

Package ‘rlfsm’

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Type Package

Title Simulations and Statistical Inference for Linear Fractional
Stable Motions

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Description

Contains functions for simulating linear fractional stable motions, according to techniques developed by Stoev and Taqqu (2004) <doi:10.1142/S0218348X04002379>, as well as functions for computing important statistics used with these processes introduced by Mazur, Otryakhin and Podolskij (2018) <arXiv:1802.06373>, and also different quantities related to those statistics.

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URL [https://github.com/Otryakhin-Dmitry/
Tools-for-parameter-estimation-of-the-linear-fractional-stable-motion](https://github.com/Otryakhin-Dmitry/Tools-for-parameter-estimation-of-the-linear-fractional-stable-motion)

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RdMacros Rdpack

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alpha_hat	<i>Statistical estimator for alpha</i>
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Description

Defined for the two frequencies as

$$\hat{\alpha}_{high} := \frac{\log |\log \varphi_{high}(t_2; \hat{H}_{high}(p, k)_n, k)_n| - \log |\log \varphi_{high}(t_1; \hat{H}_{high}(p, k)_n, k)_n|}{\log t_2 - \log t_1}$$

$$\hat{\alpha}_{low} := \frac{\log |\log \varphi_{low}(t_2; k)_n| - \log |\log \varphi_{low}(t_1; k)_n|}{\log t_2 - \log t_1}$$

Usage

alpha_hat(t1, t2, k, path, H, freq)

Arguments

t1	real number such that $t_2 > t_1 > 0$
t2	real number such that $t_2 > t_1 > 0$
k	increment order
path	sample path of lfsm on which the inference is to be performed
H	Hurst parameter
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.

Details

The function triggers function [phi](#), thus Hurst parameter is required only in high frequency case. In the low frequency, there is no need to assign H a value because it will not be evaluated.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

Examples

```
m<-45; M<-60; N<-2^14-M
alpha<-1.8; H<-0.8; sigma<-0.3
freq='H'
r=1; k=2; p=0.4; t1=1; t2=2

# Estimating alpha in the high frequency case
# using preliminary estimation of H
lfsm<-path(N=N,m=m,M=M,alpha=alpha,H=H,
           sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm

H_est<-H_hat(p=p,k=k,path=lfsm)
H_est
alpha_est<-alpha_hat(t1=t1,t2=t2,k=k,path=lfsm,H=H_est,freq=freq)
alpha_est
```

a_p

*Function a_p.***Description**

Computes the corresponding function value from Mazur et al. 2018.

Usage

```
a_p(p)
```

Arguments

p power, real number from (-1,1)

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

a_tilda	<i>Creates the corresponding value from the paper by Stoev and Taqqu (2004).</i>
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Description

Creates the corresponding value from the paper by Stoev and Taqqu (2004).

Usage

a_tilda(N, m, M, alpha, H)

Arguments

N a number of points of the lfsm.
 m discretization. A number of points between two nearby motion points
 M truncation parameter. A number of points at which the integral representing the definition of lfsm is calculated. So, after M points back we consider the rest of the integral to be 0.
 alpha self-similarity parameter of alpha stable random motion.
 H Hurst parameter

References

Stoev S and Taqqu M (2004). "Simulation methods for linear fractional stable motion and FARIMA using the Fast Fourier Transform." *Fractals*, **95**(1), pp. 95-121.

CLT *The function explores numerical properties of statistical estimators operating on random processes.*

Description

The function performs Monte-Carlo experiments to compute parameters according to procedure Inference. For each element of `s` it generates `Nmc` lfsm sample paths with $N=s[i]$, performs the statistical inference on each, and then returns their different statistics.

