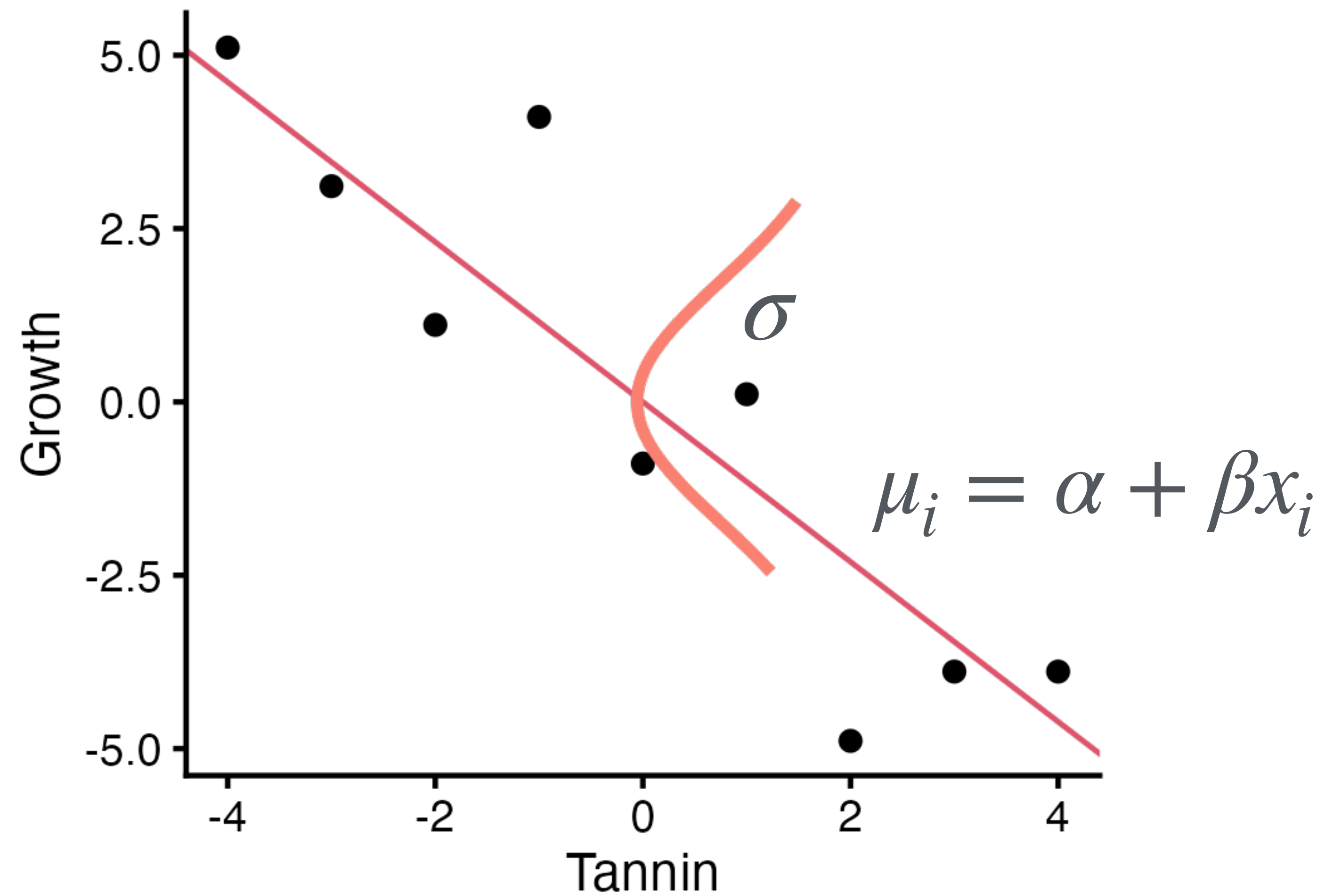


Model plot



Other ways of fitting the linear model

OLS and Maximum Likelihood

- The standard linear model has many flavors and justifications
- Ordinary Least Squares (OLS) is the most common introduction, and consists of minimizing the squared distance between observations and the regression line
- Maximum likelihood (ML) looks for the parameters that maximize the probability of observing y_i :
 - $P(y_i | \theta = \{\alpha, \beta, \sigma\})$
 - ML finds the same solution as OLS under a gaussian model

