STAT 801=830
Normal Samples

Richard Lockhart

Simon Fraser University

STAT 801=830 — Fall 2012

What I assume you already know

- The basics of normal distributions in 1 dimension.
- The t statistic and its distribution.
- The χ^2 distribution.

Normal samples: Distribution Theory

[redacted]

Suppose $X_1, \ldots, X_n$ are independent $N(\mu, \sigma^2)$ random variables. Then

1. *$\bar{X}$ (sample mean) and s^2 (sample variance) independent.*
2. *$n^{1/2}(\bar{X} - \mu)/\sigma \sim N(0, 1)$.*
3. *$(n-1)s^2/\sigma^2 \sim \chi^2_{n-1}$.*
4. *$n^{1/2}(\bar{X} - \mu)/s \sim t_{n-1}$.*

Proof

- Let $Z_i = (X_i - \mu)/\sigma$.
- Then $Z_1, \ldots, Z_p$ are independent $N(0,1)$.
- So $Z = (Z_1, \ldots, Z_p)^t$ is multivariate standard normal.
- Note that $\bar{X} = \sigma\bar{Z} + \mu$ and $s^2 = \sum(X_i - \bar{X})^2/(n-1) = \sigma^2 \sum(Z_i - \bar{Z})^2/(n-1)$
- Thus
$$\frac{n^{1/2}(\bar{X} - \mu)}{\sigma} = n^{1/2}\bar{Z}$$
$$\frac{(n-1)s^2}{\sigma^2} = \sum(Z_i - \bar{Z})^2$$
and
$$T = \frac{n^{1/2}(\bar{X} - \mu)}{s} = \frac{n^{1/2}\bar{Z}}{s_Z}$$
where $(n-1)s_Z^2 = \sum(Z_i - \bar{Z})^2$.
- So: reduced to $\mu = 0$ and $\sigma = 1$.

Proof Continued

- **Step 1**: Define

$$Y = (\sqrt{n}\bar{Z}, Z_1 - \bar{Z}, \ldots, Z_{n-1} - \bar{Z})^t\,.$$

- So Y has same dimension as Z. Now

$$Y = \begin{bmatrix} \frac{1}{\sqrt{n}} & \frac{1}{\sqrt{n}} & \cdots & \frac{1}{\sqrt{n}} \\ 1-\frac{1}{n} & -\frac{1}{n} & \cdots & -\frac{1}{n} \\ -\frac{1}{n} & 1-\frac{1}{n} & \cdots & -\frac{1}{n} \\ \vdots & \vdots & \vdots & \vdots \end{bmatrix} \begin{bmatrix} Z_1 \\ Z_2 \\ \vdots \\ Z_n \end{bmatrix}$$

  or letting M denote the matrix $Y = MZ$.

- It follows that $Y \sim MVN(0, MM^t)$ so we need to compute MM^t:

$$MM^t = \left[\begin{array}{c|cccc} 1 & 0 & 0 & \cdots & 0 \\ \hline 0 & 1-\frac{1}{n} & -\frac{1}{n} & \cdots & -\frac{1}{n} \\ \vdots & -\frac{1}{n} & \ddots & \cdots & -\frac{1}{n} \\ 0 & \vdots & \cdots & & 1-\frac{1}{n} \end{array}\right] = \left[\begin{array}{c|c} 1 & 0 \\ \hline 0 & Q \end{array}\right].$$

Proof Continued

- Solve for Z from Y: $Z_i = n^{-1/2} Y_1 + Y_{i+1}$ for $1 \le i \le n-1$.
- Use the identity $\sum_{i=1}^n (Z_i - \bar{Z}) = 0$ to get $Z_n = -\sum_{i=2}^n Y_i + n^{-1/2} Y_1$.
- So M invertible:

$$\Sigma^{-1} \equiv (MM^t)^{-1} = \left[\begin{array}{c|c} 1 & 0 \\ \hline 0 & Q^{-1} \end{array}\right] .$$

- Use change of variables to find f_Y. Let $\mathbf{y}_2$ denote vector whose entries are $y_2, \ldots, y_n$. Note that

$$y^t \Sigma^{-1} y = y_1^2 + \mathbf{y}_2^t Q^{-1} \mathbf{y}_2 .$$

- Then

$$f_Y(y) = \frac{\exp[-y^t \Sigma^{-1} y/2]}{(2\pi)^{n/2} |\det M|} = \frac{e^{-y_1^2/2}}{\sqrt{2\pi}} \frac{\exp[-\mathbf{y}_2^t Q^{-1} \mathbf{y}_2/2]}{(2\pi)^{(n-1)/2} |\det M|} .$$

Proof Continued

- Note: f_Y is ftn of y_1 times a ftn of $y_2, \ldots, y_n$.
- Thus $\sqrt{n}\bar{Z}$ is independent of $Z_1 - \bar{Z}, \ldots, Z_{n-1} - \bar{Z}$.
- Since s_Z^2 is a function of $Z_1 - \bar{Z}, \ldots, Z_{n-1} - \bar{Z}$ we see that $\sqrt{n}\bar{Z}$ and s_Z^2 are independent.
- Also, density of Y_1 is a multiple of the function of y_1 in the factorization above.
- But factor is standard normal density so $\sqrt{n}\bar{Z} \sim N(0,1)$.
- First 2 parts done. Third part is a homework exercise.