Usage

```
CLT(Nmc, s, m, M, alpha, H, sigma, fr, Inference, ...)
```

Arguments

<code>Nmc</code>	Number of Monte Carlo repetitions
<code>s</code>	sequence of path lengths
<code>m</code>	discretization. A number of points between two nearby motion points
<code>M</code>	truncation parameter. A number of points at which the integral representing the definition of lfsm is calculated. So, after <code>M</code> points back we consider the rest of the integral to be 0.
<code>alpha</code>	self-similarity parameter of alpha stable random motion.
<code>H</code>	Hurst parameter
<code>sigma</code>	Scale parameter of lfsm
<code>fr</code>	frequency. Either "H" or "L"
<code>Inference</code>	statistical function to apply to sample paths
<code>...</code>	parameters to pass to Inference

Examples

```
#### Set of global parameters ####
m<-25; M<-60
p<-.4; p_prime<-.2; k<-2
t1<-1; t2<-2
NmonteC<-5e1
S<-c(1e2,3e2)
alpha<-1.8; H<-0.8; sigma<-0.3
theor_3_1_H_clt<-CLT(s=S, fr='H', Nmc=NmonteC,
                    m=m, M=M, alpha=alpha, H=H,
                    sigma=sigma, ContinEstim,
                    t1=t1, t2=t2, p=p, k=k)
l_plot<-Plot_dens(par_vec=c('sigma', 'alpha', 'H'),
                 CLT_data=theor_3_1_H_clt, Nnorm=1e7)
```

 ContinEstim

Parameter estimation procedure in continuous case.

Description

'Unnecessary' parameter freq is preserved to allow for investigation of the inference procedure in high frequency case

Usage

```
ContinEstim(t1, t2, p, k, path, freq)
```

Arguments

t1, t2	real number such that $t_2 > t_1 > 0$
p	power
k	increment order
path	sample path of lfsm on which the inference is to be performed
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

Examples

```
m<-45; M<-60; N<-2^10-M
alpha<-0.8; H<-0.8; sigma<-0.3
p<-0.3; k=3; t1=1; t2=2

lfsm<-path(N=N,m=m,M=M,alpha=alpha,H=H,
           sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm
ContinEstim(t1,t2,p,k,path=lfsm,freq='L')
```

 GenHighEstim

High frequency estimation procedure for lfsm.

Description

General estimation procedure for high frequency case when $1/\alpha$ is not a natural number. "Unnecessary" parameter freq is preserved to allow for investigation of the inference procedure in low frequency case

Usage

```
GenHighEstim(p, p_prime, path, freq, low_bound = 0.01, up_bound = 4)
```

Arguments

p	power
p_prime	power
path	sample path of lfsm on which the inference is to be performed
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.
low_bound	positive real number
up_bound	positive real number

Details

In this algorithm the preliminary estimate of alpha is found via using [uniroot](#) function. The latter is given the lower and the upper bounds for alpha via `low_bound` and `up_bound` parameters. It is not possible to pass 0 as the lower bound because there are numerical limitations on the alpha estimate, caused by the length of the sample path and by numerical errors. `p` and `p_prime` must belong to the interval $(0, 1/2)$ (in the notation kept in `rlfsm` package) The two powers cannot be equal.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

Examples

```
m<-45; M<-60; N<-2^10-M
sigma<-0.3
p<-0.2; p_prime<-0.4

#### Continuous case
lfsm<-path(N=N,m=m,M=M,alpha=1.8,H=0.8,
          sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm

GenHighEstim(p=p,p_prime=p_prime,path=lfsm,freq="H")

#### H-1/alpha<0 case
lfsm<-path(N=N,m=m,M=M,alpha=0.8,H=0.8,
          sigma=sigma,freq='H',disable_X=FALSE,seed=3)$lfsm

GenHighEstim(p=p,p_prime=p_prime,path=lfsm,freq="H")
```

GenLowEstim *Low frequency estimation procedure for lfsm.*

Description

General estimation procedure for low frequency case when $1/\alpha$ is not a natural number

