richardwu.ca

STAT 330 Course Notes

Mathematical Statistics

Yingli Qin • Fall 2018 • University of Waterloo

Last Revision: September 10, 2018

Table of Contents

Abstract

These notes are intended as a resource for myself; past, present, or future students of this course, and anyone interested in the material. The goal is to provide an end-to-end resource that covers all material discussed in the course displayed in an organized manner. These notes are my interpretation and transcription of the content covered in lectures. The instructor has not verified or confirmed the accuracy of these notes, and any discrepancies, misunderstandings, typos, etc. as these notes relate to course's content is not the responsibility of the instructor. If you spot any errors or would like to contribute, please contact me directly.

1 September 7, 2018

1.1 Random variables

We have two types (not include mixture r.v.s) random variables (r.v.s):

Discrete Probability (mass) function of X

$$f(x) = P(X = x)$$

Support set of X

$$A = \{x \mid f(x) > 0\}$$

The following two conditions must hold

- $$f(x) \geq 0$$
- $$\sum_{x \in A} f(x) = 1 \quad \text{or} \quad \sum_{x \in \mathbb{R}} f(x) = 1$$

Continuous Probability density function (pdf) of X

$$f(x) = \frac{d}{dx}F(x) = F'(x)$$

if F is differentiable at x, otherwise $f(x) = 0$.

Support set of X

$$A = \{x \mid f(x) > 0\}$$

The following two conditions must hold

- $$f(x) \geq 0 \quad \forall x \in \mathbb{R}$$
- $$\int_{x \in A} f(x)\,\mathrm{d}x = 1 \quad \text{or} \quad \int_{-\infty}^{\infty} f(x)\,\mathrm{d}x = 1$$

Some examples of **discrete** r.v.s

Bernoulli $X \sim Bernoulli(p)$ for $0 < p < 1$ where

$$P[X = 1] = p \quad \text{or} \quad P[X = 0] = 1 - p$$

therefore

$$f(x) = P[X = x] = p^x(1-p)^{1-x} \quad x = 0, 1$$

and $A = \{0, 1\}$.

Binomial $X \sim BIN(n, p)$ for $n = 1, 2, \ldots$ and $0 < p < 1$. X represents the number of successes of n iid $BERN(p)$ trials or X (or X is sum of n iid $BERN(p)$ r.v.s):

$$X = \sum_{i=1}^{n} Y_i \quad Y_i \sim BERN(p)$$

therefore

$$f(x) = P[X = x] = \binom{n}{x} p^x(1-p)^{n-x} \quad x = 0, 1, \ldots, n$$

and $A = \{1, 2, \ldots, n\}$.

Geometric $X \sim GEO(p)$ for $0 < p < 1$. X represents the number of failures before the 1st success in a sequence of iid $BERN(p)$ trials, therefore

$$f(x) = P[X = x] = (1-p)^x p \quad x = 0, 1, \ldots$$

and $A = \{0, 1, \ldots\}$.

Negative Binomial $X \sim NB(k, p)$ where X represents the number of successes in k $BERN(p)$ trials. We skip this for now.

Some examples of **continuous** r.v.s

Normal/Gaussian $X \sim N(\mu, \sigma^2)$ for $\mu \in \mathbb{R}$, $\sigma > 0$.

$$f(x) = \frac{1}{\sqrt{2\pi}\sigma} e^{-\frac{(x-\mu)^2}{2\sigma^2}} \quad x \in \mathbb{R}$$

Gamma $X \sim GAM(\alpha, \beta)$ for $\alpha, \beta > 0$. The pdf may be left or right skewed.

$$f(x) = \frac{1}{\beta^\alpha \Gamma(\alpha)} x^{\alpha-1} \exp\left(-\frac{x}{\beta}\right) \quad x \in \mathbb{R}^+$$

Note that the Gamma function Γ is defined as

$$\begin{aligned}
\Gamma(\alpha) &= (\alpha - 1)\Gamma(\alpha - 1) \quad \alpha > 1 \\
\Gamma(n) &= (n-1)! \\
\Gamma\left(\frac{1}{2}\right) &= \sqrt{\pi}
\end{aligned}$$

Exponential $X \sim EXP(\theta)$ for $\theta > 0$.

$$f(x) = \frac{1}{\theta} e^{-\frac{x}{\theta}} \quad x \geq 0$$

Note that $EXP(\theta)$ is simply $GAM(1, \theta)$.

2 September 10, 2018

2.1 Cumulative distribution function (cdf)

We denote the *cumulative distribution function* (cdf) as $F(x) = P[X \leq x]$ with properties:

1. non-decreasing i.e. $F(a) \leq F(b)$ if $a \leq b$
2. $$\lim_{x \to -\infty} F(x) = 0$$
3. $$\lim_{x \to \infty} F(x) = 1$$
4. right-continuous, i.e. $\lim_{x \downarrow x_0} = F(x_0)$ (where $x \downarrow x_0$ denotes x approaches x_0 from x_0's right-hand side or in this case from above).

