Investigate the exponential distribution in R and compare it with the Central Limit Theorem

Sahar Seidi

Dec 6th 2018

Simulations

Set the simulation variables lambda, exponentials, and seed.

```
ECHO=TRUE
set.seed(1337)
lambda = 0.2
exponentials = 40
```

Run Simulations with variables

```
simMeans = NULL
for (i in 1 : 1000) simMeans = c(simMeans, mean(rexp(exponentials, lambda)))
```

Sample Mean versus Theoretical Mean

Sample Mean

Calculating the mean from the simulations with give the sample mean.

```
mean(simMeans)
## [1] 5.055995
```

Theoretical Mean

The theoretical mean of an exponential distribution is lambda^-1.

```
lambda^-1
```

```
## [1] 5
```

Comparison

There is only a slight difference between the simulations sample mean and the exponential distribution
theoretical mean.

```
abs(mean(simMeans)-lambda^-1)
## [1] 0.05599526
```

Sample Variance versus Theoretical Variance

Sample Variance

Calculating the variance from the simulation means with give the sample variance.

```
var(simMeans)
```

```
## [1] 0.6543703
```

Theoretical Variance

The theoretical variance of an exponential distribution is (lambda * sqrt(n))^-2.

```
(lambda * sqrt(exponentials))^-2
```

```
## [1] 0.625
```

Comparison

There is only a slight difference between the simulations sample variance and the exponential distribution
theoretical variance.

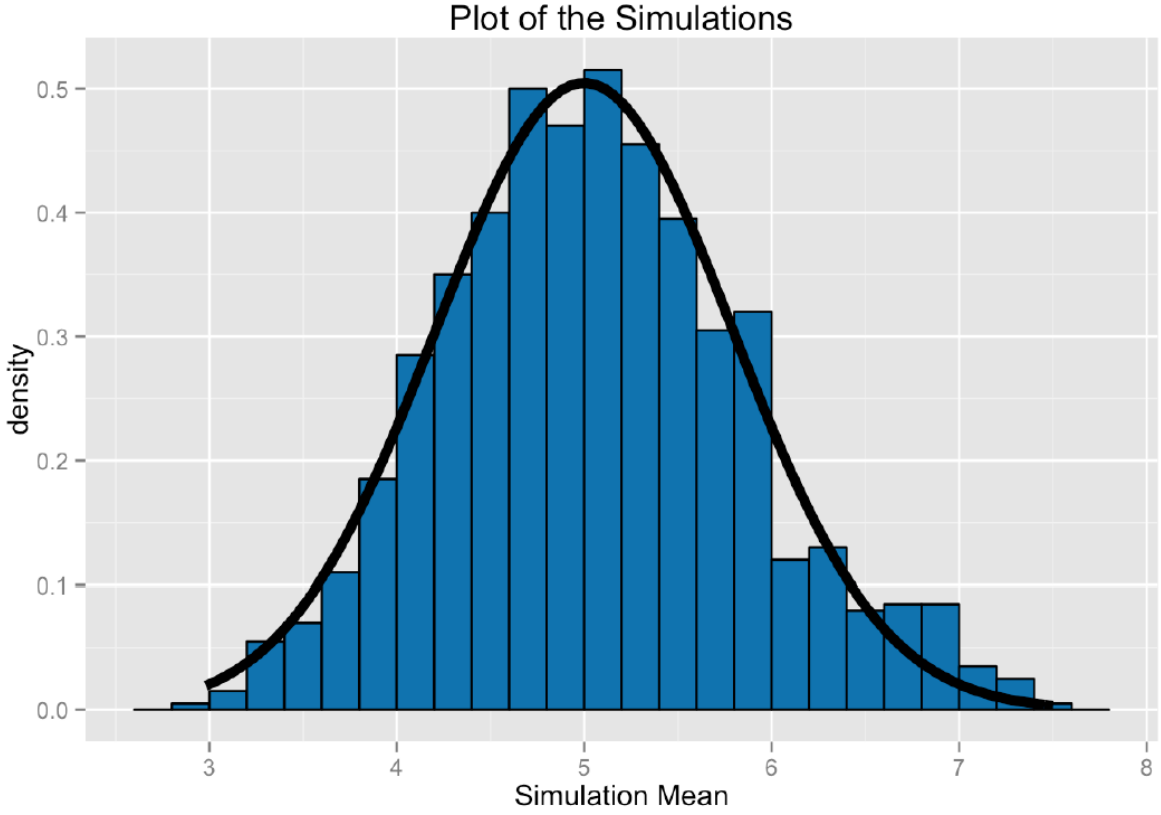
```
abs(var(simMeans)-(lambda * sqrt(exponentials))^-2)
```