Usage

```
GenLowEstim(t1, t2, p, path, freq)
```

Arguments

t1	real number such that $t_2 > t_1 > 0$
t2	real number such that $t_2 > t_1 > 0$
p	power
path	sample path of lfsm on which the inference is to be performed
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

Examples

```
m<-45; M<-60; N<-2^10-M
sigma<-0.3
p<-0.3; k=3; t1=1; t2=2

#### Continuous case
lfsm<-path(N=N,m=m,M=M,alpha=1.8,H=0.8,
          sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm

GenLowEstim(t1=t1,t2=t2,p=p,path=lfsm,freq="L")

#### H-1/alpha<0 case
lfsm<-path(N=N,m=m,M=M,alpha=0.8,H=0.8,
          sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm

GenLowEstim(t1=t1,t2=t2,p=p,path=lfsm,freq="L")

#### The procedure works also for high frequency case
lfsm<-path(N=N,m=m,M=M,alpha=1.8,H=0.8,
          sigma=sigma,freq='H',disable_X=FALSE,seed=3)$lfsm

GenLowEstim(t1=t1,t2=t2,p=p,path=lfsm,freq="H")
```

H_hat *Statistical estimator of H in high/low frequency setting*

Description

The statistic is defined as

$$\widehat{H}_{\text{high}}(p, k)_n := \frac{1}{p} \log_2 R_{\text{high}}(p, k)_n, \quad \widehat{H}_{\text{low}}(p, k)_n := \frac{1}{p} \log_2 R_{\text{low}}(p, k)_n$$

Usage

H_hat(p, k, path)

Arguments

p	power
k	increment order
path	sample path of Ifsm on which the inference is to be performed

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

h_kr *Function h_kr*

Description

Function $h_{k,r} : R \rightarrow R$ is given by

$$h_{k,r}(x) = \sum_{j=0}^k (-1)^j \binom{k}{j} (x - rj)_+^{H-1/\alpha}, \quad x \in R$$

Usage

h_kr(k, r, x, H, alpha, l = 0)

Arguments

k	order of the increment, a natural number
r	difference step, a natural number
x	real number
H	Hurst parameter
alpha	self-similarity parameter of alpha stable random motion.
l	a value by which we shift x. Is used for computing function f_{.}+l and is passed to integrate function.

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

Examples

```
#### Plot h_kr ####
s<-seq(0,10, by=0.01)
h_val<-sapply(s,h_kr, k=5, r=1, H=0.3, alpha=1)
plot(s,h_val)
```

increment

Higher order increments

Description

Difference of the kth order. Defined as following:

$$\Delta_{i,k}^{n,r} X := \sum_{j=0}^k (-1)^j \binom{k}{j} X_{(i-rj)/n}, i \geq rk.$$

i here is a coordinate in terms of `point_num`. Although R uses indexes for a vector that start from 1, `increment` treats it as though it varied from 0 to N , so that a vector has a length $N+1$. It is done in order to comply with the notation of the paper. This function doesn't allow for choosing frequency n . The frequency is determined by the path supplied, thus n equals to either the length of the path in high frequency setting or 1 in low frequency setting.

Usage

```
increment(r, i, k, path)
```

Arguments

<code>r</code>	difference step, a natural number
<code>i</code>	index of the point at which the increment is to be computed, a natural number.
<code>k</code>	order of the increment, a natural number
<code>path</code>	sample path for which a kth order increment is computed

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

Examples

```

m<-45; M<-60; N<-2^10-M
alpha<-0.8; H<-0.8; sigma<-0.3

lfsm<-path(N=N,m=m,M=M,alpha=alpha,H=H,
           sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm

tryCatch(
  increment(r=1,i=length(lfsm),k=length(lfsm)+100,path=lfsm),
  error=function(c) 'An error occurs when k is larger then the length of the sample path')

increment(r=3,i=50,k=3,path=lfsm)

```

m_pk

 $m(-p,k)$

Description

defined as $m_{p,k} := E[|\Delta_{k,k}X|^p]$ for positive powers. When p is negative ($-p$ is positive) the equality does not hold.

