull().sum() / len(df) * 100).sort_values(ascending=False).
         cat_columns_missing_values.columns = ['Cat Features', 'Missing Percentage %']
         cat columns missing values
Out[20]:
                Cat Features Missing Percentage %
          0
               num-of-doors
                                        10.780572
          1
                drive-wheels
                                        10.223021
          2
                      make
                                        10.189343
                 fuel-system
          3
                                        10.163149
          4
                 engine-type
                                        10.155665
          5 num-of-cylinders
                                        10.028439
                   fuel-type
          6
                                         9.991019
              engine-location
          7
                                         9.897470
                  body-style
          8
                                         9.848825
                   aspiration
          9
                                         9.747792
         df['make'].replace('peugot', 'peugeot', inplace=True)
In [21]:
         plt.figure(figsize=(16, 14))
In [22]:
         for i, col in enumerate(categorical_features):
              plt.subplot(4, 4, i+1)
              sns.countplot(x=col, data=df, order=df[col].value_counts().head(10).index)
```

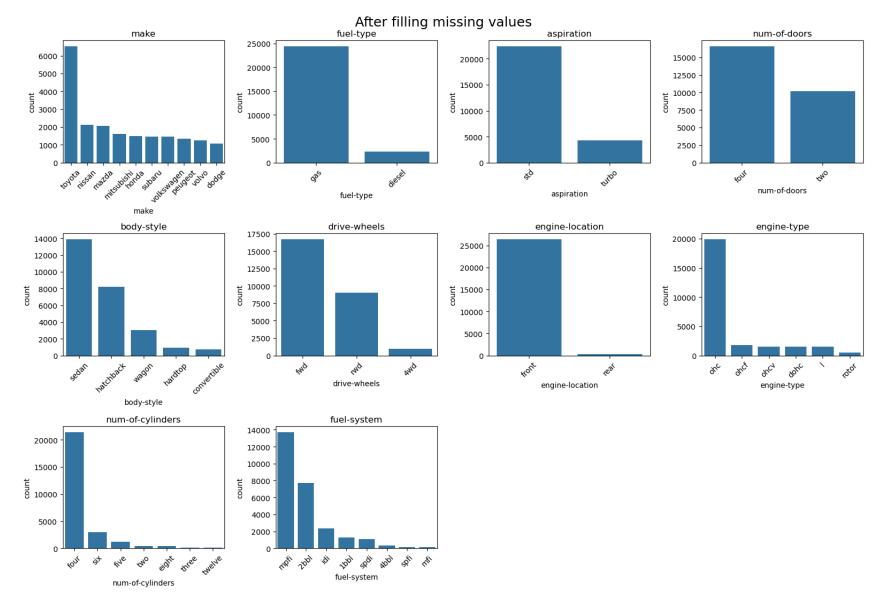
```
plt.title(f'{col}')
  plt.xticks(rotation=45)

plt.suptitle('Before filling missing values', fontsize=18)
plt.tight_layout()
plt.show()
```



```
plt.subplot(4, 4, i+1)
sns.countplot(x=col, data=df, order=df[col].value_counts().head(10).index)
plt.title(f'{col}')
plt.xticks(rotation=45)

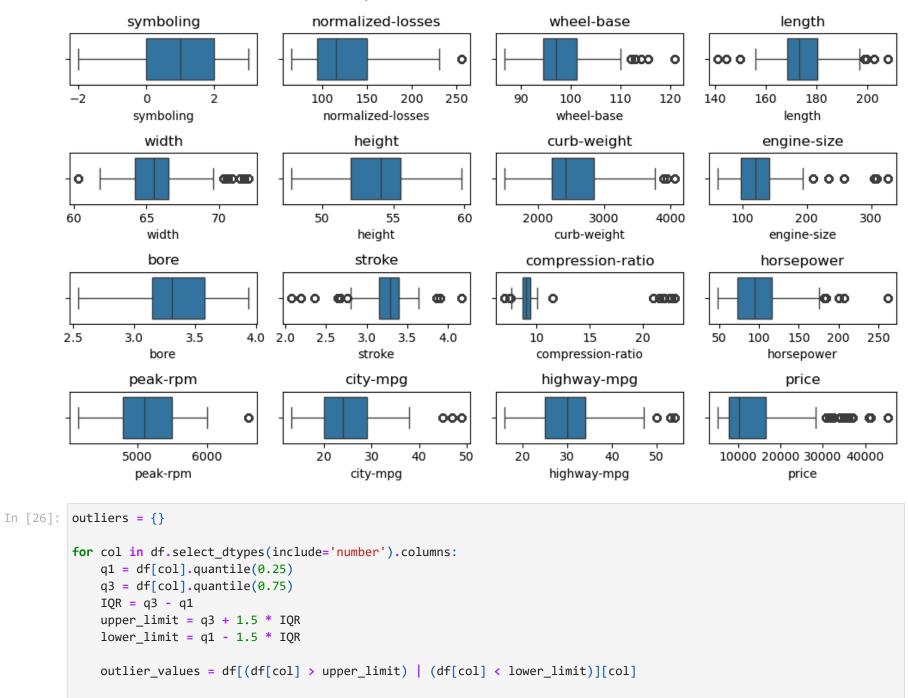
plt.suptitle('After filling missing values', fontsize=18)
plt.tight_layout()
plt.show()
```



#### **DONE**

# **Deal With Outliers**

#### Boxplots of Numerical Features 'Before'



```
outliers[col] = outlier_values.tolist()