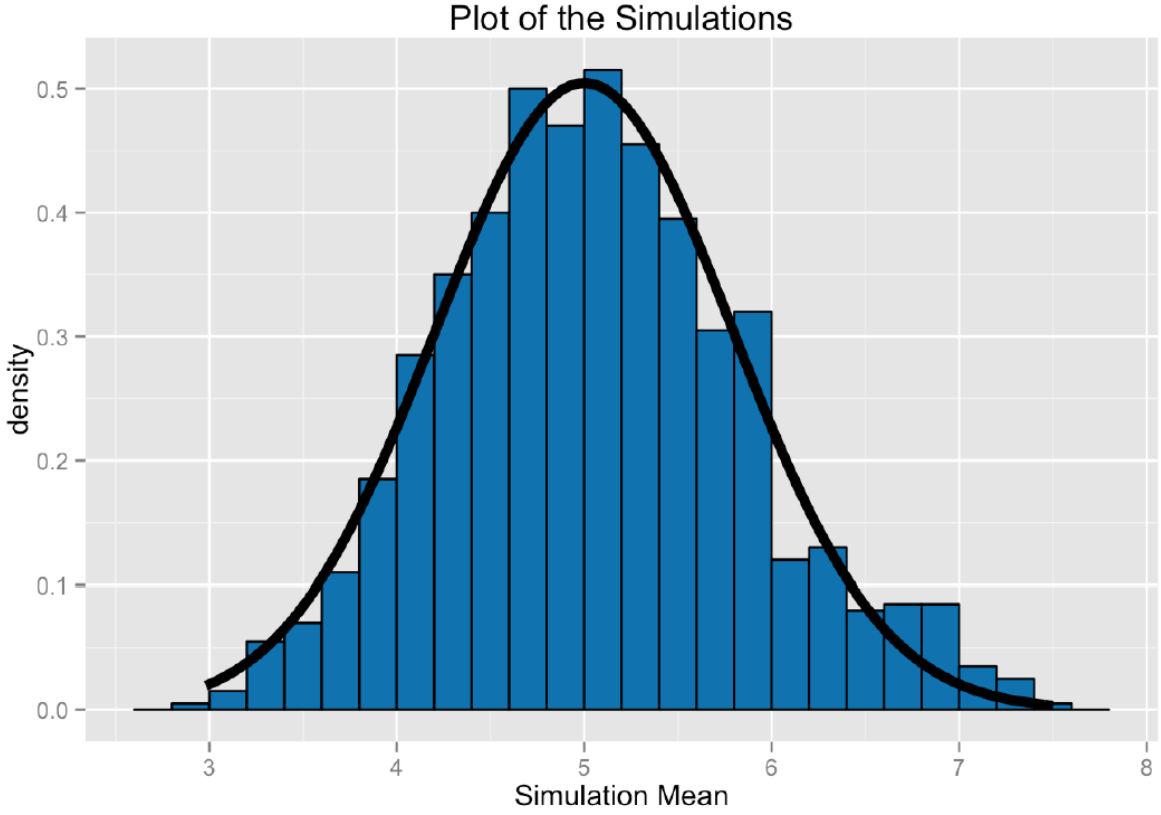
```
## [1] 0.0293703
```

Distribution

This is a density histogram of the 1000 simulations. There is an overlay with a normal distribution that has
a mean of lambda^-1 and standard deviation of (lambda*sqrt(n))^-1, the theoretical normal distribution for
the simulations.

```
library(ggplot2)
ggplot(data.frame(y=simMeans), aes(x=y)) +
geom_histogram(aes(y=..density..), binwidth=0.2, fill="#0072B2",
color="black") +
stat_function(fun=dnorm, arg=list(mean=lambda^-1,
sd=(lambda*sqrt(exponentials))^-1),
size=2) +
labs(title="Plot of the Simulations", x="Simulation Mean")
```


Plot of the Simulations
density
0.5
0.4
0.3
0.2
0.1
0.0
3
4
5
6
7
8
Simulation Mean


Plot of the Simulations
density
0.5
0.4
0.3
0.2
0.1
0.0
3
4
5
6
7
8
Simulation Mean