

Contents

List of Contributors	xix
The Smooth Complex Logarithm and Quasi-Periodic Models	1
Paul H. C. Eilers	
1 Foreword	1
2 Introduction	1
3 Data and Models	2
3.1 The Basic Model	3
3.2 Splines and Penalties	3
3.3 Starting Values	7
3.4 Simple Trend Correction and Prior Transformation	8
3.5 A Complex Signal	8
3.6 Non-normal Data and Cascaded Links	10
3.7 Adding Harmonics	11
4 More to Explore	12
5 Discussion	15
References	17
P-spline Varying Coefficient Models for Complex Data	19
Brian D. Marx	
1 Introduction	19
2 “Large Scale” VCM, without Backfitting	22
3 Notation and Snapshot of a Smoothing Tool: B-splines	24
3.1 General Knot Placement	25
3.2 Smoothing the KTB Data	25
4 Using B-splines for Varying Coefficient Models	26
5 P-spline Snapshot: Equally-Spaced Knots & Penalization	28
5.1 P-splines for Additive VCMs	30
5.2 Standard Error Bands	30
6 Optimally Tuning P-splines	31
7 More KTB Results	33
8 Extending P-VCM into the Generalized Linear Model	33
9 Two-dimensional Varying Coefficient Models	36

9.1	Mechanics of 2D-VCM through Example	37
9.2	VCMs and Penalties as Arrays.....	39
9.3	Efficient Computation Using Array Regression	40
10	Discussion Toward More Complex VCMs.....	41
	References	42
	Penalized Splines, Mixed Models and Bayesian Ideas.....	45
	Göran Kauermann	
1	Introduction	45
2	Notation and Penalized Splines as Linear Mixed Models	46
3	Classification with Mixed Models	48
4	Variable Selection with Simple Priors	50
4.1	Marginal Akaike Information Criterion	50
4.2	Comparison in Linear Models	53
4.3	Simulation	55
5	Discussion and Extensions.....	56
	References	57
	Bayesian Linear Regression — Different Conjugate Models and Their (In)Sensitivity to Prior-Data Conflict	59
	Gero Walter and Thomas Augustin	
1	Introduction	59
2	Prior-data Conflict in the i.i.d. Case	62
3	The Standard Approach for Bayesian Linear Regression (SCP) ...	64
3.1	Update of $\beta \mid \sigma^2$	65
3.2	Update of σ^2	66
3.3	Update of β	67
4	An Alternative Approach for Conjugate Priors in Bayesian Linear Regression (CCCP)	68
4.1	Update of $\beta \mid \sigma^2$	71
4.2	Update of σ^2	71
4.3	Update of β	75
5	Discussion and Outlook	76
	References	77
	An Efficient Model Averaging Procedure for Logistic Regression Models Using a Bayesian Estimator with Laplace Prior	79
	Christian Heumann and Moritz Grenke	
1	Introduction	79
2	Model Averaging	80
2.1	Orthogonalization	81
2.2	Unrestricted Maximum Likelihood Estimation	82
2.3	Restricted Approximate Maximum Likelihood Estimation	83
2.4	Model Averaging	84
2.5	Algorithm	86
3	Simulation Study	86

4	Conclusion and Outlook.....	88
	References	89

Posterior and Cross-validatory Predictive Checks: A Comparison of MCMC and INLA

Leonhard Held, Birgit Schrödle and Håvard Rue

1	Introduction	91
2	The INLA Approach	92
	2.1 Parameter Estimation with INLA	92
	2.2 Posterior Predictive Model Checks with INLA	94
	2.3 Leave-one-out Cross-validation with INLA	95
3	Predictive Model Checks with MCMC	96
	3.1 Posterior Predictive Model Checks with MCMC.....	97
	3.2 Leave-one-out Cross-validation with MCMC	97
	3.3 Approximate Cross-validation with MCMC	98
4	Application	99
	4.1 A Comparison of Posterior Predictive Model Checks	101
	4.2 A Comparison of Leave-one-out Cross-validated Predictive Checks	103
	4.3 A Comparison of Approximate Cross-validation with Posterior and Leave-one-out Predictive Checks using MCMC	106
5	Discussion	107
	References	109

Data Augmentation and MCMC for Binary and Multinomial Logit Models

Sylvia Frühwirth-Schnatter and Rudolf Frühwirth

1	Introduction	111
2	MCMC Estimation Based on Data Augmentation for Binary Logit Regression Models	113
	2.1 Writing the Logit Model as a Random Utility Model	113
	2.2 Data Augmentation Based on the Random Utility Model .	114
	2.3 Two New Samplers Based on the dRUM Representation .	116
	2.4 Finite Mixture Approximations to the Logistic Distribution	118
3	MCMC Estimation Based on Data Augmentation for the Multinomial Logit Regression Model	120
	3.1 Data Augmentation in the RUM	121
	3.2 Data Augmentation in the dRUM	121
4	MCMC Sampling without Data Augmentation	123
5	Comparison of the Various MCMC Algorithms	125
6	Concluding Remarks	130
	References	131