print(f"\nColumn: {col}")
print(f"Upper Limit: {upper_limit}, Lower Limit: {lower_limit}")
```

Column: symboling

Upper Limit: 5.0, Lower Limit: -3.0

Column: normalized-losses

Upper Limit: 234.0, Lower Limit: 10.0

Column: wheel-base

Column: length

Upper Limit: 197.70000000000005, Lower Limit: 151.2999999999995

Column: width

Upper Limit: 69.949999999999, Lower Limit: 60.75000000000001

Column: height

Upper Limit: 60.75, Lower Limit: 46.75

Column: curb-weight

Upper Limit: 3799.5, Lower Limit: 1259.5

Column: engine-size

Upper Limit: 205.5, Lower Limit: 33.5

Column: bore

Upper Limit: 4.225000000000005, Lower Limit: 2.505

Column: stroke

Upper Limit: 3.775, Lower Limit: 2.775

Column: compression-ratio

Upper Limit: 10.450000000000003, Lower Limit: 7.6499999999998

Column: horsepower

Upper Limit: 180.5, Lower Limit: 8.5

Column: peak-rpm

Upper Limit: 6550.0, Lower Limit: 3750.0

Column: city-mpg

Upper Limit: 42.5, Lower Limit: 6.5

Column: highway-mpg

Upper Limit: 47.5, Lower Limit: 11.5

Column: price

Upper Limit: 29587.5, Lower Limit: -5312.5

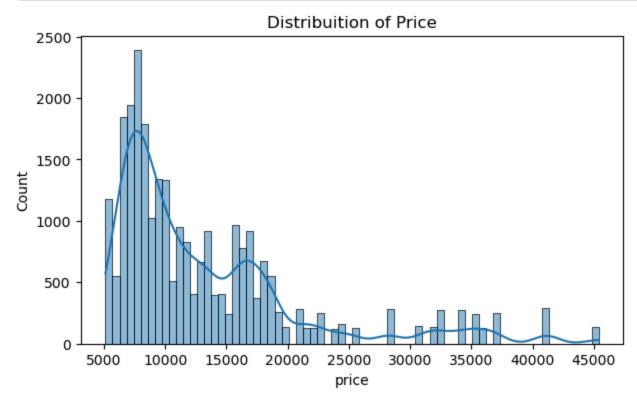
- normalized-losses is a numeric feature representing the relative average loss payment per insured vehicle (i.e., risk rating) for a particular car make and model, compared to other vehicles.
  - Low (e.g., 65) Lower risk of loss → lower insurance cost
  - High (e.g., 250) Higher risk of loss → higher insurance cost
- Wheelbase is the distance between the centers of the front and rear wheels of a vehicle.
  - Compact Car (e.g., Honda Fit): shorter wheelbase (~2300 mm)
  - Sedan (e.g., Toyota Camry): medium wheelbase (~2800 mm)
  - SUV/Truck (e.g., Ford F-150): long wheelbase (~3200+ mm)
- Length is the total distance from the front bumper to the rear bumper of the vehicle.
  - Compact cars ~155 170
  - Midsize cars ~170 185
  - Full-size/SUVs ~185 208+
- Width is the distance across the car from side to side, measured at its widest point, usually including mirrors unless stated otherwise.
- Curb weight is the total weight of a vehicle with all standard equipment, fluids (oil, coolant, etc.), and a full tank of fuel but without any passengers or cargo.
  - 1,500 2,000 lbs Subcompact (e.g., small hatchbacks)
  - 2,000 3,000 lbs Sedans, compact SUVs
  - 3,000 4,500 lbs Full-size sedans, SUVs, trucks
  - 4,500 lbs Heavy-duty SUVs, luxury vehicles, pickups
- engine size the total volume of all the cylinders in the engine, and it's typically measured in liters (L) or cubic centimeters (cc)
  - 61 cc is much too small for typical car engines it's in the realm of motorcycles or go-karts.
  - 326 cc is still quite small for a car, as most car engines range from 1.0L (1000 cc) to 5.0L and higher.

- stroke refers to the distance the piston travels inside the engine cylinder from the top dead center (TDC) to the bottom dead center (BDC)
  - range (2.07 to 4.17 inches) is within a realistic range for many vehicles.
- compression ratio in cars is a key engine parameter that measures how much the air-fuel mixture is compressed inside the engine cylinder before ignition.
  - 7 might be used in older petrol engines or boosted engines where lower compression avoids knock.
  - 23 typical of diesel engines which require high compression for ignition.
- horsepower it tells you how much work an engine can do over time.
  - 40 80 Very low, micro or city cars
  - 80 120 Economy cars, basic sedans
  - 120 180 Mid-range, family cars
  - 180 250 Sporty or performance cars
  - 250+ High-performance/sports cars
- peak-rpm it measures how many times the engine's crankshaft spins in one minute.
  - 4,150 (min) Likely the peak torque RPM of a diesel engine or a low-revving petrol engine common in utility or economy
    cars.
  - 6,600 (max) Likely the peak horsepower RPM of a high-revving petrol engine could be a sporty or performance-oriented car.
- city-mpg is the number of miles that a car can travel on a gallon of gasoline in the city.
  - Very low fuel efficiency, likely a large SUV, truck, or sports car with a big engine.
  - Very high fuel efficiency, likely a hybrid, compact car, or small diesel engine. Could also be an electric car equivalent, depending on dataset.
- highway-mpg is the number of miles that a car can travel on a gallon of gasoline on the highway.
  - Very low fuel efficiency, likely a large SUV, truck, or sports car with a big engine.
  - Very high fuel efficiency, likely a hybrid, compact car, or small diesel engine. Could also be an electric car equivalent.
- price is the price of the car in thousands of dollars.
  - That is not outliers we have some luxary cars like (mercedez, audi, bmw, etc) that price are more than 300K / 400k.

# **Exploratory Data Analysis**

### **Univariate Analysis**

```
In [27]: plt.figure(figsize=(7,4))
    sns.histplot(x= df['price'], kde=True)
    plt.title('Distribuition of Price')
    plt.show()
```



### Price distribution is right skewed

```
In [28]: a = ['make', 'body-style', 'engine-type', 'fuel-system', 'num-of-cylinders']

plt.figure(figsize=(14, 8))
for i, col in enumerate(a):
    plt.subplot(2, 3, i+1)

    category_percentage = df[col].value_counts(normalize=True).mul(100).nlargest(5)
```

```
sns.barplot(x=category_percentage.index, y=category_percentage.values, palette='crest')
       plt.title(f'{col}')
       plt.ylabel('Percentage (%)')
 plt.tight_layout()
 plt.show()
                                                                                 body-style
                          make
                                                                                                                                         engine-type
  25
                                                           50
                                                                                                                   70
  20
                                                                                                                   60
                                                           40
                                                        Percentage (%)
                                                                                                                Percentage (%) 05 05 05
Percentage (%)
  15
                                                                                                                   40
  10
                                                                                                                   20 -
   5
                                                          10 -
                                                                                                                   10
                                  mitsubishi honda
                          mazda
                                                                        hatchback
                                                                                            hardtop convertible
                                                                                                                                   ohcf
       toyota
                 nissan
                                                                sedan
                                                                                  wagon
                                                                                                                          ohc
                                                                                                                                             ohcv
                                                                                                                                                       dohc
                           make
                                                                                  body-style
                                                                                                                                          engine-type
                                                                             num-of-cylinders
                       fuel-system
                                                          80
  50
                                                          70
  40
                                                          60 -
                                                        Percentage (%)
Percentage (%)
  30
 20
                                                          20 -
  10
                                                          10 -
                  2bbl
                            idi
                                     1bbl
        mpfi
                                               spdi
                                                                 four
                                                                                    five
                                                                                              two
                                                                                                       eight
```

- Toyota emerges as the most popular car brand, comprising approximately 24% of all entries in the dataset.
- This dominance suggest Toyota's strong presence in the market or a higher availability of Toyota cars in the dataset.

num-of-cylinders

• The sedan is the most common car type, making up around 50% of the dataset.

fuel-system

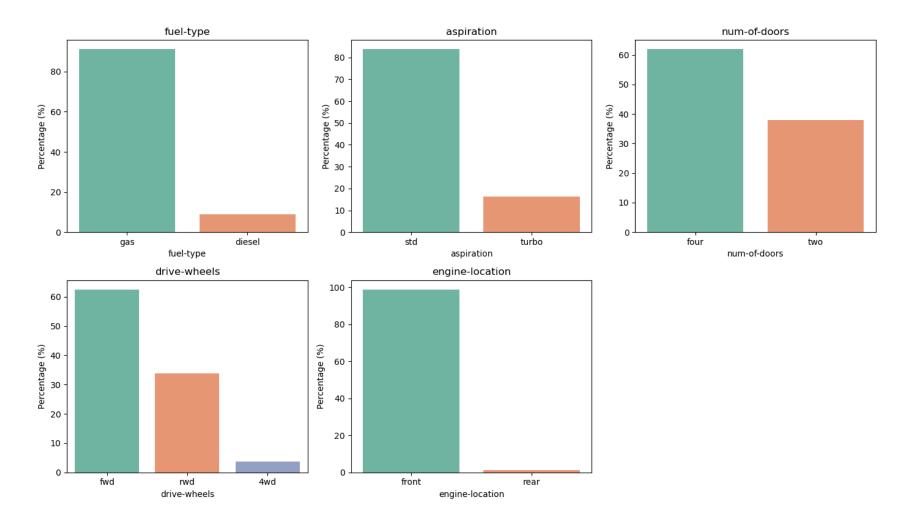
- Sedans are traditionally favored for their balance of comfort, space, and fuel efficiency, making this finding consistent with market trends.
- An impressive 70% of the cars in the dataset feature an OHC (Overhead Camshaft) engine.
- OHC engines are known for their reliability and efficiency, which may explain their prevalence in the dataset.
- The MPFI (Multi-Point Fuel Injection) system is used in 50% of the vehicles in the dataset.
- MPFI is known for improving fuel efficiency and reducing emissions, which may explain its popularity in more recent vehicle models.
- The most common engine configuration in the dataset is the 4-cylinder engine, which accounts for a dominant 78% of the entries.
- This high percentage suggests that 4-cylinder engines are widely preferred in the dataset, likely due to their balance of performance, fuel efficiency, and cost-effectiveness, which makes them popular in economy and compact cars.

