Contents

Preface **vii**

Notation **xvii**

1 Examples of Multivariate Data **1**
1.1 Influence, Outliers and Distances 1
1.2 A Sketch of the Forward Search 3
1.3 Multivariate Normality and our Examples 5
1.4 Swiss Heads 6
1.5 National Track Records for Women 10
1.6 Municipalities in Emilia-Romagna 16
1.7 Swiss Bank Notes 22
1.8 Plan of the Book 30

2 Multivariate Data and the Forward Search **31**
2.1 The Univariate Normal Distribution 32
2.1.1 Estimation 32
2.1.2 Distribution of Estimators 33
2.2 Estimation and the Multivariate Normal Distribution . . . 34
2.2.1 The Multivariate Normal Distribution 34
2.2.2 The Wishart Distribution 35
2.2.3 Estimation of Σ 36
2.3 Hypothesis Testing 37
2.3.1 Hypotheses About the Mean 37

2.3.2 Hypotheses About the Variance 37
2.4 The Mahalanobis Distance 39
2.5 Some Deletion Results 40
2.5.1 The Deletion Mahalanobis Distance 40
2.5.2 The (Bartlett)-Sherman-Morrison-Woodbury Formula 41
2.5.3 Deletion Relationships Among Distances 42
2.6 Distribution of the Squared Mahalanobis Distance 43
2.7 Determinants of Dispersion Matrices and the Squared Mahalanobis Distance 44
2.8 Regression 46
2.9 Added Variables in Regression 49
2.10 The Mean Shift Outlier Model 51
2.11 Seemingly Unrelated Regression 53
2.12 The Forward Search 55
2.13 Starting the Search 58
2.13.1 The Babyfood Data 58
2.13.2 Robust Bivariate Boxplots from Peeling 59
2.13.3 Bivariate Boxplots from Ellipses 62
2.13.4 The Initial Subset 64
2.14 Monitoring the Search 66
2.15 The Forward Search for Regression Data 71
2.15.1 Univariate Regression 71
2.15.2 Multivariate Regression 73
2.16 Further Reading 73
2.17 Exercises 76
2.18 Solutions 78

3 Data from One Multivariate Distribution 89
3.1 Swiss Heads 89
3.2 National Track Records for Women 100
3.3 Municipalities in Emilia-Romagna 108
3.4 Swiss Bank Notes 116
3.5 What Have We Seen? 138
3.6 Exercises 140
3.7 Solutions 142

4 Multivariate Transformations to Normality 151
4.1 Background 151
4.2 An Introductory Example: the Babyfood Data 152
4.3 Power Transformations to Approximate Normality 155
4.3.1 Transformation of the Response in Regression 156
4.3.2 Multivariate Transformations to Normality 161
4.4 Score Tests for Transformations 162
4.5 Graphics for Transformations 164

4.6 Finding a Multivariate Transformation with the Forward Search . . . 165
4.7 Babyfood Data . . . 166
4.8 Swiss Heads . . . 169
4.9 Horse Mussels . . . 176
4.10 Municipalities in Emilia-Romagna . . . 186
4.10.1 Demographic Variables . . . 187
4.10.2 Wealth Variables . . . 191
4.10.3 Work Variables . . . 195
4.10.4 A Combined Analysis . . . 200
4.11 National Track Records for Women . . . 204
4.12 Dyestuff Data . . . 209
4.13 Babyfood Data and Variable Selection . . . 214
4.14 Suggestions for Further Reading . . . 218
4.15 Exercises . . . 220
4.16 Solutions . . . 221

5 Principal Components Analysis 229
5.1 Background . . . 229
5.2 Principal Components and Eigenvectors . . . 230
5.2.1 Linear Transformations and Principal Components . 230
5.2.2 Lack of Scale Invariance and Standardized Variables 232
5.2.3 The Number of Components . . . 232
5.3 Monitoring the Forward Search . . . 233
5.3.1 Principal Components and Variances . . . 233
5.3.2 Principal Component Scores . . . 234
5.3.3 Correlations Between Variables and Principal Components . . . 235
5.3.4 Elements of the Eigenvectors . . . 236
5.4 The Biplot and the Singular Value Decomposition . . . 236
5.5 Swiss Heads . . . 239
5.6 Milk Data . . . 242
5.7 Quality of Life . . . 252
5.8 Swiss Bank Notes . . . 260
5.8.1 Forgeries and Genuine Notes . . . 261
5.8.2 Forgeries Alone . . . 263
5.9 Municipalities in Emilia-Romagna . . . 265
5.10 Further reading . . . 272
5.11 Exercises . . . 274
5.12 Solutions . . . 278

6 Discriminant Analysis 297
6.1 Background . . . 297
6.2 An Outline of Discriminant Analysis . . . 298
6.2.1 Bayesian Discrimination . . . 298

