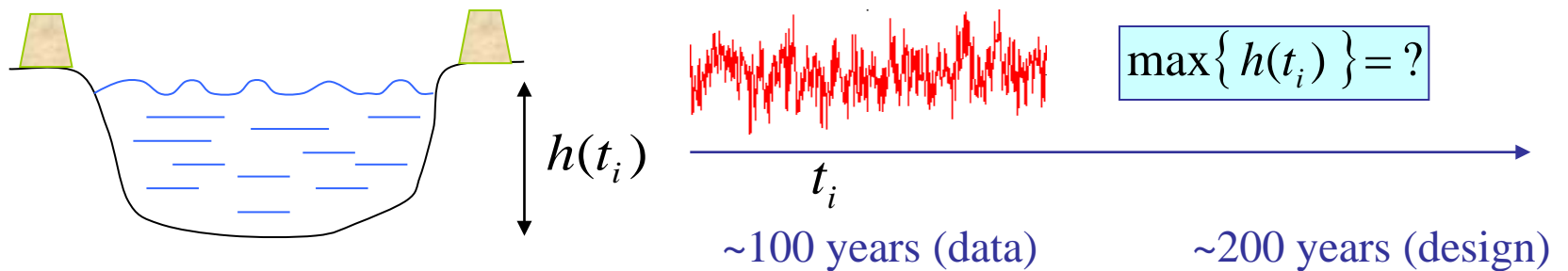


Extreme value-, order- and record statistics

Zoltán Rácz

Institute for Theoretical Physics
Eötvös University
E-mail: racz@general.elte.hu
Homepage: cgl.elte.hu/~racz

Motivation: Do witches exist if there are 2 extreme hurricanes in a century?

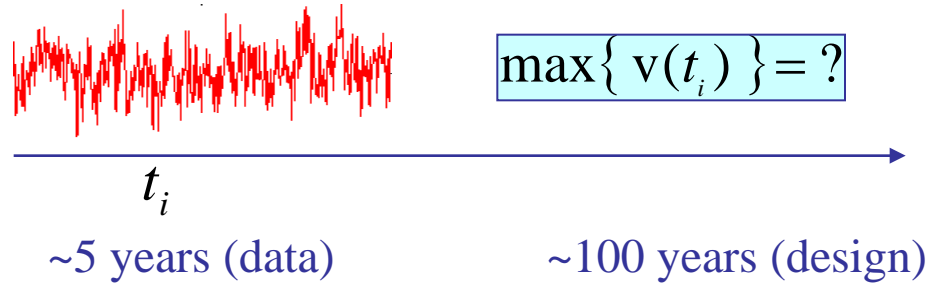
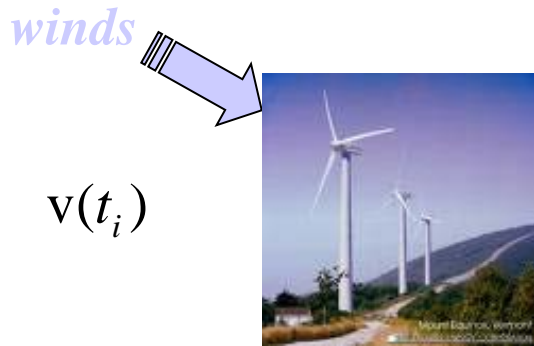


Problems of extrapolating to values where no data exist.

↑
unusually large or small

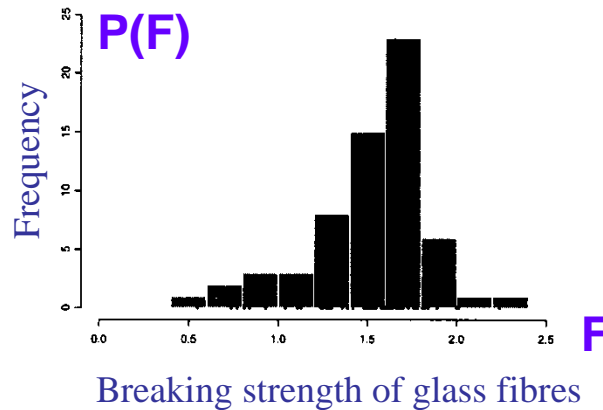
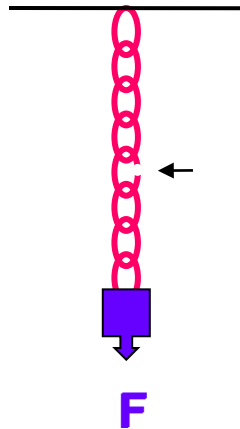
Question:
Can this be done at all?

Examples of extreme value problems I.



Q: How long will they stand?