```
In [29]: b = ['fuel-type', 'aspiration', 'num-of-doors', 'drive-wheels', 'engine-location']

plt.figure(figsize=(14, 8))
for i, col in enumerate(b):
    plt.subplot(2, 3, i+1)

    category_percentage = df[col].value_counts(normalize=True).mul(100).nlargest(5)
    sns.barplot(x=category_percentage.index, y=category_percentage.values, palette='Set2')
    plt.title(f'{col}')
    plt.ylabel('Percentage (%)')

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



- 90% of the cars in the dataset use gasoline as their fuel type.
- This highlights the dominance of gas-powered vehicles in the dataset, aligning with general market trends where gasoline is the most common fuel type.
- A substantial 80% of the vehicles in the dataset are equipped with standard aspiration (non-turbocharged engines).
- This indicates that turbocharged engines are relatively rare in this dataset compared to more conventional, naturally aspirated engines.
- The majority of cars, 60%, feature four doors.
- Four-door vehicles are popular due to their practicality, especially in sedans and family cars.
- 60% of the cars in the dataset have front-wheel drive (FWD)`.

- Front-wheel drive is common in compact and mid-size sedans due to its lower cost and better fuel efficiency in most driving conditions.
- An overwhelming 95% of the vehicles in the dataset have their engine located at the front.

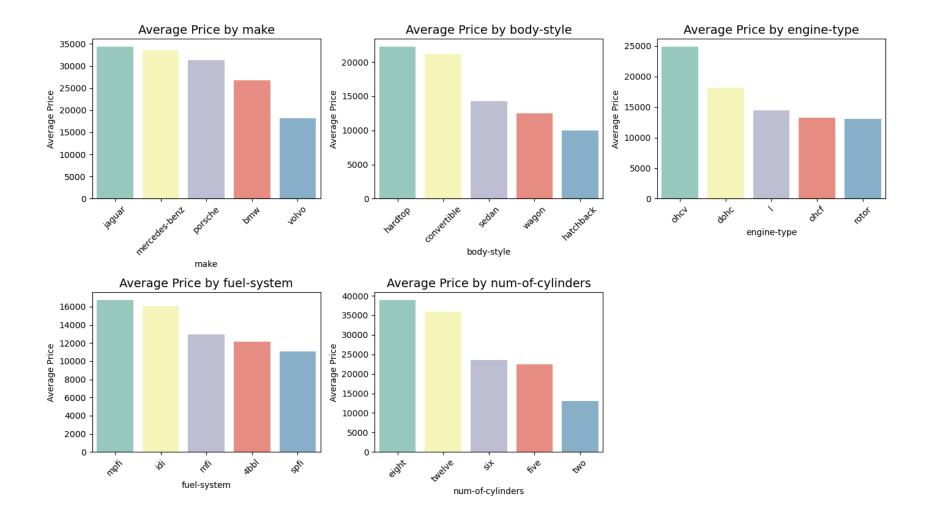
### **Bivariate Analysis**

```
In [30]: plt.figure(figsize=(14, 8))

for i, col in enumerate(a):
    plt.subplot(2, 3, i+1)

    price_analysis = df.groupby(col)['price'].mean().reset_index().sort_values(by='price', ascending=False).head(5)
    sns.barplot(x=price_analysis[col], y=price_analysis['price'], palette='Set3')
    plt.title(f'Average Price by {col}', fontsize=14)
    plt.ylabel('Average Price')
    plt.xlabel(col)
    plt.xlabel(col)
    plt.xticks(rotation=45)

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



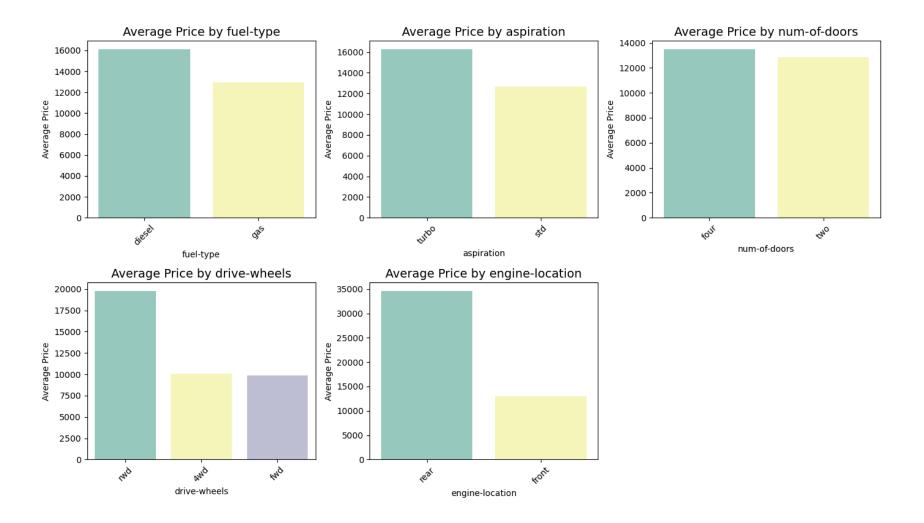
- Jaguar, Mercedes-Benz, Porsche, and BMW are the most expensive car brands in the dataset, with an average price significantly higher than others.
- Hardtop and Convertible body styles are the most expensive, typically associated with more luxurious or performance-oriented vehicles.
- OHCV engine type is the most expensive, likely indicating a higher-performance engine configuration.
- MPFI (Multi-Point Fuel Injection) and IDI (Indirect Injection) fuel systems are associated with the highest prices in the dataset, suggesting these systems are typically found in higher-end vehicles.
- Cars with 8 and 12 cylinders tend to have the highest average prices, reflecting their association with powerful, high-performance vehicles.

```
In [31]: plt.figure(figsize=(14, 8))

for i, col in enumerate(b):
    plt.subplot(2, 3, i+1)

    price_analysis = df.groupby(col)['price'].mean().reset_index().sort_values(by='price', ascending=False).head(5)
    sns.barplot(x=price_analysis[col], y=price_analysis['price'], palette='Set3')
    plt.title(f'Average Price by {col}', fontsize=14)
    plt.ylabel('Average Price')
    plt.xlabel(col)
    plt.xlabel(col)
    plt.xticks(rotation=45)

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

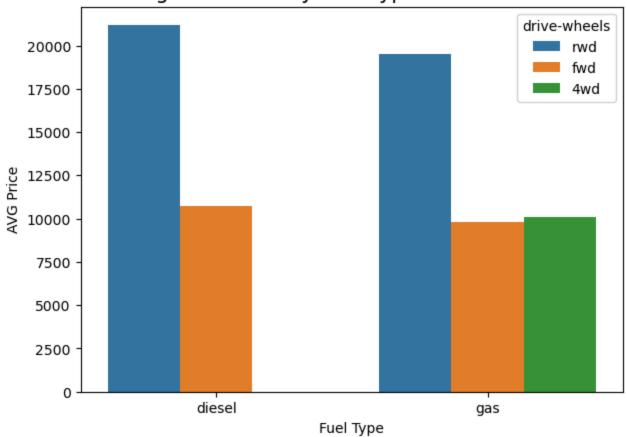


- Diesel cars tend to have a higher average price than petrol cars, likely due to their more complex engine configurations and higher efficiency for long-distance driving.
- Cars with turbocharged engines are more expensive than those with standard (naturally aspirated) engines, as turbocharged engines often provide higher performance and are used in more premium models.
- Cars with two and four doors tend to have a similar price, suggesting that the number of doors doesn't significantly impact the price in your dataset.
- RWD cars generally have a higher price than FWD cars, which could be due to their association with sports and luxury cars that typically feature RWD.

• Cars with a rear engine location are more expensive than those with a front engine location, likely due to the unique engineering and performance benefits of rear-engine cars, such as those found in high-end sports cars.

