

DSA 8070 R Session 3: Multivariate Normal Distribution and Copula

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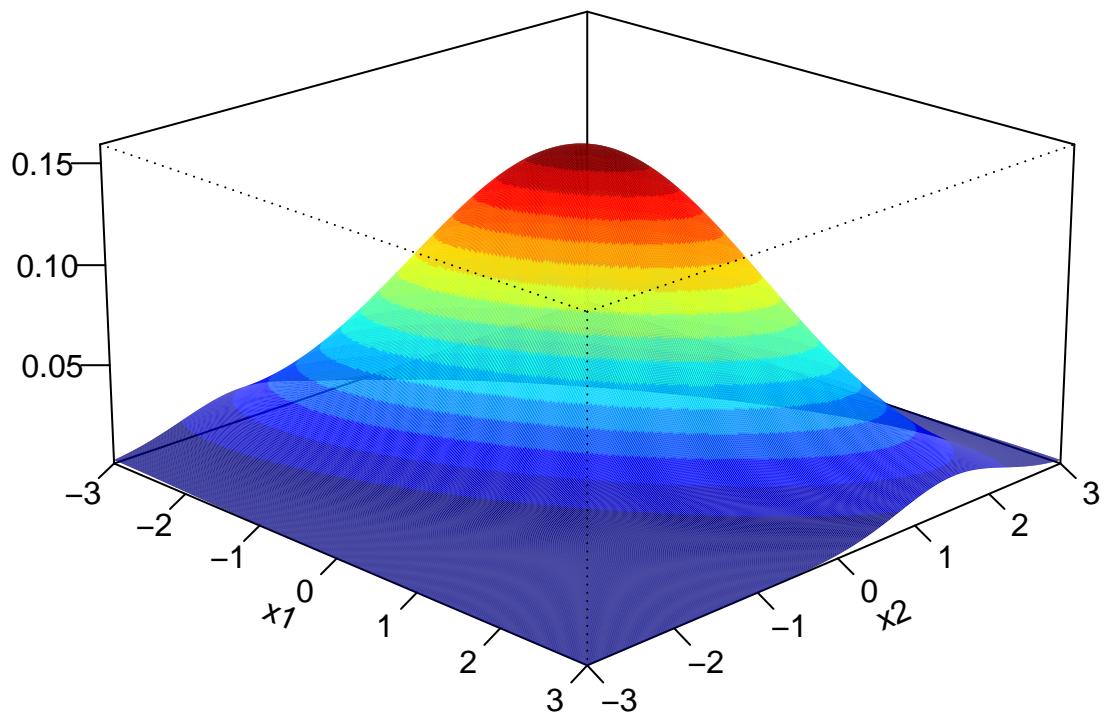
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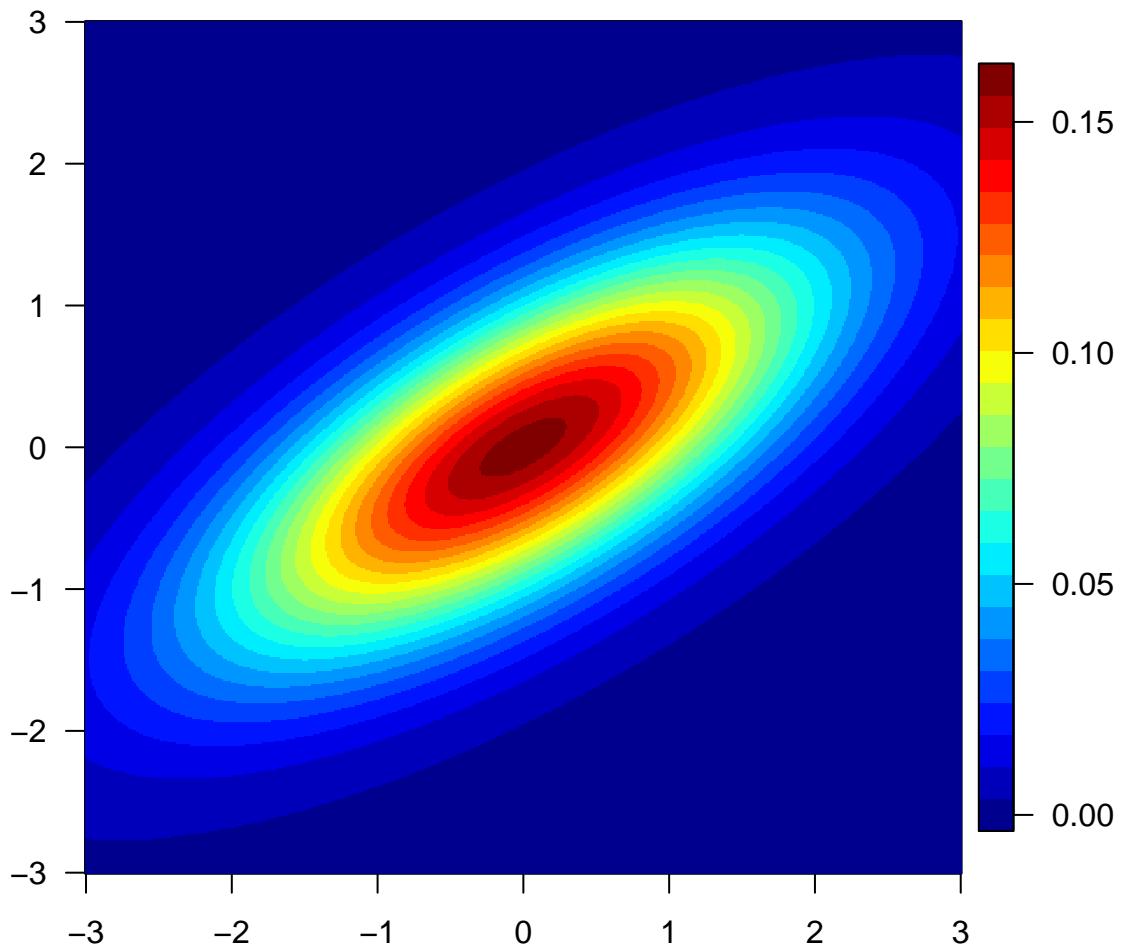
Bivariate normal density

```
## parameters
mu1 <- mu2 <- 0
sigma11 <- 2 #variance of X1
sigma22 <- 1 #variance of X2
sigma12 <- 1 #covariance of X1 and X2
Sigma <- matrix(c(sigma11, sigma12, sigma12, sigma22), 2)
# get the grids for plotting
x1 <- seq(mu1 - 3, mu1 + 3, length = 500)
x2 <- seq(mu2 - 3, mu2 + 3, length = 500)
library(mvtnorm)
grids <- expand.grid(x1, x2)
out <- array(dmvnorm(grids, c(mu1, mu2), Sigma), dim = c(500, 500))

par(mar = c(1, 2, 0.8, 0.6))
library(GA)
persp3D(x1, x2, out, theta = 45, phi = 20, expand = 0.5, zlab = "")
```



```
par(mar = c(2, 2, 0.8, 0.6), mgp = c(2, 1, 0))
library(fields)
image.plot(x1, x2, out, las = 1, col = tim.colors(24))
```

