



“Gheorghe Asachi” Technical University of Iasi, Romania



COMPARATIVE ANALYSIS OF LASSO AND LIGHTGBM MODELS IN PREDICTING PM_{2.5} CONCENTRATION: EVIDENCE FROM CHINA

Xin Ji¹, Wei Xu¹, Yan Yan¹, Rabia Aslam², Yanjuan Cui^{3*}

¹*School of Management, Shenyang University of Technology, Shenyang, 110870, P.R. China*

²*Department of Commerce, University of the Punjab, Gujranwala, 52250, Pakistan*

³*School of Finance, Dongbei University of Finance and Economics, Dalian, 116025, P.R. China*

Abstract

The study conducted a comprehensive analysis of the PM_{2.5} concentrations and related factors in China from 2011 to 2020. Through comparing LASSO regression and LightGBM models, this study revealed an important trade-off between model interpretability and prediction accuracy: while LightGBM showed superior predictive performance, LASSO regression provided better interpretability of factor relationships. The results showed that, in terms of overall predictive performance, the LightGBM model demonstrated higher accuracy and stronger generalization capabilities in predicting PM_{2.5} concentrations. This superiority was reflected in key performance indicators compared to the LASSO model. However, the LightGBM model's "black box" nature limited its ability to explain the mechanisms behind PM_{2.5} variations, whereas the LASSO model offered clear insights into factor relationships despite lower overall accuracy. By optimizing the LASSO model and employing cluster analysis, the study significantly improved the model's predictive capability by accounting for regional environmental similarities. The cluster-optimized LASSO model even outperformed the LightGBM model in predicting the PM_{2.5} concentration in certain regions, demonstrating the effectiveness of combining statistical learning with domain knowledge. Nevertheless, the LASSO model, supported by data from a single province, was prone to overfitting due to the limited scale of training data and environmental heterogeneity, resulting in deviation from the true trend of PM_{2.5} concentration. The study not only proposed an accurate method for predicting annual average PM_{2.5} concentration but also provided insights into the balance between model accuracy and interpretability, offering policymakers both precise predictions and clear factor relationships for informed decision-making.

Key words: LASSO regression, LightGBM, panel data, PM_{2.5} prediction

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* Author to whom all correspondence should be addressed: e-mail: 1526343937@qq.com