### **Multivariate Analysis**

### Average Car Price by Fuel Type and Drive Wheels



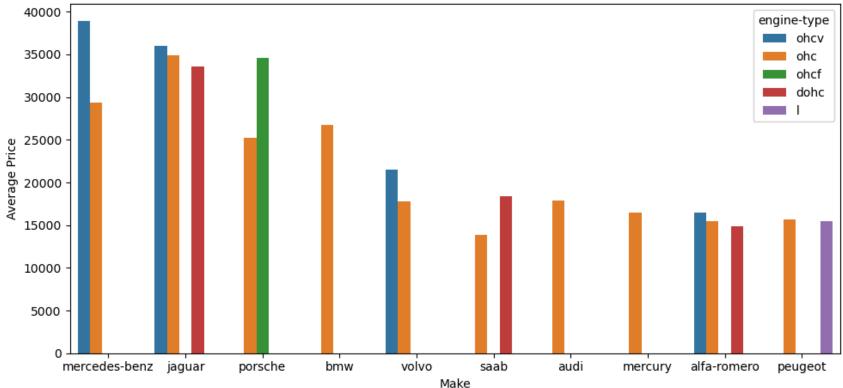
Rear-wheel drive (RWD) cars tend to be more expensive, and most of them are available in both diesel and gas fuel types. On the other hand, four-wheel drive (4WD) cars are only available with gas engines.

```
In [33]: make_engine_avgprice = df.groupby(['make', 'engine-type'])['price'].mean().sort_values(ascending=False).reset_index()
top_10_makes = make_engine_avgprice.groupby('make')['price'].mean().sort_values(ascending=False).head(10).index
top_10_make_engine_avgprice = make_engine_avgprice[make_engine_avgprice['make'].isin(top_10_makes)]

plt.figure(figsize=(10, 5))
sns.barplot(x='make', y='price', data=top_10_make_engine_avgprice, hue='engine-type')
plt.title('Top 10 Makes and Their Engine Types with Average Price')
```

```
plt.xlabel('Make')
plt.ylabel('Average Price')
plt.tight_layout()
plt.show()
```

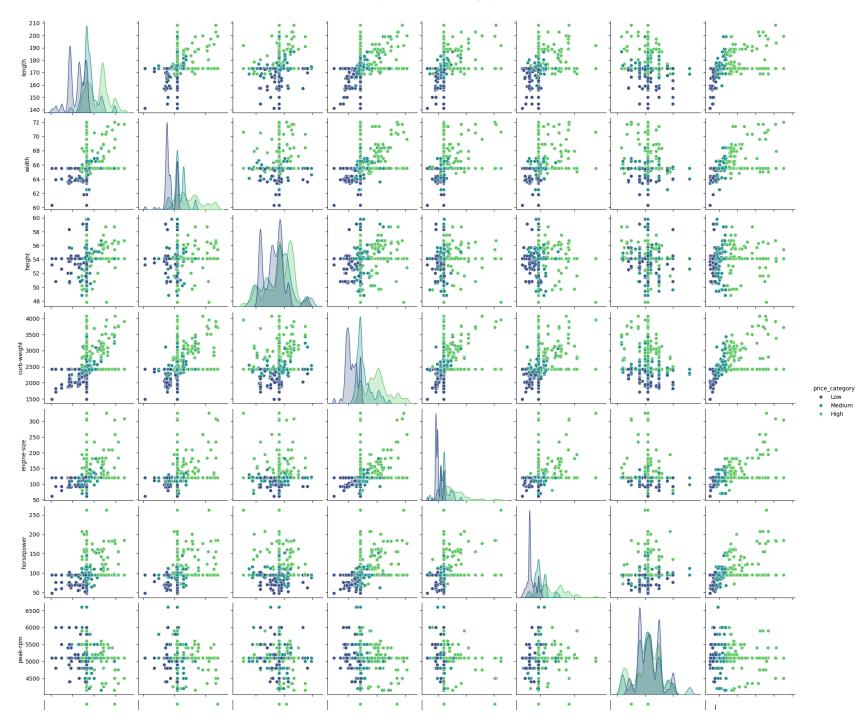


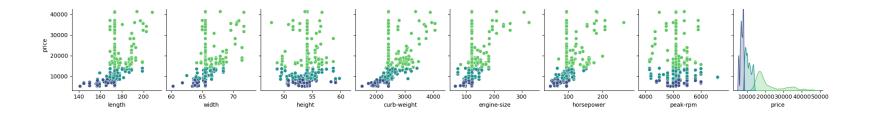


- Mercedes-Benz and Volvo are equipped with OHC and OHCV engine configurations. Among these, Mercedes-Benz exhibits the highest average price, indicating a premium positioning across both engine types.
- Jaguar and Alfa Romeo offer a diverse range of engine architectures, including OHC, OHCV, and DOHC. Notably, Jaguar demonstrates the highest pricing across these configurations, reflecting its focus on high-performance and luxury segments.
- Porsche models are available with OHC and OHCF engine types. Within the OHCF category, Porsche leads with the most expensive offerings, underscoring its engineering exclusivity and brand prestige.
- BMW, Mercury, and Audi all utilize the OHC engine type. BMW stands out with the highest pricing among this group, consistent with its reputation for delivering performance-oriented vehicles with advanced engineering.

• Peugeot employs both OHC and inline engine types. Across both configurations, Peugeot leads in price within its engine categories, suggesting a relatively higher valuation for its engineering choices in the compact and mid-size car segments.

```
In [34]: df_subset = df[['length', 'width', 'height', 'curb-weight', 'engine-size', 'horsepower', 'peak-rpm' ,'price']]
df_subset['price_category'] = pd.qcut(df_subset['price'], q=3, labels=['Low', 'Medium', 'High'])
sns.pairplot(df_subset, hue='price_category', palette='viridis')
plt.suptitle('Pairplot: Features vs. Price Category', y=1.02)
plt.show()
```

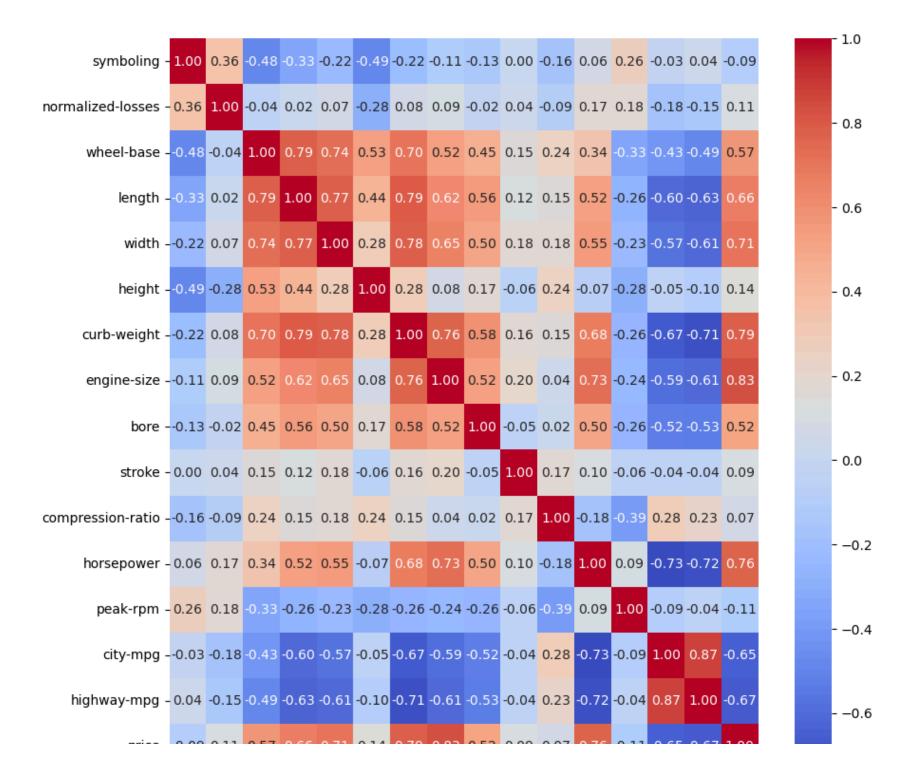


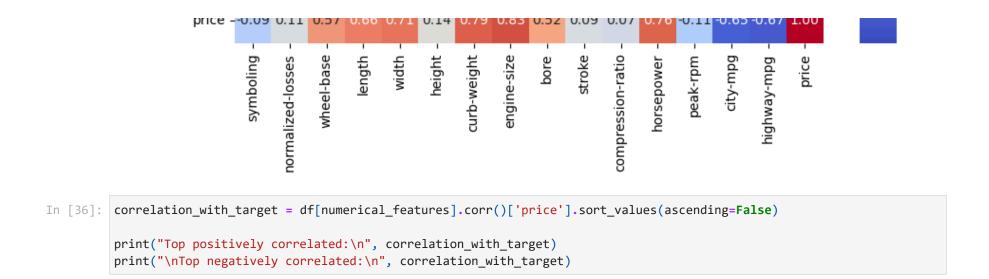


## **Correlation Matrix**

```
In [35]: num = df.select_dtypes(include=['int64', 'float64']).columns

plt.figure(figsize=(10,10))
sns.heatmap(df[num].corr(), annot=True, cmap='coolwarm', fmt='.2f')
plt.show()
```





