CS 677

Assignment 6

**Decision Trees**

The accuracy for year2 is 100%

|  |  |  |
| --- | --- | --- |
| N=52 | Predicted Green | Predicted Red |
| Actual Green | 34 | 0 |
| Actual Red | 0 | 18 |

True positive rate and true negative rate is 0.

The trading strategy based on mean and sd is better than “buy-and-hold” strategy. The buy and hold strategy’s accuracy rate is 87.65%.

**Discriminant Analysis**

The mean accuracy of year 2 is 0.877, compare by decision tree classifier, decision trees classifier is better than LDA

|  |  |  |
| --- | --- | --- |
| N=52 | Predicted Green | Predicted Red |
| Actual Green | 26 | 8 |
| Actual Red | 2 | 16 |

True positive rate is 76.47%, true negative rate is 88.88%.