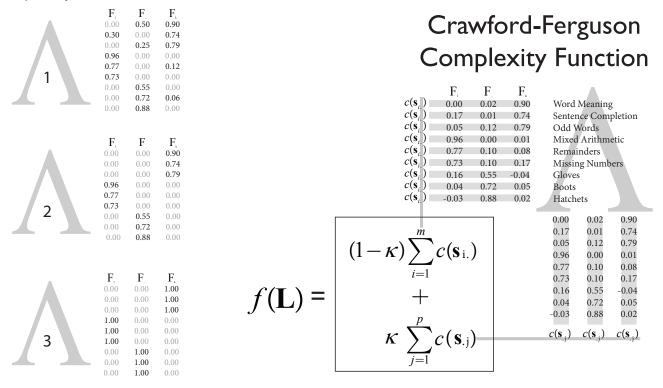


Complexity of Factor Patterns



$$\mathbf{U}_{+}^{2} \wedge \mathbf{W}_{+} \wedge \mathbf{F}_{\mathbf{X}} + \mathbf{e}$$

$$\mathbf{x} = \mathbf{B}\mathbf{y} + \mathbf{\delta}$$

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 $r = \text{rank of } \mathbf{R}$

N – number of variables/columns in ${\bf R}$

r-# positive/nonzero eigenvalues of N×N matrix **R**