Usage

```
m_pk(k, p, alpha, H, sigma)
```

Arguments

k	increment order
p	a positive number
alpha	self-similarity parameter of alpha stable random motion.
H	Hurst parameter
sigma	Scale parameter of lfsm

Details

The following identity is used for computations:

$$m_{-p,k} = \frac{(\sigma \|h_k\|_\alpha)^{-p}}{a_{-p}} \int_{\mathbf{R}} \exp(-|y|^\alpha) |y|^{-1+p} dy = \frac{2(\sigma \|h_k\|_\alpha)^{-p}}{\alpha a_{-p}} \Gamma(p/\alpha)$$

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

Norm_alpha	<i>Alpha-norm of an arbitrary function</i>
------------	--

Description

Alpha-norm of an arbitrary function

Usage

```
Norm_alpha(fun, alpha, ...)
```

Arguments

fun	a function to compute a norm
alpha	self-similarity parameter of alpha stable random motion.
...	a set of parameters to pass to integrate

Details

fun must accept a vector of values for evaluation. See ?integrate for further details. Most problems with this function appear because of rather high precision. Try to tune rel.tol parameter first.

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

Examples

```
Norm_alpha(h_kr, alpha=1.8, k=2, r=1, H=0.8, l=4)
```

path	<i>Generator of linear fractional stable motion</i>
------	---

Description

The function creates a lfsm sample path using the numerical algorithm from the paper by Stoev and Taqqu. Linear fractional stable motion is defined as

$$X_t = \int_{\mathbf{R}} \left\{ (t-s)_+^{H-1/\alpha} - (-s)_+^{H-1/\alpha} \right\} dL_s$$

Usage

```
path(N = NULL, m, M, alpha, H, sigma, freq, disable_X = FALSE,
     levy_increments = NULL, seed = NA)
```

Arguments

N	a number of points of the lfsm.
m	discretization. A number of points between two nearby motion points
M	truncation parameter. A number of points at which the integral representing the definition of lfsm is calculated. So, after M points back we consider the rest of the integral to be 0.
alpha	self-similarity parameter of alpha stable random motion.
H	Hurst parameter
sigma	Scale parameter of lfsm
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.
disable_X	is needed to disable computation of X. The default value is FALSE. When it is TRUE, only a levy motion is returned, which in turn reduces the computation time. The feature is particularly useful for reproducibility when combined with seeding.
levy_increments	increments of Levy motion underlying the lfsm.
seed	this parameter performs seeding of path generator

Value

It returns a list containing the motion, the underlying Levy motion, the point number of the motions from 0 to N and the corresponding coordinate (which depends on the frequency), the parameters that were used to generate the lfsm, and the predefined frequency.

References

Stoev S and Taqqu M (2004). "Simulation methods for linear fractional stable motion and FARIMA using the Fast Fourier Transform." *Fractals*, **95**(1), pp. 95-121.

See Also

[paths](#) simulates a number of lfsm sample paths.

Examples

```
# Path generation

m<-256; M<-600; N<-2^10-M
alpha<-1.8; H<-0.8; sigma<-1
seed=2

List<-path(N=N,m=m,M=M,alpha=alpha,H=H,
          sigma=sigma,freq='L',disable_X=FALSE,seed=3)

# Normalized paths
Norm_lfsm<-List[['lfsm']]/max(abs(List[['lfsm']]))
```

```

Norm_oLm<-List[['levy_motion']]/max(abs(List[['levy_motion']]))

# Visualization of the paths
plot(Norm_lfsm, col=2, type="l", ylab="coordinate")
lines(Norm_oLm, col=3)
leg.txt <- c("lfsm", "oLm")
legend("topright", legend = leg.txt, col =c(2,3), pch=1)

# Creating Levy motion
levyIncrems<-path(N=N, m=m, M=M, alpha, H, sigma, freq='L',
                 disable_X=TRUE, levy_increments=NULL, seed=seed)

# Creating lfsm based on the levy motion
lfsm_full<-path(m=m, M=M, alpha=alpha,
               H=H, sigma=sigma, freq='L',
               disable_X=FALSE,
               levy_increments=levyIncrems$levy_increments,
               seed=seed)

sum(levyIncrems$levy_increments==
     lfsm_full$levy_increments)==length(lfsm_full$levy_increments)

