Dummy Variable Trap

Dummy Variables

Profit	R&D Spend	Admin	Marketing	State
192,261.83	165,349.20	136,897.80	471,784.10	New York
191,792.06	162,597.70			nia
191,050.39	153,441.51		=1-Г	nia
182,901.99	144,372.41	ν_2	_) ork
166,187.94	142,107.34		: 000,100,12	nia

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	D ₂	California O 1 0 1 1 0 1	E www.superdatascience.cb	
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$$y = b_0 + b_1^* x_1 + b_2^* x_2 + b_3^* x_3 + b_4^* D_1 + b_5^* D_2$$