Generalized Semiparametric Regression with Covariates Measured with Error	133
Thomas Kneib, Andreas Brezger and Ciprian M. Crainiceanu	
1 Introduction	133
2 Semiparametric Regression Models with Measurement Error	135
2.1 Observation Model	135
2.2 Measurement Error Model	136
2.3 Prior Distributions	136
3 Bayesian Inference	139
3.1 Posterior & Full Conditionals	139
3.2 Implementational Details & Software	141
4 Simulations	143
4.1 Simulation Setup	143
4.2 Simulation Results	144
5 Incident Heart Failure in the ARIC Study	150
6 Summary	153
References	153
 Determinants of the Socioeconomic and Spatial Pattern of Undernutrition by Sex in India: A Geoadditive Semi-parametric Regression Approach ..	155
Christiane Belitz, Judith Hübner, Stephan Klasen and Stefan Lang	
1 Introduction	155
2 The Data	158
3 Measurement and Determinants of Undernutrition	160
3.1 Measurement	160
3.2 Determinants of Undernutrition	161
4 Variables Included in the Regression Model	162
5 Statistical Methodology - Semiparametric Regression Analysis ..	167
6 Results	170
7 Conclusion	177
References	178
 Boosting for Estimating Spatially Structured Additive Models	181
Nikolay Robinsonov and Torsten Hothorn	
1 Introduction	181
2 Methods	183
2.1 Spatio-Temporal Structured Additive Models	183
2.2 Tree Based Learners	187
2.3 Generalized Additive Model	188
3 Results	189
3.1 Model Illustrations	189
3.2 Model Comparison	193
4 Discussion	194
References	195

Generalized Linear Mixed Models Based on Boosting	197
Gerhard Tutz and Andreas Groll	
1 Introduction	197
2 Generalized Linear Mixed Models - GLMM	198
3 Boosted Generalized Linear Mixed Models - bGLMM	200
3.1 The Boosting Algorithm	200
3.2 Computational Details of bGLMM	202
3.3 Simulation Study	207
4 Application to CD4 Data	212
5 Concluding Remarks	214
References	214
Measurement and Predictors of a Negative Attitude towards Statistics among LMU Students	217
Carolin Strobl, Christian Dittrich, Christian Seiler, Sandra Hackensperger and Friedrich Leisch	
1 Introduction	217
2 Method	219
2.1 Participants	219
2.2 Procedure and Instrument	220
2.3 Software	221
3 Results	221
3.1 Item Analysis for SATS Scales	221
3.2 Negative Attitude Indicator	223
3.3 Predictors of a Negative Attitude towards Statistics	224
4 Discussion and Conclusion	227
References	229
Graphical Chain Models and their Application	231
Iris Pigeot, Stephan Klasen and Ronja Foraita	
1 Introduction	231
2 Graphical Chain Models	233
3 Model Selection	235
4 Data Set	236
4.1 Summary Measures	237
4.2 Dependence Chain	239
5 Results	240
6 Discussion	243
References	244
Indirect Comparison of Interaction Graphs	249
Ulrich Mansmann, Markus Schmidberger, Ralf Strobl and Vindi Jurinovic	
1 Introduction	250
2 Methods	251
2.1 Defining the Test Statistic	251
2.2 A Permutation Test	253

2.3	Hierarchical Testing	253
2.4	Computational Issues	254
3	Example	255
4	Discussion	257
	References	259
Modelling, Estimation and Visualization of Multivariate Dependence for High-frequency Data		267
Erik Brodin and Claudia Klüppelberg		
1	Multivariate Risk Assessment for Extreme Risk	267
2	Measuring Extreme Dependence	270
3	Extreme Dependence Estimation	280
4	High-frequency Financial Data	285
4.1	Cleaning the Data	285
4.2	Deseasonalizing the Data	287
4.3	Filtering the Data	289
4.4	Analyzing the Extreme Dependence	291
4.5	Different Timescales	294
4.6	Dependence Under Filtering	296
5	Conclusion	298
	References	299
Ordinal- and Continuous-Response Stochastic Volatility Models for Price Changes: An Empirical Comparison		301
Claudia Czado, Gernot Müller and Thi-Ngoc-Giau Nguyen		
1	Introduction	301
2	Ordinal- and Continuous-Response Stochastic Volatility Models ..	303
2.1	OSV and SV Model Specification and Interpretation	303
2.2	Bayesian Inference for OSV and SV Models	305
2.3	Model Selection	306
3	Application	308
3.1	Data	308
3.2	OSV Models	310
3.3	SV Models	315
3.4	Comparison Between OSV and SV Models	316
4	Summary and Discussion	319
	References	320
Copula Choice with Factor Credit Portfolio Models		321
Alfred Hamerle and Kilian Plank		
1	Introduction	321
2	Factor Models	323
2.1	Gaussian Single Risk Factor Model	323
2.2	t-Copula Factor Model	323
2.3	Archimedean Copula Factor Models	324
3	The Berkowitz Test	325