```

paths

Generator of a set of lfsm paths.

Description

It is essentially a wrapper for [path](#) generator, which exploits the latest to create a matrix with paths in its columns.

Usage

```
paths(N_var, parallel, seed_list = rep(x = NA, times = N_var), ...)
```

Arguments

N_var	number of lfsm paths to generate
parallel	a TRUE/FALSE flag which determines if the paths will be created in parallel or sequentially
seed_list	a numerical vector of seeds to pass to path
...	arguments to pass to path

See Also[path](#)**Examples**

```

m<-45; M<-60; N<-2^10-M
alpha<-1.8; H<-0.8; sigma<-0.3
freq='L'
r=1; k=2; p=0.4

Y<-paths(N_var=10,parallel=TRUE,N=N,m=m,M=M,
         alpha=alpha,H=H,sigma=sigma,freq='L',
         disable_X=FALSE,levy_increments=NULL)

Hs<-apply(Y,MARGIN=2,H_hat,p=p,k=k)
hist(Hs)

```

*phi**Phi*

Description

Defined as

$$\varphi_{\text{high}}(t; H, k)_n := V_{\text{high}}(\psi_t; k)_n \quad \text{and} \quad \varphi_{\text{low}}(t; k)_n := V_{\text{low}}(\psi_t; k)_n$$

, where $\psi_t(x) := \cos(tx)$ **Usage**

phi(t, k, path, H, freq)

Arguments

t	positive real number
k	increment order
path	sample path of lfsm on which the inference is to be performed
H	Hurst parameter
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.

Details

Hurst parameter is required only in high frequency case. In the low frequency, there is no need to assign H a value because it will not be evaluated.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

phi_of_alpha *Inverse alpha estimator*

Description

A function from a general estimation procedure which is defined as $m^{p-p'_k} / m^{p'-p_k}$, originally proposed in [13].

Usage

phi_of_alpha(p, p_prime, alpha)

Arguments

p	power
p_prime	power
alpha	self-similarity parameter of alpha stable random motion.

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

Plot_dens *(alpha,H,sigma)- density plot*

Description

Plots the densities of the parameters (alpha,H,sigma) estimated in Monte-Carlo experiment. Works in conjunction with [CLT](#) function.

Usage

Plot_dens(par_vec = c("alpha", "H", "sigma"), CLT_data, Nnorm = 1e+07)

Arguments

par_vec	vector of parameters which are to be plotted
CLT_data	a list created by CLT()
Nnorm	number of point sampled from standard normal distribution

See Also

[Plot_vb](#) to plot variance- and bias dependencies on n.

Examples

```
m<-35; M<-50

p<-.4; p_prime<-.2
t1<-1; t2<-2; k<-2

NmonteC<-5e1
S<-c(1e3,5e3)
alpha<-.8; H<-0.8; sigma<-0.3
theor_4_1_clt_new<-CLT(s=S, fr='L', Nmc=NmonteC,
                      m=m, M=M,
                      alpha=alpha, H=H, sigma=sigma,
                      GenLowEstim, t1=t1, t2=t2, p=p)
l_plot<-Plot_dens(par_vec=c('sigma', 'alpha', 'H'), CLT_data=theor_4_1_clt_new, Nnorm=1e7)
l_plot
```

Plot_vb	<i>A function to plot variance- and bias dependencies on n. Works in conjunction with CLT function.</i>
---------	---

Description

A function to plot variance- and bias dependencies on n. Works in conjunction with [CLT](#) function.