   Remark 2.1. If X is a continuous .r.v then $F(x)$ is also left-continuous i.e. $F(x)$ is continuous.

2.2 Location parameters

Example 2.1. If $X \sim N(\mu, 1)$, $\mu \in \mathbb{R}$, then μ is a location parameter for X where

$$f(x; \mu) = \frac{1}{\sqrt{2\pi}} e^{-\frac{(x-\mu)^2}{2}} \quad x \in \mathbb{R}$$

$f(x, \mu)$ is *NOT completely specified* as $f(\cdot, \mu)$ cannot be calculated at x as μ is *unknown* (we would need to perform *statistical inference* to estimate μ).
On the other hand, $f(x; 0)$ is completely specified. Notice that

$$\begin{aligned} f(x; \mu) &= \frac{1}{\sqrt{2\pi}} e^{-\frac{(x-\mu-0)^2}{2}} \\ &= f(x - \mu; 0) \end{aligned}$$

That is: the uncompletely specified $f(x; \mu)$ can be rewritten as a completely specified $f(\cdot; 0)$ evaluated at $x - \mu$.
μ is a *location parameter* for $X \sim N(\mu, 1)$.

Definition 2.1. A quantity η is a **location parameter** for X with a pdf $f(x; \eta)$ if

$$f(x; \eta) = f(x - \eta; 0)$$

Incerasing the value of the location parameter of the pdf shifts it to the right (e.g. for $N(\mu, 1)$).

For a continuous r.v. X with a location parameter η

$$\begin{aligned} F(x; \eta) &= P[X \leq x; \eta] \\ &= \int_{-\infty}^{x} f(t; \eta) \, \mathrm{d}t \\ &= \int_{-\infty}^{x} f(t - \eta; 0) \, \mathrm{d}t \end{aligned}$$

since η is a location parameter for our pdf f. Let $s = t - \eta$, then

$$\begin{aligned} &= \int_{-\infty}^{x-\eta} f(s;0)\,\mathrm{d}s \\ &= F(x-\eta;0) \end{aligned}$$

Therefore η is a location parameter *iff* $F(x;\eta) = F(x-\eta;0)$.

2.3 Scale parameters

Example 2.2. Let $X \sim EXP(\theta)$, $\theta > 0$ (as we will see, θ is a scale parameter for X). Recall

$$f(x;\theta) = \frac{1}{\theta}e^{-\frac{x}{\theta}} \quad \theta > 0$$

is *NOT completely specified* as θ is unknown.
However $f(x;1) = \exp(-x)$ for $x > 0$ is the pdf of $EXP(1)$ which is completely satisfied. Note that

$$f(x;\theta) = \frac{1}{\theta}\exp(-\frac{x}{\theta}) = \frac{1}{\theta}f(\frac{x}{\theta};1)$$

θ is a *scale parameter* for $X \sim EXP(\theta)$, $\theta > 0$.

Definition 2.2. A quantity θ is a **scale parameter** if its pdf satisfies

$$f(x;\theta) = \frac{1}{\theta}f(\frac{x}{\theta};1) \quad \theta > 0$$

That is: the uncompletely specified pdf can be re-written as the product of $\frac{1}{\theta}$ and a completely specified pdf $f(\cdot;1)$ evaluated at $\frac{x}{\theta}$.

How about the corresponding cdf (for a continuous r.v awith scale parameter θ)?

$$\begin{aligned} F(x;\theta) &= \int_{-\infty}^{x} f(t;\theta)\,\mathrm{d}t \\ &= \int_{-\infty}^{x} f(\frac{t}{\theta};1)\frac{1}{\theta}\,\mathrm{d}t \end{aligned}$$

since θ is a scale parameter. Let $s = \frac{t}{\theta}$ (so $\mathrm{d}s = \frac{\mathrm{d}t}{\theta}$), thus

$$\begin{aligned} &= \int_{-\infty}^{\frac{x}{\theta}} f(s;1)\,\mathrm{d}s \\ &= F(\frac{x}{\theta};1) \end{aligned}$$

Therefore θ is a scale parameter *iff* $F(x;\theta) = F(\frac{x}{\theta};1)$.

2.4 Pivotal quantities

Remark 2.2. If η is a location parameter, then $\hat{\eta} - \eta$ is a pivotal quantity for constructing a confidence interval for η (where $\hat{\eta}$ is the Maximum Likelihood Estimate (MLE) of η).
If θ is a scale parameter, then $\frac{\hat{\theta}}{\theta}$ is a pivotal quantity for construct a confidence interval for θ.