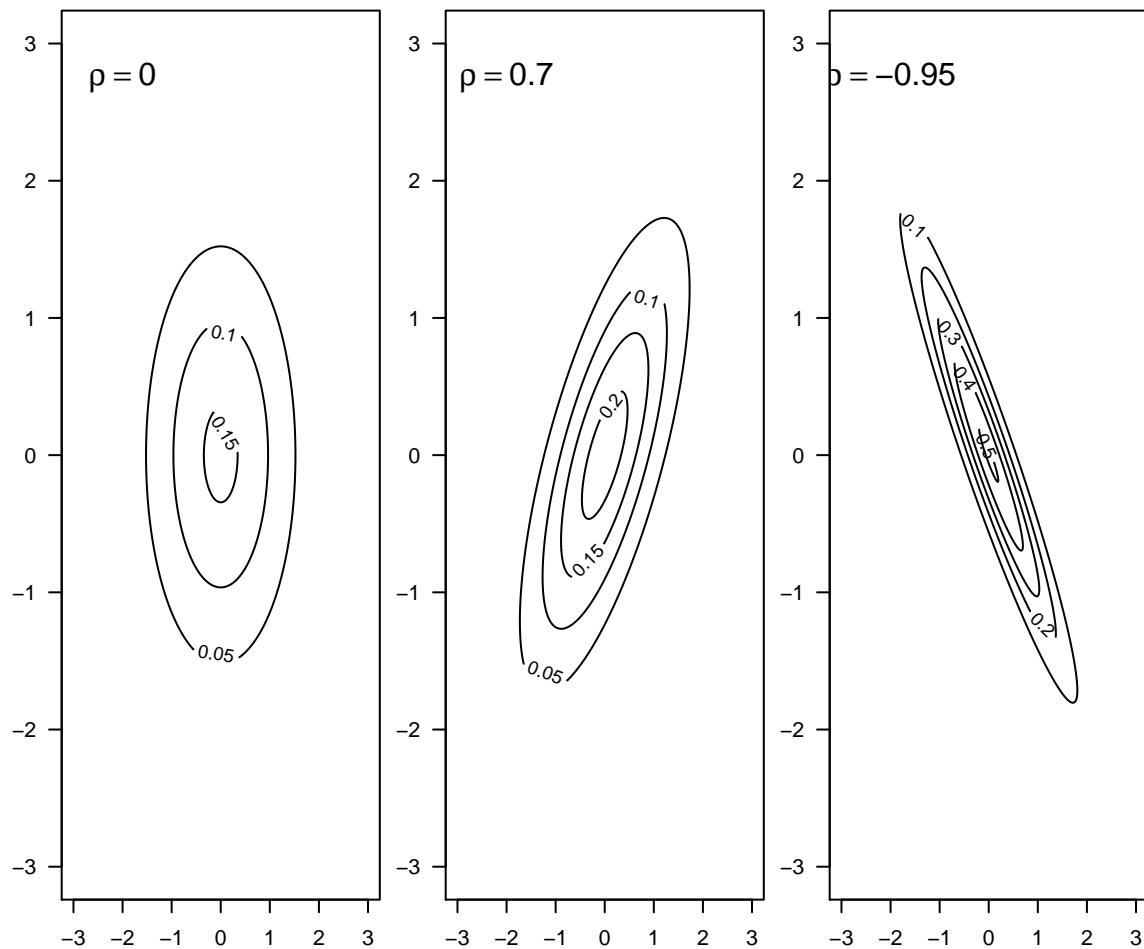


Bivariate normal with different ρ

```

par(mfrow = c(1, 3), mar = c(2, 2, 0.8, 0.6))
mu <- c(0, 0)
rho <- c(0, 0.7, -0.95)
for (i in 1:3){
  Sigma <- matrix(c(1, rho[i], rho[i], 1), 2)
  f <- array(dmvnorm(grids, mu, Sigma), dim = c(500, 500))
  contour(x1, x2, f, las = 1, nlevels = 4)
  text(-2, 2.75, bquote(rho == .(rho[i])), cex = 1.5)
}