Usage

```
Plot_vb(data)
```

Arguments

data bias/variance data frame produced by [CLT](#)

Value

The function returns a ggplot graph.

See Also

[Plot_dens](#)

Examples

```

# Light weight computaions

m<-25; M<-50
alpha<-1.8; H<-0.8; sigma<-0.3
S<-c(1:3)*1e2
p<-0.4; p_prime<-0.2; t1<-1; t2<-2
k<-2; NmonteC<-50

# Here is the continuous H-1/alpha inference procedure
theor_3_1_H_clt<-CLT(s=S, fr='H', Nmc=NmonteC,
                    m=m, M=M, alpha=alpha, H=H,
                    sigma=sigma, ContinEstim,
                    t1=t1, t2=t2, p=p, k=k)
Plot_vb(theor_3_1_H_clt$BSdM)

# More demanding example (it is better to use multicore setup)
# General low frequency inference

m<-35; M<-50
alpha<-0.8; H<-0.8; sigma<-0.3
S<-c(1:10)*1e2
p<-0.4; t1<-1; t2<-2
NmonteC<-50

# Here is the continuous H-1/alpha inference procedure
theor_4_1_H_clt<-CLT(s=S, fr='H', Nmc=NmonteC,
                    m=m, M=M, alpha=alpha, H=H,
                    sigma=sigma, GenLowEstim,
                    t1=t1, t2=t2, p=p)
Plot_vb(theor_4_1_H_clt$BSdM)

```

Retrieve_stats

Retrieve statistics(bias, variance) of estimators based on a set of paths

Description

Retrieve statistics(bias, variance) of estimators based on a set of paths

Usage

```
Retrieve_stats(paths, true_val, Est, ...)
```

Arguments

paths	real-valued matrix representing sample paths of the stochastic process being studied
true_val	true value of the estimated parameter
Est	estimator (i.e. H_hat)
...	parameters to pass to Est

Examples

```

m<-45; M<-60; N<-2^10-M
alpha<-1.8; H<-0.8; sigma<-0.3
freq='L'; t1=1; t2=2
r=1; k=2; p=0.4

Y<-paths(N_var=10,parallel=TRUE,N=N,m=m,M=M,
         alpha=alpha,H=H,sigma=sigma,freq='L',
         disable_X=FALSE,levy_increments=NULL)

Retrieve_stats(paths=Y,true_val=sigma,Est=sigma_hat,t1=t1,k=2,alpha=alpha,H=H,freq="L")

```

R_hl

*R high /low***Description**

Defined as

$$R_{\text{high}}(p, k)_n := \frac{\sum_{i=2k}^n \left| \Delta_{i,k}^{n,2} X \right|^p}{\sum_{i=k}^n \left| \Delta_{i,k}^{n,1} X \right|^p},$$

$$R_{\text{low}}(p, k)_n := \frac{\sum_{i=2k}^n \left| \Delta_{i,k}^2 X \right|^p}{\sum_{i=k}^n \left| \Delta_{i,k}^1 X \right|^p}$$

Usage

R_hl(p, k, path)

Arguments

p	power
k	increment order
path	sample path of lfsm on which the inference is to be performed

Details

The computation procedure for high- and low frequency cases is the same, since there is no way to control frequency given a sample path.

