## CSC 546/746

## **Assignment 3**

(25 points)

- 1. There are 1000 rows of data in "hw03\_data.txt" from 1000 companies. The first column is the amount of money that a company invested in research and product development (X). The second column is the profit of the company (y). You will use linear regression model to analyze the data.
- 2. (1 point) Download "hw03.ipynb" and "hw03\_data.txt" from the Blackboard and upload (or copy) to your Jupyter Notebook folder. (Make sure you put the files in the same folder) Load hw03.ipynb project to Jupyter Notebook.
- 3. (2 points) The code for loading data from the file has been provided. Before initialize X and y, you need to scale the data with Scikit-Learn's StandardScaler class. (Check for the Preprocessing document for reference)
- 4. (2 points) Visualize the dataset. (Remember to adjust the range of X and y according to the dataset)
- 5. (7 points) Training the linear Regression model with Scikit-Learn's LinearRegression model:
  - a. Splitting the dataset into the Training set (80%) and Test set (20%).
  - b. Fit the training data to the model.
  - c. Calculating the Intercept and the Coefficient. Output the result to the screen.
  - d. Predicting the Test set results.
  - e. Calculating the R squared value.
- 6. (8 points) Solving the same problem with gradient descent algorithm:
  - a. Training the model with training data.
  - b. Calculating the Intercept and the Coefficient. Output the result to the screen.
  - c. Predicting the Test set results.
  - d. Calculating the R squared value.
- 7. (5 points) The model should fit the data well, but the R squared value is close to 0.9.
  - a. Analyze the reason.
  - b. How to improve the R squared value?
  - c. Create a new cell by the end of hw03.ipynb and provide the code to improve the R squared value.
- 8. Submit "hw03.ipynb" to the Blackboard.