Chi-square density $n = 3$

- Suppose $Z_1, \ldots, Z_n$ are independent $N(0,1)$.
- Define χ^2_n distribution to be that of $U = Z_1^2 + \cdots + Z_n^2$.
- Define angles θ_1, θ_2 by

$$\begin{aligned} Z_1 &= U^{1/2}\cos\theta_1 \\ Z_2 &= U^{1/2}\sin\theta_1\cos\theta_2 \\ Z_3 &= U^{1/2}\sin\theta_1\sin\theta_2 \end{aligned}$$

- These are spherical co-ordinates in 3 dimensions.
- The θ_1 values run from 0 to π
- θ_2 runs from 0 to 2π.
- Derivative formulas:

$$\frac{\partial Z_i}{\partial U} = \frac{1}{2U} Z_i$$

Chi-squared continued

- Use shorthand $R = \sqrt{U}$
- Matrix of partial derivatives is

$$\begin{bmatrix} \frac{\cos\theta_1}{2R} & -R\sin\theta_1 & 0 \\ \frac{\sin\theta_1\cos\theta_2}{2R} & R\cos\theta_1\cos\theta_2 & -R\sin\theta_1\sin\theta_2 \\ \frac{\sin\theta_1\sin\theta_2}{2R} & R\cos\theta_1\sin\theta_2 & R\sin\theta_1\cos\theta_2 \end{bmatrix}.$$

- Find determinant by adding $2U^{1/2}\cos\theta_j/\sin\theta_j$ times col 1 to col $j+1$ (no change in determinant).
- Resulting matrix lower triangular; diagonal entries:

$$\frac{\cos\theta_1}{R}, \frac{R\cos\theta_2}{\cos\theta_1}, \frac{R\sin\theta_1}{\cos\theta_2}$$

- Multiply these together to get

$$U^{1/2}\sin(\theta_1)/2$$

(non-negative for all U and θ_1).

Chi-squared density

- Thus joint density of U, θ_1, θ_2 is

$$(2\pi)^{-3/2} \exp(-u/2) u^{1/2} \sin(\theta_1)/2\,.$$

- To compute density of U do 2 dimensional integral $d\theta_2 d\theta_1$.
- General case replaces $\sin(\theta_1)$ and has $u^{(n-2)/2}$ not $u^{1/2}$.
- Factorization shows density of U has, for some c, the form

$$cu^{(n-2)/2} \exp(-u/2).$$

- Evaluate c by making

$$\int f_U(u)du = c \int_0^\infty u^{(n-2)/2} \exp(-u/2) du = 1.$$

- CONCLUSION: the χ^2_n density is

$$\frac{1}{2\Gamma(n/2)} \left(\frac{u}{2}\right)^{(n-2)/2} e^{-u/2} 1(u > 0)\,.$$

End of Proof

- Fourth part: consequence of first 3 parts and def'n of t_ν distribution.
  Def'n: $T \sim t_\nu$ if T has same distribution as

$$Z/\sqrt{U/\nu}$$

  for $Z \sim N(0,1)$, $U \sim \chi^2_\nu$ and Z, U independent.
- Derive density of T in this definition:

$$\begin{aligned} P(T \le t) &= P(Z \le t\sqrt{U/\nu}) \\ &= \int_0^\infty \int_{-\infty}^{t\sqrt{u/\nu}} f_Z(z) f_U(u) dz du \end{aligned}$$

- Differentiate wrt t by differentiating inner integral:

$$\frac{\partial}{\partial t} \int_{at}^{bt} f(x) dx = bf(bt) - af(at)$$

  by fundamental thm of calculus.

Student's t continued

- Hence

$$\frac{d}{dt}P(T \le t) = \int_0^\infty \frac{f_U(u)}{\sqrt{2\pi}} \left(\frac{u}{\nu}\right)^{1/2} \exp\left(-\frac{t^2 u}{2\nu}\right) du \,.$$

- Plug in

$$f_U(u) = \frac{1}{2\Gamma(\nu/2)}(u/2)^{(\nu-2)/2} e^{-u/2}$$

to get

$$f_T(t) = \frac{\int_0^\infty (u/2)^{(\nu-1)/2} e^{-u(1+t^2/\nu)/2} du}{2\sqrt{\pi\nu}\Gamma(\nu/2)} \,.$$

Student's t continued

- Substitute $y = u(1 + t^2/\nu)/2$, to get

$$dy = (1 + t^2/\nu)du/2$$

and

$$(u/2)^{(\nu-1)/2} = [y/(1 + t^2/\nu)]^{(\nu-1)/2}$$

leading to

$$f_T(t) = \frac{(1 + t^2/\nu)^{-(\nu+1)/2}}{\sqrt{\pi\nu}\Gamma(\nu/2)} \int_0^\infty y^{(\nu-1)/2} e^{-y} dy$$

- The last term is just $\Gamma((\nu + 1)/2)$ so

$$f_T(t) = \frac{\Gamma((\nu + 1)/2)}{\sqrt{\pi\nu}\Gamma(\nu/2)} \frac{1}{(1 + t^2/\nu)^{(\nu+1)/2}} .$$