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

Examples

```
m<-45; M<-60; N<-2^10-M
alpha<-0.8; H<-0.8; sigma<-0.3
p<-0.3; k=3

lfsm<-path(N=N,m=m,M=M,alpha=alpha,H=H,
           sigma=sigma,freq='L',disable_X=FALSE,seed=3)$lfsm
R_hl(p=p,k=k,path=lfsm)
```

 sf

Statistic V

Description

Statistic of the form

$$V_{\text{high}}(f; k, r)_n := \frac{1}{n} \sum_{i=rk}^n f \left(n^H \Delta_{i,k}^{n,r} X \right),$$

$$V_{\text{low}}(f; k, r)_n := \frac{1}{n} \sum_{i=rk}^n f \left(\Delta_{i,k}^r X \right)$$

Usage

```
sf(path, f, k, r, H, freq, ...)
```

Arguments

path	sample path for which the statistic is to be calculated.
f	function applied to high order increments.
k	order of the increments.
r	step of high order increments.
H	Hurst parameter.
freq	frequency.
...	parameters to pass to function f

Details

Hurst parameter is required only in high frequency case. In the low frequency, there is no need to assign H a value because it will not be evaluated.

References

Mazur S, Otryakhin D and Podolskij M (2018). “Estimation of the linear fractional stable motion.” Aarhus University.

See Also

[phi](#) computes V statistic with $f(\cdot)=\cos(t)$

Examples

```
m<-45; M<-60; N<-2^10-M
alpha<-1.8; H<-0.8; sigma<-0.3
freq='L'
r=1; k=2; p=0.4
S<-(1:20)*100

path_lfsm<-function(...){

  List<-path(...)
  List$lfsm

}

Pths<-lapply(X=S,FUN=path_lfsm,
            m=m, M=M, alpha=alpha, sigma=sigma, H=H,
            freq=freq, disable_X = FALSE,
            levy_increments = NULL, seed = NA)

f_phi<-function(t,x) cos(t*x)
f_pow<-function(x,p) (abs(x))^p

V_cos<-sapply(Pths,FUN=sf,f=f_phi,k=k,r=r,H=H,freq=freq,t=1)
ex<-exp(-(abs(sigma*Norm_alpha(h_kr,alpha=alpha,k=k,r=r,H=H,l=0)$result)^alpha))

# Illustration of the law of large numbers for phi:
plot(y=V_cos, x=S, ylim = c(0,max(V_cos)+0.1))
abline(h=ex, col='brown')

# Illustration of the law of large numbers for power functions:
Mpk<-m_pk(k=k, p=p, alpha=alpha, H=H, sigma=sigma)

sf_mod<-function(Xpath,...) {

  Path<-unlist(Xpath)
  sf(path=Path,...)

}
```

```
V_pow<-sapply(Pths,FUN=sf_mod,f=f_pow,k=k,r=r,H=H,freq=freq,p=p)
plot(y=V_pow, x=S, ylim = c(0,max(V_pow)+0.1))
abline(h=Mpk, col='brown')
```

sigma_hat *Statistical estimator for sigma*

Description

Statistical estimator for sigma

Usage

```
sigma_hat(t1, k, path, alpha, H, freq)
```

Arguments

t1	real number such that $t_2 > t_1 > 0$
k	increment order
path	sample path of lfsm on which the inference is to be performed
alpha	self-similarity parameter of alpha stable random motion.
H	Hurst parameter
freq	Frequency of the motion. It can take two values: "H" for high frequency and "L" for the low frequency setting.

Examples

```
m<-45; M<-60; N<-2^14-M
alpha<-1.8; H<-0.8; sigma<-0.3
freq='H'
r=1; k=2; p=0.4; t1=1; t2=2

# Reproducing the work of ContinEstim
# in high frequency case
lfsm<-path(N=N,m=m,M=M,alpha=alpha,H=H,
          sigma=sigma,freq='L',disable_X=FALSE,seed=1)$lfsm

H_est<-H_hat(p=p,k=k,path=lfsm)
H_est
alpha_est<-alpha_hat(t1=t1,t2=t2,k=k,path=lfsm,H=H_est,freq=freq)
alpha_est

sigma_est<-tryCatch(
  sigma_hat(t1=t1,k=k,path=lfsm,
            alpha=alpha_est,H=H_est,freq=freq),
  error=function(c) 'Impossible to compute sigma_est')
sigma_est
```

theta

Function of the form

$$\theta(g, h)_p = a_p^{-2} \int_{\mathbb{R}^2} |xy|^{-1-p} U_{g, h}(x, y) dx dy$$