#### Top positively correlated: price 1.000000 engine-size 0.827361 curb-weight 0.789834 horsepower 0.763740 width 0.709816 length 0.663409 wheel-base 0.566932 bore 0.517864 height 0.139918 normalized-losses 0.109223 stroke 0.092514 compression-ratio 0.073594 symboling -0.092012 peak-rpm -0.108704 city-mpg -0.650491 highway-mpg -0.665871 Name: price, dtype: float64 Top negatively correlated: 1.000000 price engine-size 0.827361 curb-weight 0.789834 horsepower 0.763740 width 0.709816 length 0.663409 wheel-base 0.566932 bore 0.517864 height 0.139918 normalized-losses 0.109223

0.092514

0.073594

-0.092012

-0.108704

-0.650491

-0.665871

stroke

symboling

peak-rpm

city-mpg

highway-mpg

compression-ratio

Name: price, dtype: float64

• Target column: Price, engine-size, curb-weight, horsepower, width, length, wheel-base, bore, highway-mpg, city-mpg these are the highly correlated feature

Engine size, curb-weight, horsepower, width highly correlated with target column so we keep them

```
In [37]: | features_df = df[numerical_features].drop(columns=['price'])
        corr_matrix = features_df.corr()
         threshold = 0.7
         high_corr = (corr_matrix.where(np.triu(np.ones(corr_matrix.shape), k=1).astype(bool)).stack().reset_index())
        high_corr.columns = ['Feature 1', 'Feature 2', 'Correlation']
        high_corr = high_corr[abs(high_corr['Correlation']) > threshold]
         print("Highly correlated input features:\n", high_corr.sort_values(by='Correlation', ascending=False))
       Highly correlated input features:
               Feature 1
                           Feature 2 Correlation
       104
               city-mpg highway-mpg
                                       0.866629
       41
                 length curb-weight
                                    0.792465
             wheel-base
       27
                                    0.788264
                             length
       51
                 width curb-weight
                                    0.775055
       39
                 length
                              width
                                    0.773800
       69 curb-weight engine-size 0.764232
           wheel-base
                              width 0.735519
       28
       80 engine-size horsepower
                                    0.733774
           wheel-base curb-weight
                                     0.704463
       30
       76 curb-weight highway-mpg
                                     -0.711205
       101 horsepower highway-mpg
                                      -0.718016
       100 horsepower
                           city-mpg
                                      -0.734102
```

- Engine size, curb-weight, horsepower, highly correlated with target column
- Remove length, wheel-base, width, city-mpg

## **Linear Regression**

```
In [38]: from sklearn.compose import ColumnTransformer
from sklearn.preprocessing import OneHotEncoder, OrdinalEncoder
from sklearn.preprocessing import MinMaxScaler, StandardScaler
from sklearn.linear_model import LinearRegression
```

```
from sklearn.metrics import mean_squared_error, r2_score, mean_absolute_error, mean_squared_error
from sklearn.model_selection import train_test_split
from sklearn.pipeline import Pipeline
```

### I have to apply the following ML techniques:

• To evaluate different machine learning algorithms on the dataset, I implemented and applied pipelines for three regression models: Linear Regression, Decision Tree Regressor, and Random Forest Regressor. Each model was encapsulated in a separate Pipeline, which included both preprocessing steps and the respective regressor. These pipelines were then fitted and evaluated using the same training and testing sets to ensure a fair comparison of model performance.

#### **Linear Regression Pipeline**

- I make a pipeline for linear regression
- Encode categorical variables, for the model
- One hot encode for nominal cat features, and Ordinal encode for ordinal cat features

### Find the less correlated features with the target variable and remove them

```
In [40]: features_df = df.drop(columns=['price'])

X_transformed = lr_trans_1.fit_transform(features_df)
X_transformed_df = pd.DataFrame(X_transformed, columns=lr_trans_1.get_feature_names_out())

corr_matrix = X_transformed_df.corr()
threshold = 0.7
```

```
high corr = (corr matrix.where(np.triu(np.ones(corr matrix.shape), k=1).astype(bool)).stack().reset index())
         high corr.columns = ['Feature 1', 'Feature 2', 'Correlation']
         high corr = high corr[abs(high corr['Correlation']) > threshold]
         print("Highly correlated input features:\n", high corr.sort values(by='Correlation', ascending=False))
        Highly correlated input features:
                                Feature 1
                                                              Feature 2 Correlation
                    ohe fuel-system idi remainder compression-ratio
                                                                          0.879595
        1496
                     remainder city-mpg
        1710
                                                remainder__highway-mpg
                                                                          0.866629
                       ohe make peugeot
                                                   ohe engine-type 1
        647
                                                                          0.851185
        864
                       ohe make subaru
                                                ohe engine-type ohcf
                                                                          0.801845
        1647
                       remainder length
                                                remainder curb-weight
                                                                          0.792465
                   remainder wheel-base
                                                    remainder length
                                                                          0.788264
        1633
                        remainder width
                                                remainder curb-weight
                                                                          0.775055
        1657
        1412
                                                ohe fuel-system 4bbl
                                                                          0.774690
                  ohe engine-type rotor
                                                     remainder__width
        1645
                       remainder length
                                                                          0.773800
        1675
                  remainder curb-weight
                                                remainder engine-size
                                                                          0.764232
        1583
              ord enco num-of-cylinders
                                                remainder engine-size
                                                                          0.746622
        727
                       ohe make porsche
                                             ohe engine-location rear
                                                                          0.745585
        1634
                   remainder wheel-base
                                                      remainder width
                                                                          0.735519
        1686
                  remainder engine-size
                                                 remainder horsepower
                                                                          0.733774
        315
                         ohe make isuzu
                                                ohe fuel-system spfi
                                                                          0.718352
                   remainder wheel-base
                                                remainder curb-weight
        1636
                                                                          0.704463
                  remainder curb-weight
                                                remainder highway-mpg
                                                                          -0.711205
        1682
        1707
                   remainder horsepower
                                                remainder highway-mpg
                                                                          -0.718016
        1706
                   remainder horsepower
                                                   remainder city-mpg
                                                                          -0.734102
        1076
                      ohe__fuel-type_gas remainder__compression-ratio
                                                                          -0.885288
        1059
                      ohe fuel-type gas
                                                  ohe fuel-system idi
                                                                          -0.888635
                   ohe drive-wheels fwd
                                                ohe drive-wheels rwd
                                                                          -0.922378
        1246
In [41]: X1 = df.drop(['symboling', 'normalized-losses','bore', 'stroke','height', 'compression-ratio', 'symboling', 'peak-rpr
         y1 = df['price']
In [42]: lr_pipeline_1 = Pipeline([('preprocessor', lr_trans_1),
                                   ('regressor', LinearRegression())])
         X train1, X test1, y train1, y test1 = train test split(X1, y1, test size=0.2, random state=42)
         lr_pipeline_1.fit(X_train1, y_train1)
```

```
y_train_pred1 = lr_pipeline_1.predict(X_train1)
y_test_pred1 = lr_pipeline_1.predict(X_test1)
```