```

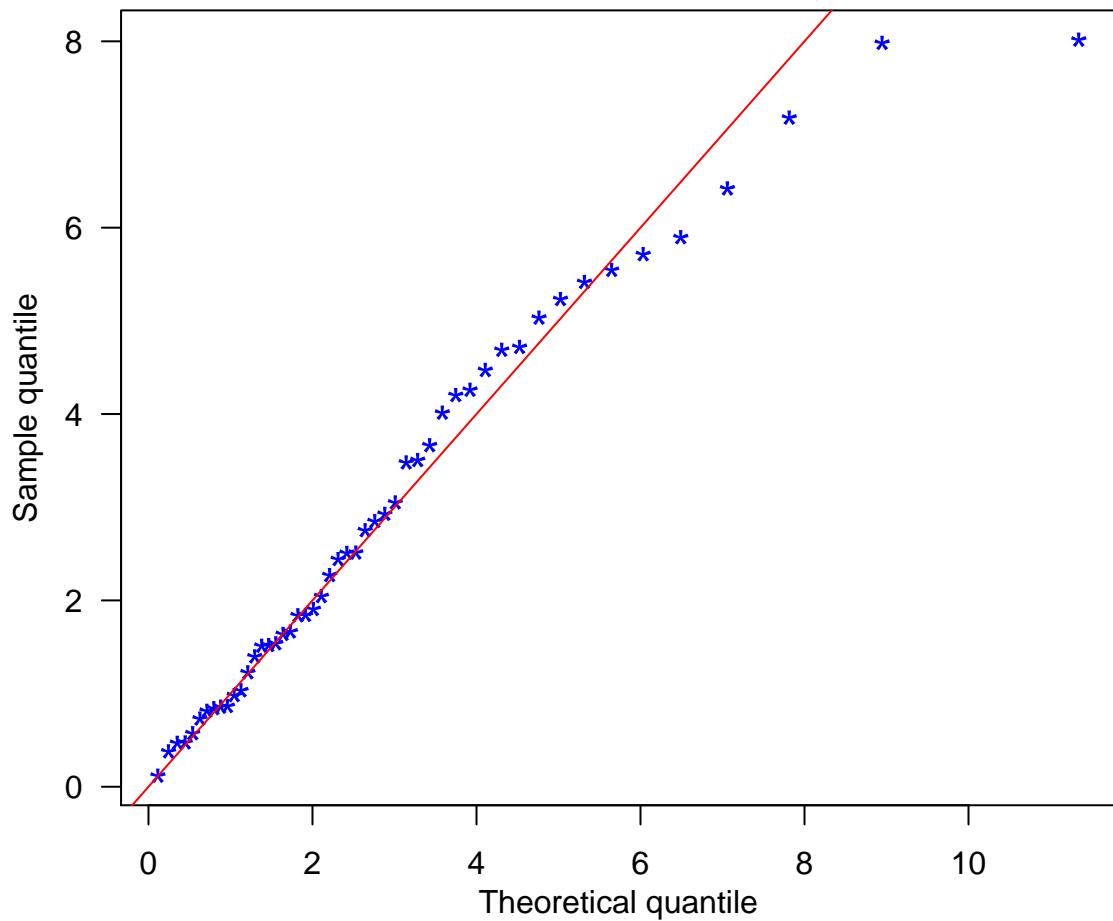


Multivariate normal QQplot

```

versicolor <- iris[51:100, 1:3]
mu <- apply(versicolor, 2, mean)
Sigma <- cov(versicolor)
# empirical quantiles
d.square <- apply(versicolor, 1, function(x) t(x - mu) %*% solve(Sigma) %*% (x - mu))
# sample size
n <- dim(versicolor)[1]
# theoretical quantiles under MVN
chiquant <- qchisq((1:n - 0.5) / n, 3)
# QQ plot
par(las = 1, mgp = c(2, 1, 0), mar = c(3.5, 3.5, 0.8, 0.6))
plot(chiquant, sort(d.square), pch = "*", col = "blue",
     xlab = "Theoretical quantile", ylab = "Sample quantile", cex = 1.6)
abline(0, 1, col = "red")

