your_image_file.png

Figure 1: Implied prior R^2 for an AR model with 12 lags. Top plot shows the prior R^2 induced by the ARR2 prior (blue) with our suggested hyperparameters for the Minnesota-type prior (yellow), independent Gaussian priors (green), and the regularised horseshoe prior (purple). Bottom plots show the prior means of the relative contributions to the R^2 of the regression coefficients. Different hyperparameter settings for the ARR2 are shown: flat (blue), Minnesota-type (red), Bump (light blue).