#### **Evaluation Metrics**

```
In [43]: # MSE
         train mse1 = mean squared error(y train1, y train pred1)
         test mse1 = mean squared error(y test1, y test pred1)
         # MAE
         train mae1 = mean absolute error(y train1, y train pred1)
         test mae1 = mean absolute error(y test1, y test pred1)
         # RMSE
         train rmse1 = np.sqrt(mean squared error(y train1, y train pred1))
         test rmse1 = np.sqrt(mean squared error(y test1, y test pred1))
         # R<sup>2</sup> Score
         train r21 = r2 score(y train1, y train pred1)
         test_r21 = r2_score(y_test1, y_test_pred1)
         # Adjusted R<sup>2</sup>
         def adjusted r21(r2, n, k):
             return 1 - (1 - r2) * ((n - 1) / (n - k - 1))
         n train1, k1 = X train1.shape
         n test1 = X test1.shape[0]
         train adj r21 = adjusted r21(train r21, n train1, k1)
         test adj r21 = adjusted r21(test r21, n test1, k1)
         print('Linear Regression Model')
         print(f"\nTrain MSE: {train mse1:.4f}")
         print(f"Test MSE: {test mse1:.4f}")
         print('======')
         print(f"\nTrain MAE: {train mae1:.4f}")
         print(f"Test MAE: {test mae1:.4f}")
         print('======')
         print(f"\nTrain RMSE: {train rmse1:.4f}")
         print(f"Test RMSE: {test rmse1:.4f}")
         print('======')
         print(f"\nTrain R2: {train r21:.4f}")
         print(f"Test R2: {test r21:.4f}")
         print('======')
         print(f"\nTrain Adjusted R2: {train adj r21:.4f}")
         print(f"Test Adjusted R2: {test adj r21:.4f}")
```

• Compared to the model with all features, we achieved similar performance using fewer features, while still maintaining a good fit without signs of overfitting

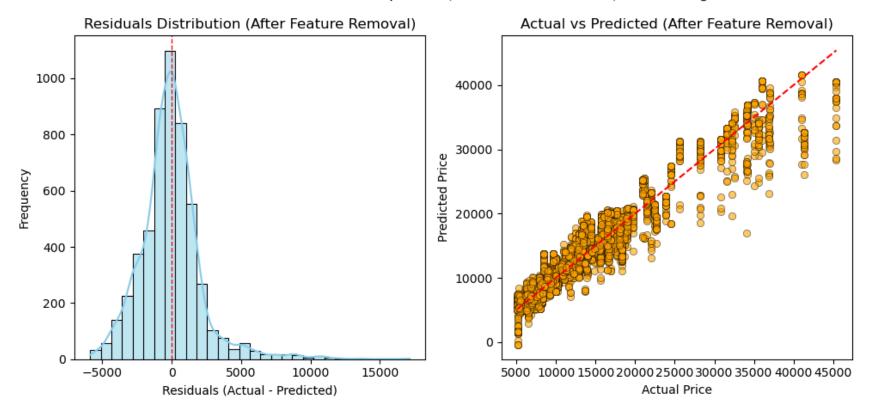
Visualization of residuals to evaluate model performance for both feature sets

```
In [44]:
    fig, ax = plt.subplots(1, 2, figsize=(10, 5))
    residuals1 = y_test1 - y_test_pred1
    sns.histplot(residuals1, bins=30, kde=True, color="skyblue", edgecolor="black", ax=ax[0])
    ax[0].axvline(x=0, color='red', linestyle='--', linewidth=1)
    ax[0].set_title("Residuals Distribution (After Feature Removal)")
    ax[0].set_xlabel("Residuals (Actual - Predicted)")
    ax[0].set_ylabel("Frequency")

sns.scatterplot(x=y_test1, y=y_test_pred1, alpha=0.6, color='orange', edgecolor='k', ax=ax[1])
    ax[1].plot([y_test1.min(), y_test1.max()], [y_test1.min(), y_test1.max()], color='red', linestyle='--')
    ax[1].set_title("Actual vs Predicted (After Feature Removal)")
    ax[1].set_ylabel("Predicted Price")
```

```
plt.suptitle("Residuals and Actual vs Predicted Comparison (After Feature Removal) - Linear Regression")
plt.tight_layout()
plt.show()
```

Residuals and Actual vs Predicted Comparison (After Feature Removal) - Linear Regression

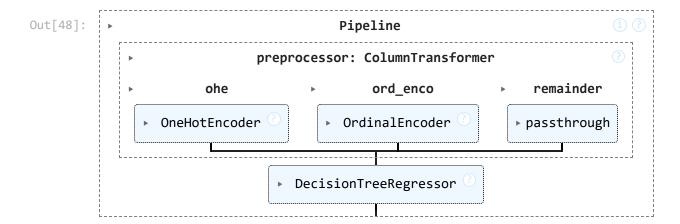


# **Decision Tree Regression**

In [45]: from sklearn.tree import DecisionTreeRegressor, plot\_tree
from sklearn.model\_selection import GridSearchCV

#### **Best Hyperparameters Found by GridSearchCV**

• {'regressor\_ccp\_alpha': 0.0001, 'regressor\_max\_depth': 40, 'regressor\_max\_features': 25, 'regressor\_max\_leaf\_nodes': 100, 'regressor\_min\_samples\_leaf': 2, 'regressor\_min\_samples\_split': 10, 'regressor\_splitter': 'random'



#### **Evaluation Metrics for DTR**

```
In [49]: y_train_pred_dtr = dtr1_pipeline.predict(X_train_dtr)
         y_test_pred_dtr = dtr1_pipeline.predict(X_test_dtr)
         # MSE
         train_mse_dtr = mean_squared_error(y_train_dtr, y_train_pred_dtr)
         test_mse_dtr = mean_squared_error(y_test_dtr, y_test_pred_dtr)
         # MAE
         train_mae_dtr = mean_absolute_error(y_train_dtr, y_train_pred_dtr)
         test_mae_dtr = mean_absolute_error(y_test_dtr, y_test_pred_dtr)
         # RMSE
         train_rmse_dtr = np.sqrt(mean_squared_error(y_train_dtr, y_train_pred_dtr))
         test_rmse_dtr = np.sqrt(mean_squared_error(y_test_dtr, y_test_pred_dtr))
         # R<sup>2</sup>
         train_r2_dtr = r2_score(y_train_dtr, y_train_pred_dtr)
         test_r2_dtr = r2_score(y_test_dtr, y_test_pred_dtr)
         # Adjusted R<sup>2</sup>
         def adjusted_r2(r2, n, k):
              return 1 - (1 - r2) * ((n - 1) / (n - k - 1))
         n_train_dtr, k_dtr = X_train_dtr.shape
         n_test_dtr = X_test_dtr.shape[0]
         train_adj_r2_dtr = adjusted_r2(train_r2_dtr, n_train_dtr, k_dtr)
         test_adj_r2_dtr = adjusted_r2(test_r2_dtr, n_test_dtr, k_dtr)
         print('Decision Tree Regressor')
         print(f"\nTrain MSE: {train_mse_dtr:.4f}")
         print(f"Test MSE: {test_mse_dtr:.4f}")
```

```
print('======')
 print(f"\nTrain MAE: {train_mae_dtr:.4f}")
 print(f"Test MAE: {test_mae_dtr:.4f}")
 print('======')
 print(f"\nTrain RMSE: {train_rmse_dtr:.4f}")
 print(f"Test RMSE: {test_rmse_dtr:.4f}")
 print('======')
 print(f"\nTrain R2: {train_r2_dtr:.4f}")
 print(f"Test R2: {test_r2_dtr:.4f}")
 print('======')
 print(f"\nTrain Adjusted R2: {train_adj_r2_dtr:.4f}")
 print(f"Test Adjusted R2: {test_adj_r2_dtr:.4f}")
Decision Tree Regressor
Train MSE: 1715425.7840
Test MSE: 1776206.9677
Train MAE: 853.7516
Test MAE: 857.2577
Train RMSE: 1309.7426
Test RMSE: 1332.7441
```