```



Probability contour

```

mu <- c(10, 5)
Sigma <- matrix(c(64, 16, 16, 9), 2)
xg <- seq(mu[1] - 3 * 8, mu[1] + 3 * 8, len = 500)
yg <- seq(mu[2] - 3 * 3, mu[2] + 3 * 3, len = 500)
grids <- expand.grid(xg, yg)
f <- array(dmvnorm(grids, mu, Sigma), dim = c(500, 500))

spetralDecomp <- eigen(Sigma)
lambda1 <- spetralDecomp$values[1]
lambda2 <- spetralDecomp$values[2]
e1 <- spetralDecomp$vectors[, 1]
e2 <- spetralDecomp$vectors[, 2]
c <- sqrt(qchisq(0.95, 2))
library(ellipse)

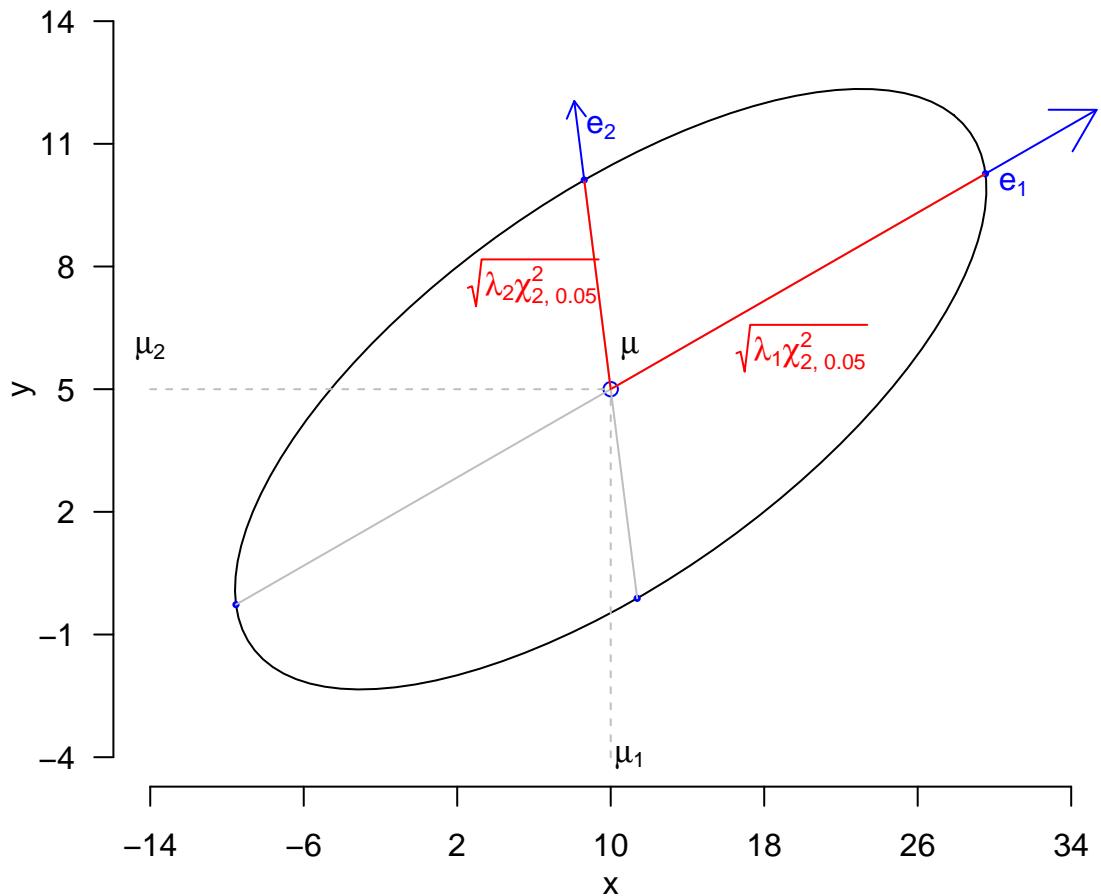
##
## Attaching package: 'ellipse'
## The following object is masked from 'package:graphics':
##      pairs

