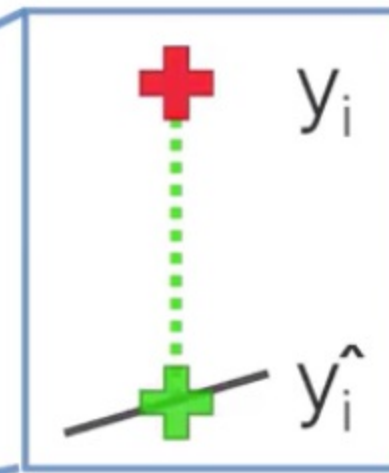
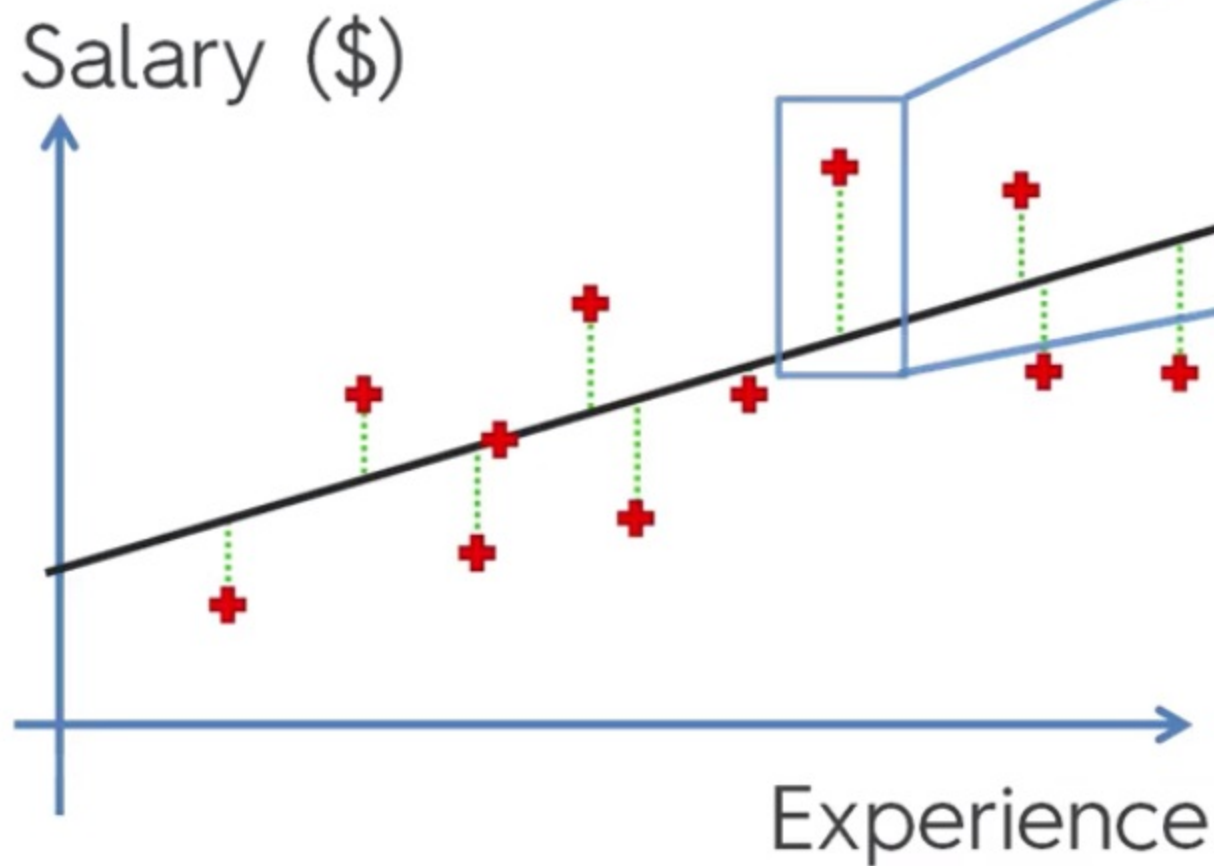
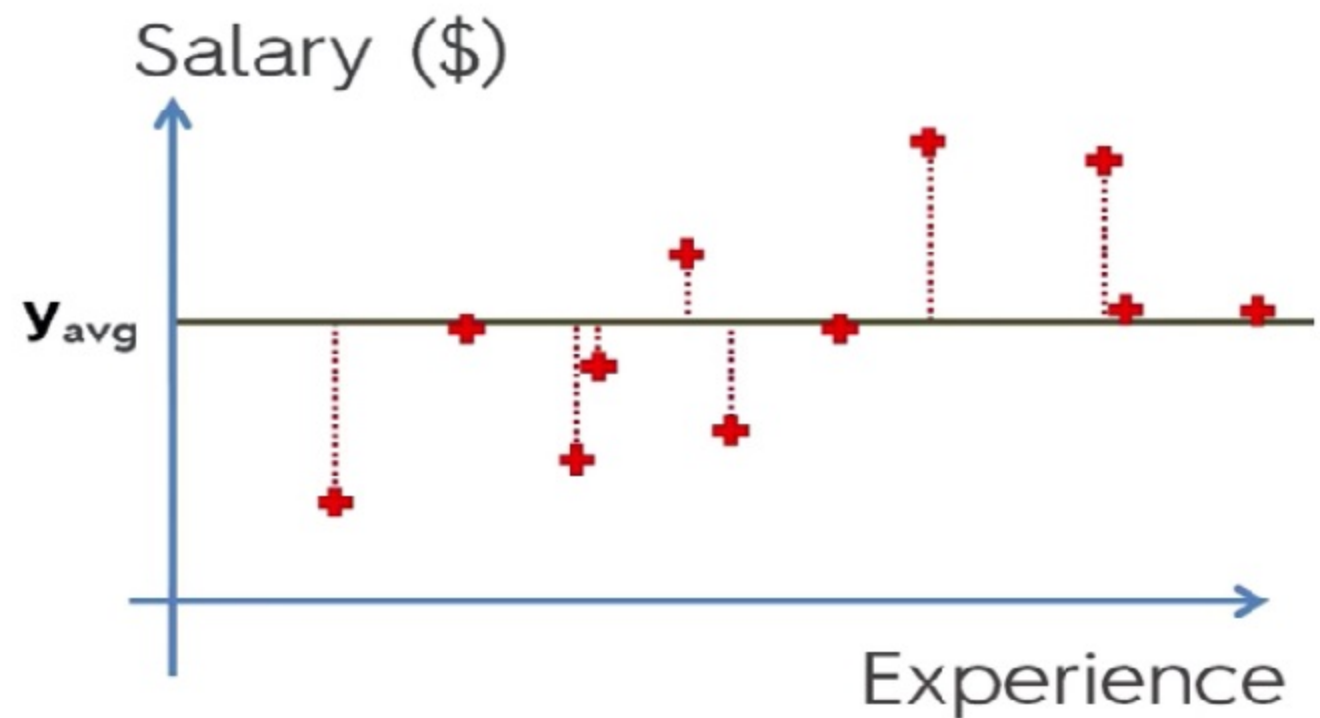
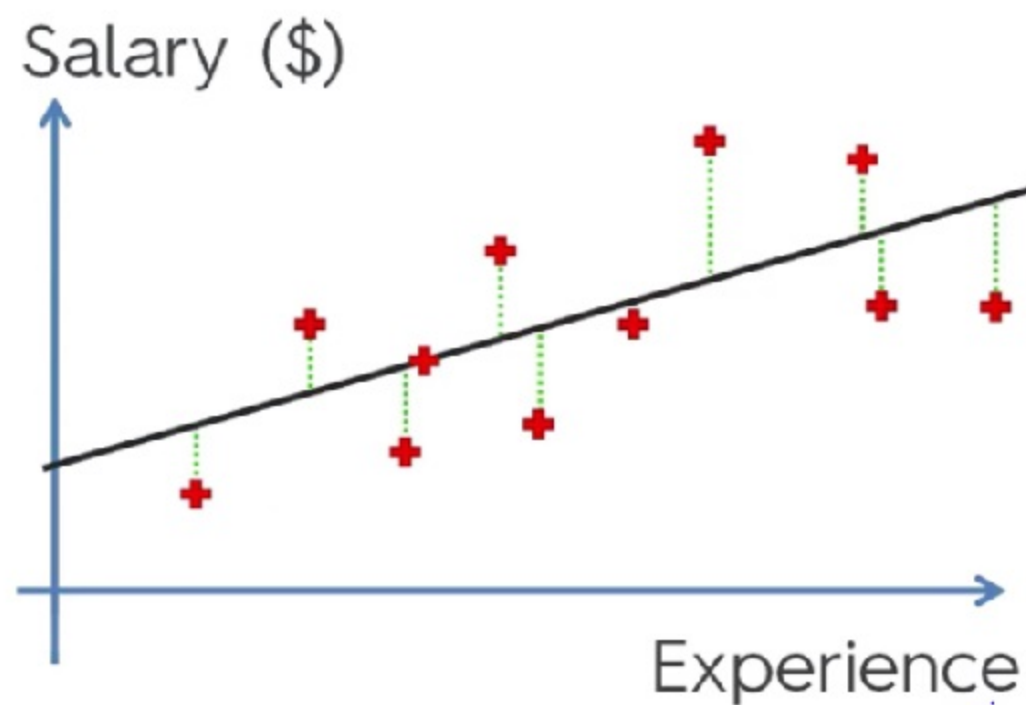


R Squared

Simple Linear Regression:



$$\text{SUM } (y_i - \hat{y}_i)^2 \rightarrow \min$$



$$SS_{\text{res}} = \text{SUM } (y_i - \hat{y}_i)^2$$

$$SS_{\text{tot}} = \text{SUM } (y_i - y_{\text{avg}})^2$$

$$R^2 = 1 - \frac{SS_{\text{res}}}{SS_{\text{tot}}}$$

The closer R^2 is to 1, the better is the regression model