Train Adjusted R<sup>2</sup>: 0.9730 Test Adjusted R<sup>2</sup>: 0.9713

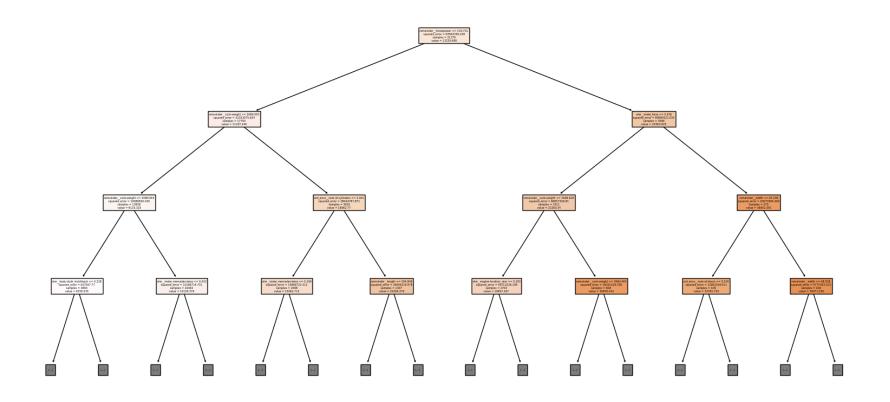
Train R<sup>2</sup>: 0.9730 Test R<sup>2</sup>: 0.9714

- After removing less important features, the Decision Tree Regressor showed balanced performance with minimal overfitting.
- Both Train and Test R<sup>2</sup> remained high (0.97), and error metrics like MAE and RMSE were nearly identical, indicating strong generalization

```
In [50]: preprocessor = dtr1_pipeline.named_steps['preprocessor']
    feature_names = preprocessor.get_feature_names_out()
```

```
In [51]: tree_model = dtr1_pipeline.named_steps['regressor']
    feature_names = dtr1_pipeline.named_steps['preprocessor'].get_feature_names_out()

plt.figure(figsize=(20, 10))
    plot_tree(tree_model, filled=True, feature_names=feature_names, max_depth=3)
    plt.show()
```



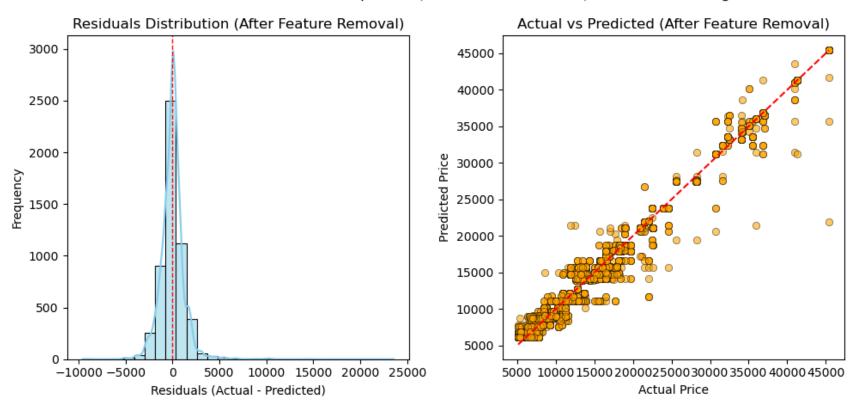
```
In [52]: fig, ax = plt.subplots(1, 2, figsize=(10, 5))

residualsdtr = y_test_dtr - y_test_pred_dtr
sns.histplot(residualsdtr, bins=30, kde=True, color="skyblue", edgecolor="black", ax=ax[0])
ax[0].axvline(x=0, color='red', linestyle='--', linewidth=1)
ax[0].set_title("Residuals Distribution (After Feature Removal)")
ax[0].set_xlabel("Residuals (Actual - Predicted)")
ax[0].set_ylabel("Frequency")
```

```
sns.scatterplot(x=y_test_dtr, y=y_test_pred_dtr, alpha=0.6, color='orange', edgecolor='k', ax=ax[1])
ax[1].plot([y_test_dtr.min(), y_test_dtr.max()], [y_test_dtr.min(), y_test_dtr.max()], color='red', linestyle='--')
ax[1].set_title("Actual vs Predicted (After Feature Removal)")
ax[1].set_xlabel("Actual Price")
ax[1].set_ylabel("Predicted Price")

plt.suptitle("Residuals and Actual vs Predicted Comparison (After Feature Removal) - Decision Tree Regressor")
plt.tight_layout()
plt.show()
```

Residuals and Actual vs Predicted Comparison (After Feature Removal) - Decision Tree Regressor



## **Random Forest Regressor**

### **Best Parameters for Random Forest Regressor**

• Best Parameters: {'regressor\_bootstrap': True, 'regressor\_max\_depth': 40, 'regressor\_min\_samples\_leaf': 2, 'regressor\_min\_samples\_split': 2, 'regressor\_n\_estimators': 100}

```
Out[55]:

Pipeline

preprocessor: ColumnTransformer

ohe

ond

remainder

OneHotEncoder

OneHotEncoder

RandomForestRegressor

RandomForestRegressor
```

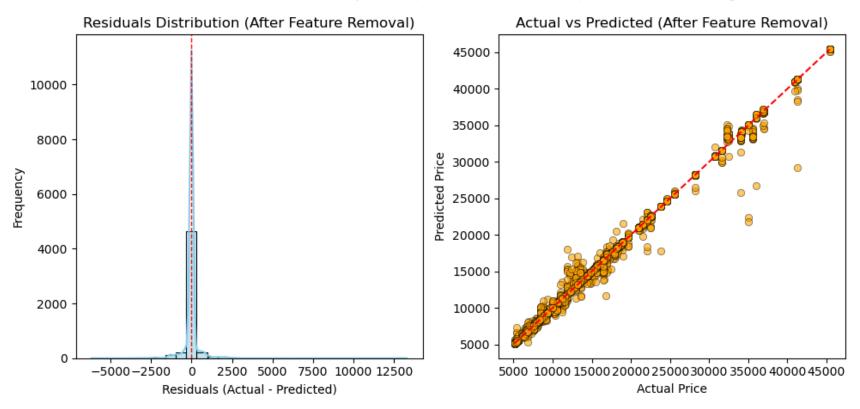
```
In [56]: y train_pred_rf1 = rf_pipeline1.predict(X_train_rf1)
         y_test_pred_rf1 = rf_pipeline1.predict(X_test_rf1)
         # MSE
         train_mse_rf1 = mean_squared_error(y_train_rf1, y_train_pred_rf1)
         test_mse_rf1 = mean_squared_error(y_test_rf1, y_test_pred_rf1)
         # MAE
         train_mae_rf1 = mean_absolute_error(y_train_rf1, y_train_pred_rf1)
         test_mae_rf1 = mean_absolute_error(y_test_rf1, y_test_pred_rf1)
         # RMSE
         train_rmse_rf1 = np.sqrt(mean_squared_error(y_train_rf1, y_train_pred_rf1))
         test_rmse_rf1 = np.sqrt(mean_squared_error(y_test_rf1, y_test_pred_rf1))
         # R2
         train_r2_rf1 = r2_score(y_train_rf1, y_train_pred_rf1)
         test_r2_rf1 = r2_score(y_test_rf1, y_test_pred_rf1)
         # Adjusted R<sup>2</sup> function
         def adjusted r2(r2, n, k):
             return 1 - (1 - r2) * ((n - 1) / (n - k - 1))
         n_train_rf1, k_rf1 = X_train_rf1.shape
         n_test_rf1 = X_test_rf1.shape[0]
         train adj_r2_rf1 = adjusted_r2(train_r2_rf1, n_train_rf1, k_rf1)
         test_adj_r2_rf1 = adjusted_r2(test_r2_rf1, n_test_rf1, k_rf1)
         print("Random Forest Model")
         print(f"\nTrain MSE: {train_mse_rf1:.4f}")
         print(f"Test MSE: {test_mse_rf1:.4f}")
         print('=======')
         print(f"\nTrain MAE: {train_mae_rf1:.4f}")
```

```
print(f"Test MAE: {test mae rf1:.4f}")
        print('======')
        print(f"\nTrain RMSE: {train rmse rf1:.4f}")
        print(f"Test RMSE: {test rmse rf1:.4f}")
        print('======')
        print(f"\nTrain R2: {train_r2_rf1:.4f}")
        print(f"Test R2: {test r2 rf1:.4f}")
        print('=======')
        print(f"\nTrain Adjusted R2: {train_adj_r2_rf1:.4f}")
        print(f"Test Adjusted R2: {test_adj_r2_rf1:.4f}")
       Random Forest Model
       Train MSE: 146727.3371
       Test MSE: 315051.7191
       Train MAE: 113.1672
       Test MAE: 153.1049
       ______
       Train RMSE: 383.0500
       Test RMSE: 561.2947
       ______
       Train R<sup>2</sup>: 0.9977
       Test R<sup>2</sup>: 0.9949
       ______
       Train Adjusted R<sup>2</sup>: 0.9977
       Test Adjusted R<sup>2</sup>: 0.9949
In [57]: fig, ax = plt.subplots(1, 2, figsize=(10, 5))
        residualsrfr = y test rf1 - y test pred rf1
        sns.histplot(residualsrfr, bins=30, kde=True, color="skyblue", edgecolor="black", ax=ax[0])
        ax[0].axvline(x=0, color='red', linestyle='--', linewidth=1)
        ax[0].set title("Residuals Distribution (After Feature Removal)")
        ax[0].set xlabel("Residuals (Actual - Predicted)")
        ax[0].set_ylabel("Frequency")
        sns.scatterplot(x=y_test_rf1, y=y_test_pred_rf1, alpha=0.6, color='orange', edgecolor='k', ax=ax[1])
```

```
ax[1].plot([y_test_rf1.min(), y_test_rf1.max()], [y_test_rf1.min(), y_test_rf1.max()], color='red', linestyle='--')
ax[1].set_title("Actual vs Predicted (After Feature Removal)")
ax[1].set_xlabel("Actual Price")
ax[1].set_ylabel("Predicted Price")

plt.suptitle("Residuals and Actual vs Predicted Comparison (After Feature Removal) - Random Forest Regressor")
plt.tight_layout()
plt.show()
```