```

```

par(las = 1, mgp = c(2, 1, 0), mar = c(3.5, 3.5, 0.8, 0.6))
plot(ellipse(2 / 3, scale = sqrt(diag(Sigma)), centre = mu), type = 'l',
      xlim = range(xg), ylim = range(yg), las = 1, bty = "n", yaxt = "n", xaxt = "n")
points(mu[1], mu[2], col = "blue")
axis(1, at = seq(-14, 34, 8)); axis(2, at = seq(-4, 14, 3))
majorX <- c * sqrt(lambda1) * abs(e1[1])
majorY <- c * sqrt(lambda1) * abs(e1[2])
minorX <- c * sqrt(lambda2) * -e2[1]
minorY <- c * sqrt(lambda2) * abs(e2[2])
points(mu[1] + majorX, mu[2] + majorY, pch = 16, cex = 0.5, col = "blue")
points(mu[1] - majorX, mu[2] - majorY, pch = 16, cex = 0.5, col = "blue")
points(mu[1] + minorX, mu[2] + minorY, pch = 16, cex = 0.5, col = "blue")
points(mu[1] - minorX, mu[2] - minorY, pch = 16, cex = 0.5, col = "blue")
segments(mu[1] + majorX, mu[2] + majorY,
         mu[1] - majorX, mu[2] - majorY, col = "gray")
segments(mu[1], mu[2], mu[1] + majorX, mu[2] + majorY, col = "red")
text(20, 6, expression(sqrt(lambda[1]*chi["2, 0.05"]^2)), col = "red")
segments(mu[1] + minorX, mu[2] + minorY,
         mu[1] - minorX, mu[2] - minorY, col = "gray")
segments(mu[1], mu[2], mu[1] + minorX, mu[2] + minorY, col = "red")
text(6, 7.6, expression(sqrt(lambda[2]*chi["2, 0.05"]^2)), col = "red")
arrows(mu[1] + majorX, mu[2] + majorY,
       mu[1] + majorX + (-6) * e1[1], mu[2] + majorY + (-6) * e1[2],
       col = "blue")
arrows(mu[1] + minorX, mu[2] + minorY, mu[1] + minorX + (-2) * e2[1],
       mu[2] + minorY + (-2) * e2[2], length = 0.1, col = "blue")
segments(10, -4, 10, 5, col = "gray", lty = 2)
text(11, -4, expression(mu["1"]))
segments(-14, 5, 10, 5, col = "gray", lty = 2)
text(-14, 6, expression(mu["2"]))
text(11, 6, expression(bolditalic(mu)))
text(31, 10, expression(e["1"]), col = "blue")
text(9.5, 11.4, expression(e["2"]), col = "blue")

