

Linear Regression Derivation

$$\begin{aligned}
 \hat{y}_i &= \beta_0 + \beta_1 x_i \\
 \text{RSS} &= \sum_{i=1}^n (y_i - \hat{y}_i)^2 \\
 \text{RSS} &= \sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i)^2 \\
 0 &= \frac{\partial \text{RSS}}{\partial \beta_0} \left[\sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i)^2 \right] \\
 0 &= -2 \sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i) \\
 0 &= \sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i) \\
 0 &= \sum_{i=1}^n y_i - \sum_{i=1}^n \beta_0 - \beta_1 \sum_{i=1}^n x_i \\
 0 &= \sum_{i=1}^n y_i - n\beta_0 - \beta_1 \sum_{i=1}^n x_i \\
 0 &= \frac{\sum_{i=1}^n y_i - n\beta_0 - \beta_1 \sum_{i=1}^n x_i}{n} \\
 0 &= \frac{\sum_{i=1}^n y_i}{n} - \frac{n\beta_0}{n} - \frac{\beta_1 \sum_{i=1}^n x_i}{n} \\
 0 &= \bar{y} - \beta_0 - \beta_1 \bar{x} \\
 \beta_0 &= \bar{y} - \beta_1 \bar{x} \tag{1} \\
 0 &= \frac{\partial \text{RSS}}{\partial \beta_1} \left[\sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i)^2 \right] \\
 0 &= -2x_i \sum_{i=1}^n (y_i - \beta_0 - \beta_1 x_i) \\
 0 &= \sum_{i=1}^n (x_i y_i - \beta_0 x_i - \beta_1 x_i^2) \\
 0 &= \sum_{i=1}^n (x_i y_i - (\bar{y} - \beta_1 \bar{x}) x_i - \beta_1 x_i^2) \\
 0 &= \sum_{i=1}^n (x_i y_i - \bar{y} x_i + \beta_1 \bar{x} x_i - \beta_1 x_i^2) \\
 0 &= \sum_{i=1}^n (x_i y_i - \bar{y} x_i) + \sum_{i=1}^n (\beta_1 \bar{x} x_i - \beta_1 x_i^2) \\
 \beta_1 &= \frac{\sum_{i=1}^n (x_i y_i - \bar{y} x_i)}{\sum_{i=1}^n (x_i^2 - \bar{x} x_i)} \tag{2}
 \end{aligned}$$