Description

Function of the form

$$\theta(g, h)_p = a_p^{-2} \int_{\mathbb{R}^2} |xy|^{-1-p} U_{g, h}(x, y) dx dy$$

Usage

theta(p, alpha, sigma, g, h)

Arguments

p	power, real number from (-1,1)
alpha	self-similarity parameter of alpha stable random motion.
sigma	Scale parameter of lfsm
g	functions $g, h : \mathbb{R} \rightarrow \mathbb{R}$ with finite alpha-norm (see Norm_alpha).
h	functions $g, h : \mathbb{R} \rightarrow \mathbb{R}$ with finite alpha-norm (see Norm_alpha).

References

Mazur S, Otryakhin D and Podolskij M (2018). "Estimation of the linear fractional stable motion." Aarhus University.

U_g

*alpha norm of u*g***Description**

alpha norm of u*g

Usage

U_g(g, u, ...)

Arguments

g	functions $g, h : \mathbb{R} \rightarrow \mathbb{R}$ with finite alpha-norm (see Norm_alpha).
u	real numbers
...	additional parameters to pass to Norm_alpha

Examples

```
g<-function(x) exp(-x^2)
g<-function(x) exp(-abs(x))
U_g(g=g,u=4,alpha=1.7)
```

U_gh *alpha-norm of u*g + v*h.*

Description

alpha-norm of $u*g + v*h$.

Usage

```
U_gh(g, h, u, v, ...)
```

Arguments

g functions $g, h : \mathbb{R} \text{ to } \mathbb{R}$ with finite alpha-norm (see [Norm_alpha](#)).

h functions $g, h : \mathbb{R} \text{ to } \mathbb{R}$ with finite alpha-norm (see [Norm_alpha](#)).

u real numbers

v real numbers

... additional parameters to pass to [Norm_alpha](#)

Examples

```
g<-function(x) exp(-x^2)
h<-function(x) exp(-abs(x))
U_gh(g=g, h=h, u=4, v=3, alpha=1.7)
```

U_ghuv *A dependence structure of 2 random variables.*

Description

It is used when random variables do not have finite second moments, and thus, the covariance matrix is not defined. For $X = \int_{\mathbb{R}} g_s dL_s$ and $Y = \int_{\mathbb{R}} h_s dL_s$ with $\|g\|_{\alpha}, \|h\|_{\alpha} < \infty$. Then the measure of dependence is given by $U_{g,h} : \mathbb{R}^2 \text{ to } \mathbb{R}$ via

$$U_{g,h}(u, v) = \exp(-\sigma^{\alpha} \|ug + vh\|_{\alpha}^{\alpha}) - \exp(-\sigma^{\alpha} (\|ug\|_{\alpha}^{\alpha} + \|vh\|_{\alpha}^{\alpha}))$$

Usage

```
U_ghuv(alpha, sigma, g, h, u, v, ...)
```


Arguments

<code>alpha</code>	self-similarity parameter of alpha stable random motion.
<code>sigma</code>	Scale parameter of lfsm
<code>g, h</code>	functions $g, h : \mathbb{R} \rightarrow \mathbb{R}$ with finite alpha-norm (see Norm_alpha).
<code>v, u</code>	real numbers
<code>...</code>	additional parameters to pass to <code>U_gh</code> and <code>U_g</code>

Examples

```
g<-function(x) exp(-x^2)
h<-function(x) exp(-abs(x))
U_ghuv(alpha=1.5, sigma=1, g=g, h=h, u=10, v=15,
rel.tol = .Machine$double.eps^0.25, abs.tol=1e-11)
```

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