```



Wechsler Adult Intelligence Scale Example

```

data <- read.table("wechsler.txt")
(mu <- apply(data[, -1], 2, mean))

##          V2          V3          V4          V5
## 12.567568  9.567568 11.486486  7.972973

(Sigma <- cov(data[, -1]))

##          V2          V3          V4          V5
## V2 11.474474  9.0855856  6.382883  2.0713213
## V3  9.085586 12.0855856  5.938438  0.5435435
## V4   6.382883  5.9384384 11.090090  1.7912913
## V5   2.071321  0.5435435  1.791291  3.6936937

out <- eigen(Sigma)
out$values

## [1] 26.245278  6.255366  3.931553  1.911647
out$vectors

##          [,1]          [,2]          [,3]          [,4]
## [1,] -0.6057467  0.2176473  0.4605028  0.61125912
## [2,] -0.6047618  0.4958117 -0.3196759 -0.53501516

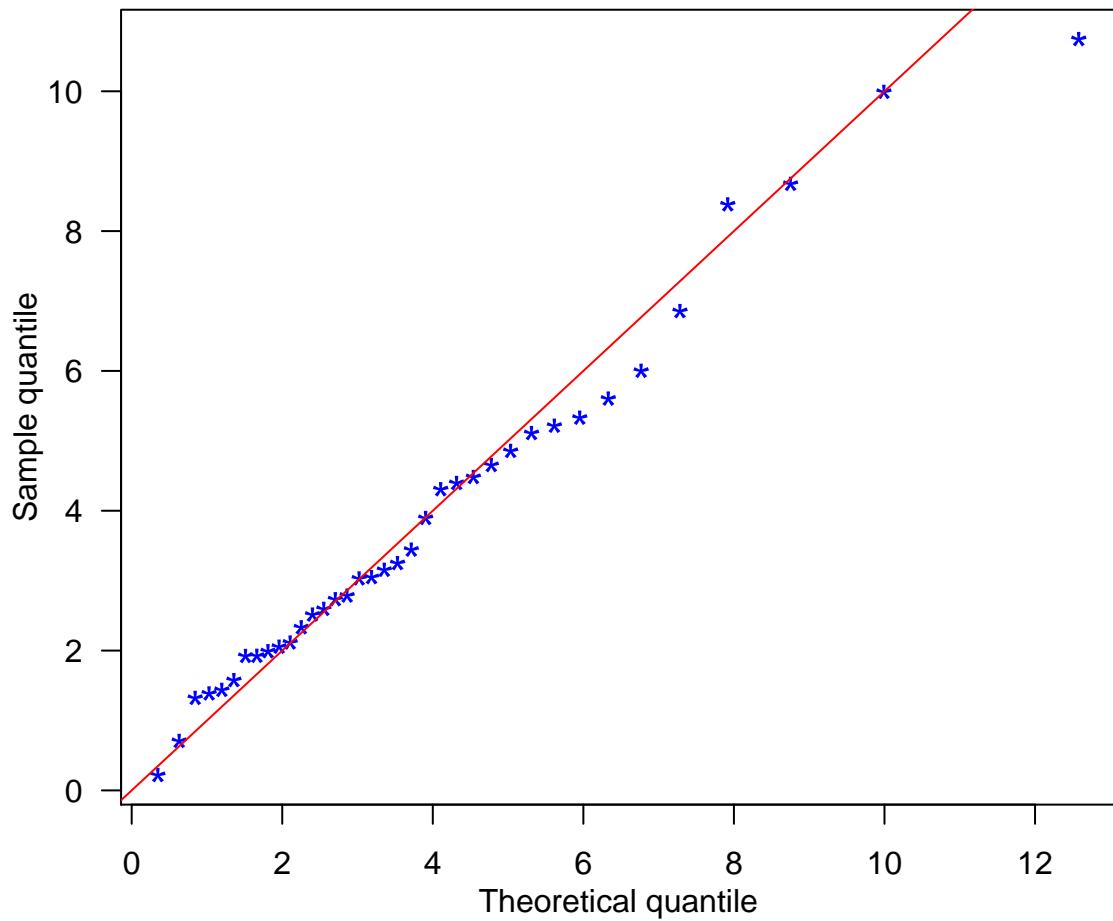
```

```

## [3,] -0.5051337 -0.7946452 -0.3349263  0.03468877
## [4,] -0.1103360 -0.2744802  0.7573433 -0.58216643

d.square <- apply(data[, -1], 1, function(x) t(x - mu) %*% solve(Sigma) %*% (x - mu))
n <- dim(data)[1]; p <- dim(data[, -1])[2]
chiquant <- qchisq((1:n - 0.5) / n, p)
par(las = 1, mgp = c(2, 1, 0), mar = c(3.5, 3.5, 0.8, 0.6))
plot(chiquant, sort(d.square), pch = "*", col = "blue",
     xlab = "Theoretical quantile", ylab = "Sample quantile", cex = 1.6)
abline(0, 1, col = "red")

```



An Illustration of a Gaussian Copula

```

mu <- c(0, 0)
Sigma <- matrix(c(1, 0.7, 0.7, 1), 2)
library(MASS)
normal <- mvrnorm(n = 100, mu, Sigma)

par(las = 1, mgp = c(2, 1, 0), mfrow = c(2, 2),
    mar = c(2, 2.4, 0.8, 0.6))
plot(normal, pch = 16, col = "blue", cex = 0.8,
     xlab = "", ylab = "")
grid()
U <- apply(normal, 2, pnorm)

