

## Contents

<i>Preface</i>	xiv
<i>Acknowledgements</i>	xvii

### Part I Elements of Probability Theory

<b>1 Axioms of Probability Theory</b>	3
1.1 Elements of Set Theory	3
1.2 Outcomes and Events	5
1.3 Probability Axioms	8
1.4 Inclusion-Exclusion Formula	10
1.5 Conditional Probability and Independence	12
1.6 Additional Problems	17
<b>2 Discrete Probability Spaces</b>	19
2.1 Probability Mass Functions	19
2.2 Uniform Distributions	20
2.3 Bernoulli Trials	21
2.4 Urn Models	25
2.5 Further Topics	29
2.6 Additional Problems	31
<b>3 Distributions on the Real Line</b>	34
3.1 Random Variables	34
3.2 Borel $\sigma$ -Algebra	34
3.3 Distributions on the Real Line	36
3.4 Distribution Function	36
3.5 Survival Function	38
3.6 Quantile Function	39

<b>4</b>	<b>Discrete Distributions</b>	41
4.1	Binomial Distributions	41
4.2	Hypergeometric Distributions	42
4.3	Geometric Distributions	44
4.4	Other Discrete Distributions	46
4.5	Law of Small Numbers	48
4.6	Coupon Collector Problem	49
4.7	Additional Problems	51
<b>5</b>	<b>Continuous Distributions</b>	54
5.1	From the Discrete to the Continuous	54
5.2	Continuous Distributions	57
5.3	Absolutely Continuous Distributions	58
5.4	Continuous Random Variables	60
5.5	Location/Scale Families of Distributions	60
5.6	Uniform Distributions	61
5.7	Normal Distributions	62
5.8	Exponential Distributions	63
5.9	Other Continuous Distributions	64
5.10	Additional Problems	66
<b>6</b>	<b>Multivariate Distributions</b>	68
6.1	Random Vectors	68
6.2	Discrete Distributions	69
6.3	Continuous Distributions	72
6.4	Independence	74
6.5	Conditional Distribution	75
6.6	Additional Problems	76
<b>7</b>	<b>Expectation and Concentration</b>	78
7.1	Expectation	78
7.2	Moments	82
7.3	Variance and Standard Deviation	84
7.4	Covariance and Correlation	85
7.5	Conditional Expectation	87
7.6	Moment Generating Function	87
7.7	Probability Generating Function	88
7.8	Characteristic Function	89
7.9	Concentration Inequalities	90
7.10	Further Topics	93
7.11	Additional Problems	95

*Contents* xi

<b>8</b>	<b>Convergence of Random Variables</b>	100
8.1	Zero-One Laws	100
8.2	Convergence of Random Variables	101
8.3	Law of Large Numbers	103
8.4	Central Limit Theorems	105
8.5	Extreme Value Theory	107
8.6	Further Topics	109
8.7	Additional Problems	110
<b>9</b>	<b>Stochastic Processes</b>	113
9.1	Markov Chains	113
9.2	Simple Random Walks	119
9.3	Galton–Watson Processes	121
9.4	Additional Problems	124

## Part II Practical Considerations

<b>10</b>	<b>Sampling and Simulation</b>	127
10.1	Monte Carlo Simulation	127
10.2	Monte Carlo Integration	128
10.3	Rejection Sampling	130
10.4	Markov Chain Monte Carlo (MCMC)	132
10.5	Metropolis–Hastings Algorithm	134
10.6	Pseudo-Random Numbers	137
<b>11</b>	<b>Data Collection</b>	138
11.1	Survey Sampling	139
11.2	Experimental Design	144
11.3	Observational Studies	153

## Part III Elements of Statistical Inference

<b>12</b>	<b>Models, Estimators, and Tests</b>	163
12.1	Statistical Models	163
12.2	Statistics and Estimators	165
12.3	Confidence Intervals/Regions	168
12.4	Testing Statistical Hypotheses	170
12.5	Further Topics	179
12.6	Additional Problems	180

<b>13 Properties of Estimators and Tests</b>	181
13.1 Sufficiency	181
13.2 Consistency	182
13.3 Notions of Optimality for Estimators	184
13.4 Notions of Optimality for Tests	187
<b>14 One Proportion</b>	192
14.1 Binomial Experiments	192
14.2 Hypergeometric Experiments	196
14.3 Negative Binomial/Hypergeometric Experiments	199
14.4 Sequential Experiments	199
14.5 Additional Problems	201
<b>15 Multiple Proportions</b>	203
15.1 One-Sample Goodness-of-Fit Testing	204
15.2 Multi-Sample Goodness-of-Fit Testing	208
15.3 Completely Randomized Experiments	211
15.4 Matched-Pairs Experiments	213
15.5 Fisher's Exact Test	216
15.6 Association in Observational Studies	217
15.7 Tests of Randomness	222
15.8 Further Topics	226
15.9 Additional Problems	226
<b>16 One Numerical Sample</b>	230
16.1 Order Statistics	230
16.2 Empirical Distribution	231
16.3 Inference about the Median	237
16.4 Possible Difficulties	240
16.5 Bootstrap World	241
16.6 Inference about the Mean	244
16.7 Inference about the Variance and other Parameters	249
16.8 Goodness-of-Fit Testing and Confidence Bands	250
16.9 Censored Observations	256
16.10 Further Topics	259
16.11 Additional Problems	267

	<i>Contents</i>	xiii
<b>17    Multiple Numerical Samples</b>		271
17.1 Inference about the Difference in Means		272
17.2 Inference about a Parameter		274
17.3 Goodness-of-Fit Testing		276
17.4 Multiple Samples		280
17.5 Further Topics		284
17.6 Additional Problems		285
<b>18    Multiple Paired Numerical Samples</b>		289
18.1 Two Paired Variables		289
18.2 Multiple Paired Variables		295
18.3 Additional Problems		297
<b>19    Correlation Analysis</b>		299
19.1 Testing for Independence		299
19.2 Affine Association		301
19.3 Monotonic Association		302
19.4 Universal Tests for Independence		305
19.5 Further Topics		308
<b>20    Multiple Testing</b>		309
20.1 Testing Multiple Hypotheses		311
20.2 Global Null Hypothesis		312
20.3 Multiple Tests		314
20.4 Methods for FWER Control		317
20.5 Methods for FDR Control		319
20.6 Meta-Analysis		321
20.7 Further Topics		327
20.8 Additional Problems		327
<b>21    Regression Analysis</b>		329
21.1 Prediction		331
21.2 Local Methods		333
21.3 Empirical Risk Minimization		339
21.4 Selection		343
21.5 Further Topics		346
21.6 Additional Problems		353
<b>22    Foundational Issues</b>		356
22.1 Conditional Inference		356
22.2 Causal Inference		367
<i>References</i>		371
<i>Index</i>		384