6.2.2 Quadratic Discriminant Analysis 299
6.2.3 Linear Discriminant Analysis 300
6.2.4 Estimation of Means and Variances 300
6.2.5 Canonical Variates 301
6.2.6 Assessment of Discriminant Rules 304
6.3 The Forward Search 305
6.3.1 Step 1: Choice of the Initial Subset 306
6.3.2 Step 2: Adding Observations During the Forward Search 306
6.3.3 Mahalanobis Distances and Discriminant Analysis in Step 2 307
6.4 Monitoring the Search 307
6.5 Transformations to Normality in Discriminant Analysis . . 309
6.6 Iris Data 310
6.7 Electrodes Data 317
6.8 Transformed Iris Data 324
6.9 Swiss Bank Notes 328
6.10 Importance of Transformations in Discriminant Analysis: A Simulated Example 332
6.10.1 A Deletion Analysis 332
6.10.2 Finding a Transformation with the Forward Search . 337
6.10.3 Discriminant Analysis and Confirmation of the Transformation 341
6.11 Muscular Dystrophy Data 344
6.11.1 The Data 344
6.11.2 Finding the Transformation 345
6.11.3 Outliers and Discriminant Analysis 349
6.11.4 More Data 351
6.12 Further reading 356
6.13 Exercises 357
6.14 Solutions 359

7 Cluster Analysis 367
7.1 Introduction 367
7.2 Clustering and the Forward Search 368
7.2.1 Three Steps in Finding Clusters 368
7.2.2 Standardized Mahalanobis Distances and Analysis with Many Clusters 369
7.2.3 Forward Searches in Cluster Analysis 370
7.3 The 60:80 Data 371
7.3.1 Failure of a Very Robust Statistical Method 372
7.3.2 The Forward Search 373
7.3.3 Further Plots for the 60:80 Data 375
7.4 Three Clusters, Two Outliers: A Second Synthetic Example 379
7.4.1 A Forward Analysis 379

7.4.2 A Very Robust Analysis . . . 382
7.5 Data with a Bridge . . . 385
7.5.1 Preliminary Analysis . . . 386
7.5.2 Further Preliminary Analysis: Mahalanobis Distances for Groups and Individual Units . . . 392
7.5.3 Exploratory Analysis: Single Clusters for the Bridge Data . . . 398
7.5.4 Confirmatory Analysis: Three Clusters for the Bridge Data . . . 401
7.6 Financial Data . . . 406
7.6.1 Preliminary Analysis . . . 406
7.6.2 Exploratory Analysis . . . 410
7.6.3 Confirmatory Analysis . . . 417
7.7 Diabetes Data . . . 420
7.7.1 Preliminary Analysis . . . 420
7.7.2 Exploratory Analysis . . . 428
7.7.3 Confirmatory Analysis . . . 436
7.8 Discussion . . . 439
7.8.1 Agglomerative Hierarchical Clustering . . . 441
7.8.2 Partitioning Methods . . . 443
7.8.3 Some Examples from Traditional Cluster Analysis . . . 444
7.8.4 Model-Based Clustering . . . 446
7.8.5 Further Reading . . . 448
7.9 Exercises . . . 450
7.10 Solutions . . . 451

8 Spatial Linear Models 457
8.1 Introduction . . . 457
8.2 Background on Kriging . . . 459
8.2.1 Ordinary Kriging . . . 459
8.2.2 Isotropic Semivariogram Models . . . 465
8.2.3 Spatial Outliers . . . 467
8.2.4 Kriging Diagnostics . . . 468
8.2.5 Robust Estimation of the Variogram . . . 471
8.3 The Forward Search for Ordinary Kriging . . . 472
8.3.1 Choice of the Initial Subset . . . 472
8.3.2 Progressing in the Search . . . 474
8.3.3 Monitoring the Search . . . 475
8.4 Contaminated Kriging Examples . . . 477
8.4.1 Multiple Spatial Outliers . . . 477
8.4.2 Pocket of Nonstationarity . . . 479
8.5 Wheat Yield Data . . . 482
8.6 Reflectance Data . . . 491
8.7 Background on Spatial Autoregression . . . 495
8.7.1 Neighbourhood Structure and Edge Correction . . . 498

8.7.2 Simultaneous Spatial Autoregression (SAR) Models 501
8.7.3 Spatial Outliers Under the SAR Model 502
8.7.4 High Leverage Sites 504
8.8 The Block Forward Search for Spatial Autoregression 506
8.8.1 Subset Likelihood 508
8.8.2 Defining the Blocks 509
8.8.3 Choice of the Initial Subset 510
8.8.4 Progressing in the Search 511
8.8.5 Monitoring the Search 511
8.9 SAR Examples With Multiple Contamination 513
8.9.1 Masked Spatial Outliers 513
8.9.2 Estimation of ρ 516
8.9.3 Multiple High Leverage Sites 519
8.10 Wheat Yield Data Revisited 522
8.11 Further Reading 524
8.12 Exercises 526
8.13 Solutions 528

Appendix: Tables of Data **551**

Bibliography **597**

Author Index **607**

Subject Index **611**