3.1	The Test Explained	326
3.2	Discrete PIT	326
4	Simulation Study and Analyses	328
4.1	Default Count Distributions	328
4.2	Power Tests	330
5	Conclusion	335
	References	335
Penalized Estimation for Integer Autoregressive Models		337
Konstantinos Fokianos		
1	Introduction	337
2	Integer Autoregressive Processes and Inference	339
2.1	Integer Autoregressive Processes	339
2.2	Conditional Least Squares Inference	340
3	Penalized Conditional Least Squares Inference	341
4	Examples	343
4.1	Simulations	344
4.2	Data Example	346
5	Discussion	349
	References	350
	Appendix	351
Bayesian Inference for a Periodic Stochastic Volatility Model of Intraday Electricity Prices		353
Michael Stanley Smith		
1	Introduction	353
2	Periodic Autoregressions	355
3	Periodic Stochastic Volatility Model	356
3.1	The Model	356
3.2	Matrix Parameterisations	357
3.3	The Augmented Likelihood	358
3.4	Priors	358
4	Bayesian Posterior Inference	359
4.1	Sampling Scheme	359
4.2	Posterior Inference and Forecasts	360
5	Intraday Electricity Prices	361
5.1	The Australian Electricity Market and Spot Price	361
5.2	Empirical Analysis of NSW Spot Price	365
6	Discussion	368
	References	370
	Appendix	372

Online Change-Point Detection in Categorical Time Series	377
Michael Höhle	
1 Introduction	377
2 Modeling Categorical Time Series	378
2.1 Binomial and Beta-Binomial Data	379
2.2 Nominal Data	380
2.3 Ordinal Data	380
2.4 Paired Comparisons	381
3 Prospective CUSUM Changepoint Detection	382
3.1 Binomial and Beta-Binomial CUSUM	383
3.2 Multinomial CUSUM	384
3.3 Ordinal and Bradley-Terry CUSUM	386
3.4 Run-length of Time Varying Categorical CUSUM	386
4 Applications	388
4.1 Meat Inspection	388
4.2 Agegroups of Varicella Cases	389
4.3 Strength of Bundesliga Teams	392
5 Discussion	394
References	395
Multiple Linear Panel Regression with Multiplicative Random Noise	399
Hans Schneeweiß and Gerd Ronning	
1 Introduction	399
2 The Model	401
3 The Naive Estimator and its Bias	402
4 Corrected Estimator	405
5 Residual Variance and Intercept	407
6 Asymptotic Covariance Matrix	408
7 Simulation	409
8 Conclusion	412
References	413
A Note on Using Multiple Singular Value Decompositions to Cluster Complex Intracellular Calcium Ion Signals	419
Josue G. Martinez, Jianhua Z. Huang and Raymond J. Carroll	
1 Introduction	419
2 Experiment	421
2.1 Treatments	421
2.2 Imaging	422
3 Methods	422
3.1 EigenPixels and EigenSignals	423
3.2 Ca^{2+} Rough Segmentation	423
3.3 Ca^{2+} Final Segmentation	424
3.4 Cell Saturation and the Weighted SVD	425
4 Clustering	427
5 Conclusion	427
References	428

On the self-regularization property of the EM algorithm for Poisson inverse problems 431

Axel Munk and Mihaela Pricop

1	Introduction	431
1.1	The EM algorithm for Poisson inverse problems	431
1.2	Convergence Properties	435
1.3	Self-Regularization	436
1.4	Stopping Rules	436
2	Scaling properties of the EM algorithm	439
3	The effect of the initial guess	443
	References	446

Sequential Design of Computer Experiments for Constrained Optimization 449

Brian J. Williams, Thomas J. Santner, William I. Notz and Jeffrey S. Lehman

1	Introduction	450
2	Modeling	451
3	A Minimization Algorithm	453
3.1	The VIPER Algorithm	454
3.2	Implementation Details	455
4	An Autoregressive Model and Example	458
4.1	A Bivariate Gaussian Stochastic Process Model	458
4.2	An Example with Six Input Variables	459
4.3	Implementation Recommendations	462
4.4	Other Conclusions	465
5	Discussion	466
	References	471