Residuals and Actual vs Predicted Comparison (After Feature Removal) - Random Forest Regressor



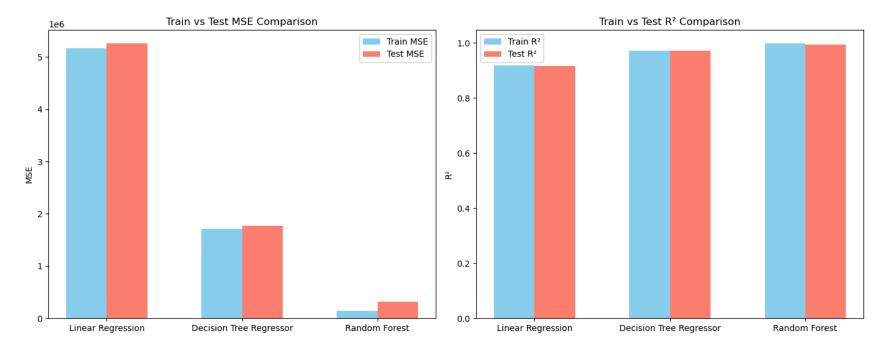
### Comparison of MSE, R2 score for all three models

```
In [58]: metrics_lr = {'MSE': [train_mse1, test_mse1], 'R2': [train_r21, test_r21]}
    metrics_dtr = {'MSE': [train_mse_dtr, test_mse_dtr], 'R2': [train_r2_dtr, test_r2_dtr]}
    metrics_rf = {'MSE': [train_mse_rf1, test_mse_rf1], 'R2': [train_r2_rf1, test_r2_rf1]}

models = ['Linear Regression', 'Decision Tree Regressor', 'Random Forest']
```

```
metrics combined = {
    'Linear Regression': [train mse1, test mse1, train r21, test r21],
    'Decision Tree Regressor': [train mse dtr, test mse dtr, train r2 dtr, test r2 dtr],
    'Random Forest': [train_mse_rf1, test_mse_rf1, train_r2_rf1, test_r2_rf1]}
fig, ax = plt.subplots(1, 2, figsize=(14, 6))
bar width = 0.3
x_pos = np.arange(len(models))
ax[0].bar(x pos - bar width/2, [metrics combined[model][0] for model in models], bar width, label='Train MSE', colorations
ax[0].bar(x pos + bar width/2, [metrics combined[model][1] for model in models], bar width, label='Test MSE', color=
ax[0].set_title('Train vs Test MSE Comparison')
ax[0].set ylabel('MSE')
ax[0].set xticks(x pos)
ax[0].set_xticklabels(models)
ax[0].legend()
ax[1].bar(x pos - bar width/2, [metrics combined[model][2] for model in models], bar width, label='Train R2', color=
ax[1].bar(x pos + bar width/2, [metrics combined[model][3] for model in models], bar width, label='Test R2', color='s
ax[1].set title('Train vs Test R<sup>2</sup> Comparison')
ax[1].set ylabel('R2')
ax[1].set xticks(x pos)
ax[1].set_xticklabels(models)
ax[1].legend()
plt.suptitle('Comparison of MSE and R<sup>2</sup> for Models (Train vs Test)', fontsize=16)
plt.tight layout()
plt.subplots_adjust(top=0.85)
plt.show()
```

### Comparison of MSE and R<sup>2</sup> for Models (Train vs Test)



### **Model Comparison Summary**

- The Random Forest model stands out as the best performer, with the highest R<sup>2</sup> and adjusted R<sup>2</sup> values, indicating excellent predictive power. It also has the lowest MAE and RMSE on the training set, making it highly accurate.
- Decision Tree Regressor also performs exceptionally well, with high R<sup>2</sup> values and relatively low MSE and RMSE compared to Linear Regression.
- Linear Regression, while a strong model with decent results, falls short in comparison to the more complex models, showing higher MSE, MAE, and RMSE, and a slightly lower R<sup>2</sup>.

#### Recommendation

• If computational efficiency and simplicity are key, Linear Regression could be used, but for better accuracy and predictive power, the Decision Tree Regressor or Random Forest models should be prioritized. Random Forest, in particular, should be considered the best option for this dataset based on its strong performance across all metrics.

## Reporting & Insights

### What key insights did you gain from EDA about car prices

- Car Brand Popularity: Toyota is the most popular car brand, making up about 24% of the dataset. This suggests Toyota has a strong market presence or is more widely available in the dataset.
- Car Type Distribution: Sedans represent the majority of cars in the dataset, accounting for 50%. This aligns with consumer preferences for vehicles offering comfort, fuel efficiency, and practicality.
- Engine Type Preference: The most common engine types in the dataset are the OHC (Overhead Camshaft) engine, found in 70% of the cars, and the 4-cylinder engine, which makes up 78% of the entries. These engine types offer a balance between performance and fuel efficiency, which could explain their popularity.
- Fuel System Trends: Around 50% of the cars use the MPFI (Multi-Point Fuel Injection) system, reflecting a modern trend towards improving fuel efficiency and reducing emissions.
- Drive Type: Front-wheel drive (FWD) is the most common configuration, present in 60% of the cars. This could reflect the cost-effectiveness and fuel efficiency of FWD vehicles.
- Engine Location: 95% of the cars have a front engine location, which is typical for most car models and configurations.
- Price Variations by Features:
- Luxury and high-performance cars, such as those from Jaguar, Mercedes-Benz, Porsche, and BMW, tend to have significantly higher prices.
- Diesel cars and those with turbocharged engines also tend to have higher prices, likely due to the more advanced engine technology and higher performance.
- RWD (Rear-Wheel Drive) cars tend to be more expensive, as they are often associated with premium, sports, and luxury vehicles.

### Which features had the most impact on price prediction

- Car Brand
- Engine Type
- Fuel System
- Drive Type
- Engine Configuration
- Body Style
- Horsepower
- MPG

### What challenges did you face during preprocessing and modeling

- The data had some anomilies like (wrong data type, wrong values, incorrect data format) etc, missing values, and outliers.
- In modeling we had to deal with the categorical data, so we had to encode it, then find the highly correlated features with targest variable, the remove the highly correlated input features to input features, then some feature selection.
- To much time spent on model tunning.

### If given a larger dataset with more features, what additional steps would you take?

- Feature Engineering: With more data, I would explore new features that might better capture the relationships.
- Model Optimization: With a larger dataset, I would experiment with more complex models like ensemble methods (Random Forest, Gradient Boosting).
- Address Multicollinearity: I would use techniques like Principal Component Analysis (PCA) or regularization (L1/L2 regularization) to handle multicollinearity.