

Laws of Matrix Algebra

back to [Fan's Intro Math for Econ](#), [Matlab Examples](#), or [Dynamic Asset Repositories](#)

6 Old Rules, 5 Still Apply

We had associative, commutative and distributive laws for scalar algebra, we can think of them as the six bullet points below. Only the multiplicative-commutative law no longer works for matrix, the other rules work for matrix as well as scalar algebra.

Associative laws work as in scalar algebra for matrix

- $(A + B) + C = A + (B + C)$
- $(A \cdot B) \cdot C = A \cdot (B \cdot C)$

Commutative Law works as well for addition

- $A + B = B + A$
- with scalars, we know $3 \cdot 4 = 4 \cdot 3$, but commutative law for matrix multiplication does not work, Matrix $A \cdot B \neq B \cdot A$. The matrix dimensions might not even match up for multiplication. (see below for examples)

And Distributive Law still applies to matrix

- $A \cdot (B + C) = A \cdot B + A \cdot C$
- $(B + C) \cdot A = B \cdot A + C \cdot A$

Example for $A \cdot B \neq B \cdot A$

```
% Non-Square  
A = rand(2,3)
```

```
A = 2x3  
    0.7655    0.1869    0.4456  
    0.7952    0.4898    0.6463
```

```
B = rand(3,4)
```

```
B = 3x4  
    0.7094    0.6797    0.1190    0.3404  
    0.7547    0.6551    0.4984    0.5853  
    0.2760    0.1626    0.9597    0.2238
```

```
% This is OK  
disp(A*B)
```

```
    0.8071    0.7152    0.6119    0.4697  
    1.1121    0.9664    0.9590    0.7020
```

```
% This does not work  
try  
B*A
```

```
catch ME
    disp('does not work! Dimension mismatch')
end
```

does not work! Dimension mismatch

```
% Square
A = rand(3,3)
```

```
A = 3x3
    0.7513    0.6991    0.5472
    0.2551    0.8909    0.1386
    0.5060    0.9593    0.1493
```

```
B = rand(3,3)
```

```
B = 3x3
    0.2575    0.8143    0.3500
    0.8407    0.2435    0.1966
    0.2543    0.9293    0.2511
```

```
% This is OK
A*B
```

```
ans = 3x3
    0.9203    1.2905    0.5378
    0.8499    0.5535    0.2992
    0.9747    0.7843    0.4032
```

```
% This works, but result differs from A*B
B*A
```

```
ans = 3x3
    0.5783    1.2412    0.3060
    0.7932    0.9933    0.5232
    0.5551    1.2465    0.3055
```

4 New Rules for Transpose

In scalar algebra, transpose does not make sense. Given matrix A , A^T is the transpose matrix of A where each row of A becomes columns in A^T . If A is M by N , then A^T is N by M .

Given matrix A and scalar value r :

- **1:** $(r \cdot A)^T = r \cdot A^T$
- **2:** $(A^T)^T = A$
- **3:** $(A + B)^T = A^T + B^T$
- **4:** $(A \cdot B)^T = B^T \cdot A^T$

For the 4th rule, suppose matrix A is has L rows and M columns, and the matrix B has M rows and N columns. $(A \cdot B)$ is a L by N matrix, $(A \cdot B)^T$ is a N by L matrix. This is equal to $B^T \cdot A^T$, where we have a N by M matrix B^T multiplied by a M by L matrix A^T , and the resulting matrix is N by L .

```
A = rand(2,3)
```

```
A = 2×3  
    0.6160    0.3517    0.5853  
    0.4733    0.8308    0.5497
```

```
A_transpose = (A')
```

```
A_transpose = 3×2  
    0.6160    0.4733  
    0.3517    0.8308  
    0.5853    0.5497
```