```

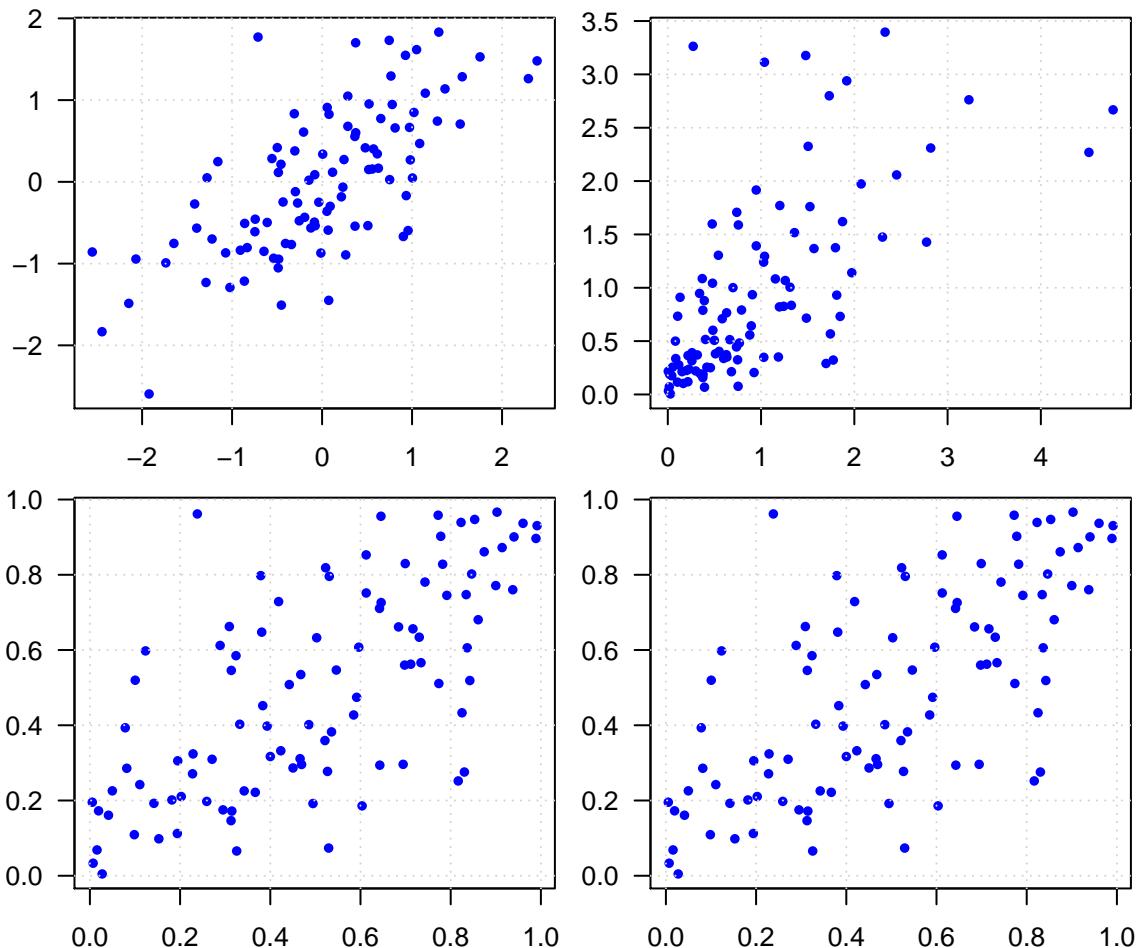
```

plot(qexp(U[, 1]), qexp(U[, 2]), pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

plot(U[, 1], U[, 2], pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

plot(U[, 1], U[, 2], pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

```



More Examples

```

library(VineCopula)
par(las = 1, mgp = c(2, 1, 0), mfrow = c(2, 3),
    mar = c(2, 2.4, 0.8, 0.6))
case1 <- cbind(rnorm(1000), rnorm(1000))
plot(case1, pch = 16, col = "blue", cex = 0.8, xlab = "", ylab = "")
grid()

GumCop <- BiCop(family = 4, par = 3); UGum <- BiCopSim(1000, GumCop)

```

```

plot(qnorm(UGum[, 1]), qnorm(UGum[, 2]), pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

ClayCop <- BiCop(family = 3, par = 0.95); UClay <- BiCopSim(1000, ClayCop)

plot(qbeta(UClay[, 1], 5, 2), qlnorm(UClay[, 2]), pch = 16, col = "blue",
      cex = 0.8, xlab = "", ylab = "")
grid()

U <- apply(case1, 2, pnorm)

plot(U[, 1], U[, 2], pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

plot(UGum[, 1], UGum[, 2], pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

plot(UClay[, 1], UClay[, 2], pch = 16, col = "blue", cex = 0.8,
      xlab = "", ylab = "")
grid()

```

