Contents

Preface to the Second Edition *page* xiii
Preface to the First Edition xv

1 Algorithms and Computers **1**
1.1 Introduction 1
1.2 Computers 3
1.3 Software and Computer Languages 5
1.4 Data Structures 8
1.5 Programming Practice 9
1.6 Some Comments on R 10
References 12

2 Computer Arithmetic **13**
2.1 Introduction 13
2.2 Positional Number Systems 14
2.3 Fixed Point Arithmetic 17
2.4 Floating Point Representations 20
2.5 Living with Floating Point Inaccuracies 23
2.6 The Pale and Beyond 28
2.7 Conditioned Problems and Stable Algorithms 32
Programs and Demonstrations 34
Exercises 35
References 38

3 Matrices and Linear Equations **40**
3.1 Introduction 40
3.2 Matrix Operations 41
3.3 Solving Triangular Systems 43
3.4 Gaussian Elimination 44
3.5 Cholesky Decomposition 50
3.6 Matrix Norms 54
3.7 Accuracy and Conditioning 55
3.8 Matrix Computations in R 60
Programs and Demonstrations 61
Exercises 63
References 65

4	**More Methods for Solving Linear Equations**	**67**
	4.1 Introduction	67
	4.2 Full Elimination with Complete Pivoting	67
	4.3 Banded Matrices	71
	4.4 Applications to ARMA Time-Series Models	73
	4.5 Toeplitz Systems	76
	4.6 Sparse Matrices	80
	4.7 Iterative Methods	82
	4.8 Linear Programming	84
	Programs and Demonstrations	87
	Exercises	88
	References	90
5	**Regression Computations**	**91**
	5.1 Introduction	91
	5.2 Condition of the Regression Problem	93
	5.3 Solving the Normal Equations	96
	5.4 Gram–Schmidt Orthogonalization	97
	5.5 Householder Transformations	100
	5.6 Householder Transformations for Least Squares	101
	5.7 Givens Transformations	104
	5.8 Givens Transformations for Least Squares	105
	5.9 Regression Diagnostics	107
	5.10 Hypothesis Tests	110
	5.11 Conjugate Gradient Methods	112
	5.12 Doolittle, the Sweep, and All Possible Regressions	115
	5.13 Alternatives to Least Squares	118
	5.14 Comments	120
	Programs and Demonstrations	122
	Exercises	122
	References	125
6	**Eigenproblems**	**128**
	6.1 Introduction	128
	6.2 Theory	128
	6.3 Power Methods	130
	6.4 The Symmetric Eigenproblem and Tridiagonalization	133
	6.5 The QR Algorithm	135
	6.6 Singular Value Decomposition	137
	6.7 Applications	140
	6.8 Complex Singular Value Decomposition	144
	Programs and Demonstrations	146
	Exercises	147
	References	150

7	**Functions: Interpolation, Smoothing, and Approximation**		**151**
	7.1	Introduction	151
	7.2	Interpolation	153
	7.3	Interpolating Splines	156
	7.4	Curve Fitting with Splines: Smoothing and Regression	159
	7.5	Mathematical Approximation	163
	7.6	Practical Approximation Techniques	168
	7.7	Computing Probability Functions	170
		Programs and Demonstrations	177
		Exercises	179
		References	183
8	**Introduction to Optimization and Nonlinear Equations**		**186**
	8.1	Introduction	186
	8.2	Safe Univariate Methods: Lattice Search, Golden Section, and Bisection	188
	8.3	Root Finding	191
	8.4	First Digression: Stopping and Condition	197
	8.5	Multivariate Newton's Methods	199
	8.6	Second Digression: Numerical Differentiation	200
	8.7	Minimization and Nonlinear Equations	203
	8.8	Condition and Scaling	208
	8.9	Implementation	210
	8.10	A Non-Newton Method: Nelder-Mead	211
		Programs and Demonstrations	213
		Exercises	214
		References	217
9	**Maximum Likelihood and Nonlinear Regression**		**219**
	9.1	Introduction	219
	9.2	Notation and Asymptotic Theory of Maximum Likelihood	220
	9.3	Information, Scoring, and Variance Estimates	226
	9.4	An Extended Example	228
	9.5	Concentration, Iteration, and the EM Algorithm	230
	9.6	Multiple Regression in the Context of Maximum Likelihood	236
	9.7	Generalized Linear Models	237
	9.8	Nonlinear Regression	242
	9.9	Parameterizations and Constraints	246
		Programs and Demonstrations	251
		Exercises	252
		References	255
10	**Numerical Integration and Monte Carlo Methods**		**257**
	10.1	Introduction	257
	10.2	Motivating Problems	258
	10.3	One-Dimensional Quadrature	264

10.4	Numerical Integration in Two or More Variables	271
10.5	Uniform Pseudorandom Variables	278
10.6	Quasi–Monte Carlo Integration	286
10.7	Strategy and Tactics	291
	Programs and Demonstrations	295
	Exercises	297
	References	299
11	**Generating Random Variables from Other Distributions**	**303**
11.1	Introduction	303
11.2	General Methods for Continuous Distributions	304
11.3	Algorithms for Continuous Distributions	308
11.4	General Methods for Discrete Distributions	321
11.5	Algorithms for Discrete Distributions	325
11.6	Other Randomizations	330
11.7	Accuracy in Random Number Generation	334
	Programs and Demonstrations	337
	Exercises	338
	References	341
12	**Statistical Methods for Integration and Monte Carlo**	**343**
12.1	Introduction	343
12.2	Distribution and Density Estimation	343
12.3	Distributional Tests	350
12.4	Importance Sampling and Weighted Observations	353
12.5	Testing Importance Sampling Weights	359
12.6	Laplace Approximations	361
12.7	Randomized Quadrature	363
12.8	Spherical–Radial Methods	365
	Programs and Demonstrations	370
	Exercises	372
	References	373
13	**Markov Chain Monte Carlo Methods**	**375**
13.1	Introduction	375
13.2	Markov Chains	377
13.3	Gibbs Sampling	378
13.4	Metropolis–Hastings Algorithm	383
13.5	Time-Series Analysis	386
13.6	Adaptive Acceptance/Rejection	390
13.7	Diagnostics	394
	Programs and Demonstrations	398
	Exercises	398
	References	400

14 Sorting and Fast Algorithms **403**
14.1 Introduction 403
14.2 Divide and Conquer 403
14.3 Sorting Algorithms 405
14.4 Fast Order Statistics and Related Problems 408
14.5 Fast Fourier Transform 409
14.6 Convolutions and the Chirp-z Transform 413
14.7 Statistical Applications of the FFT 415
14.8 Combinatorial Problems 425
Programs and Demonstrations 429
Exercises 433
References 436

Author Index 439

Subject Index 444