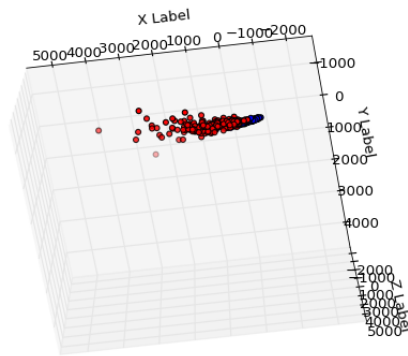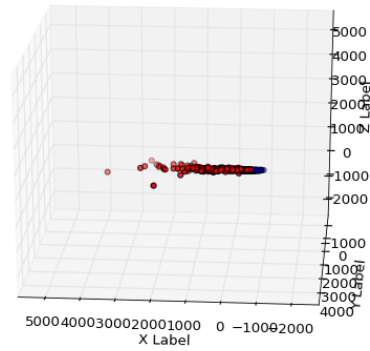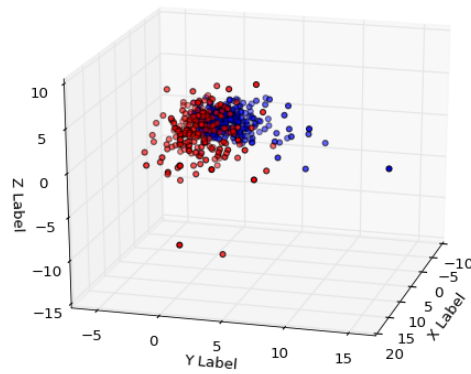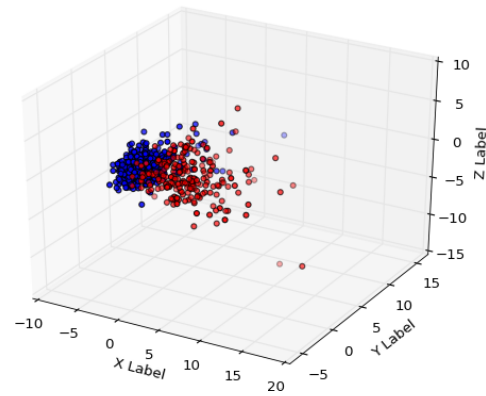Problem 3.7
1.

All the data lay on a slight plane which seems like a line.

2.

Yes, it looks better. Because PLS1 considers labels so this plots looks more separable than the previous one.