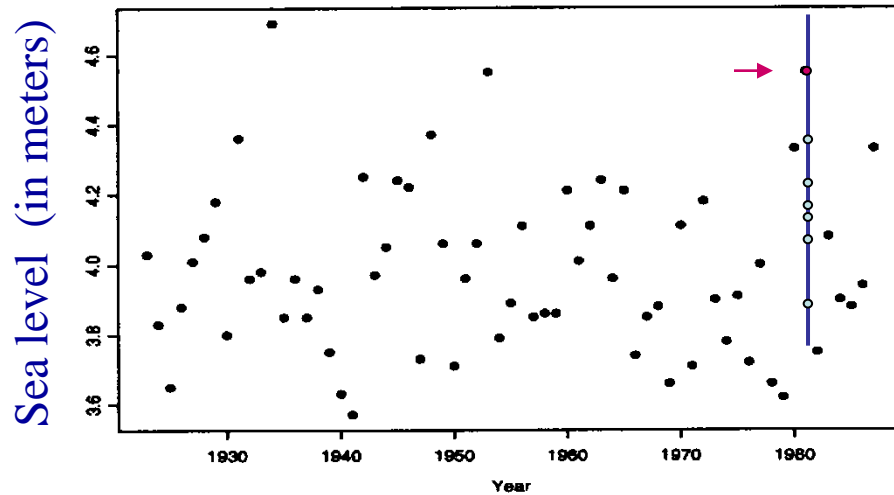
Distribution of the breaking strength of the weakest link



Q: Can we calculate **P(F)** ?

Examples of extreme value problems II.

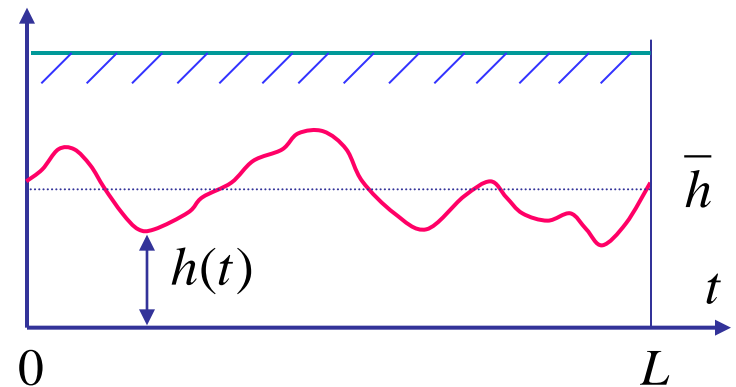
Stuart Coles:
An Introduction to Statistical Modeling
of Extreme Values



The 1841 sea level benchmark (centre) on the 'Isle of the Dead', Tasmania. According to Antarctic explorer, Capt. Sir James Clark Ross, it marked mean sea level in 1841.

Annual maximum sea levels at Port Pirie, South Australia

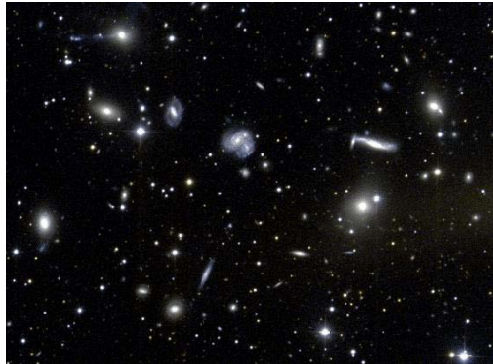
Rusting through



Extremes on a moving boundary

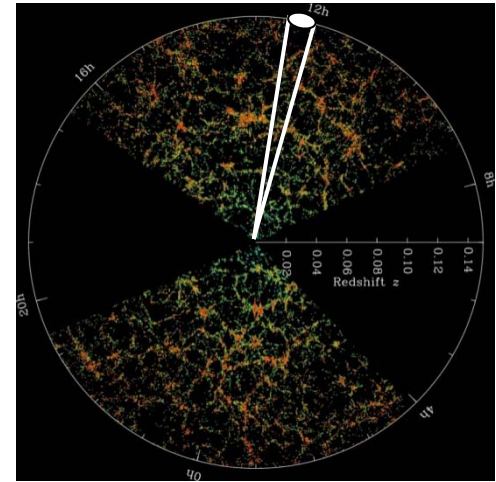
Examples of extreme value problems III.

Standard candles: Using the brightest, 2nd brightest, ...



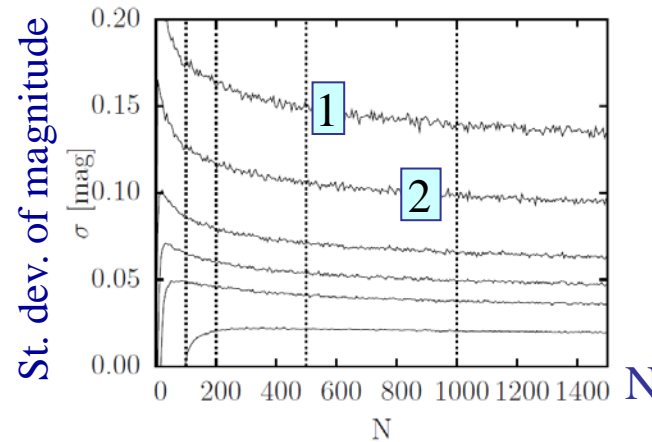
Hercules Cluster

$N \sim 100$ galaxies



Sloan Digital Sky Survey

Brightest varies slowly with N
Sandage et al, 1956, 1973



Dobos-Csabai, 2011

(No of galaxies
in the cluster)

Random energy model of spin-glasses

B. Derrida (1980)

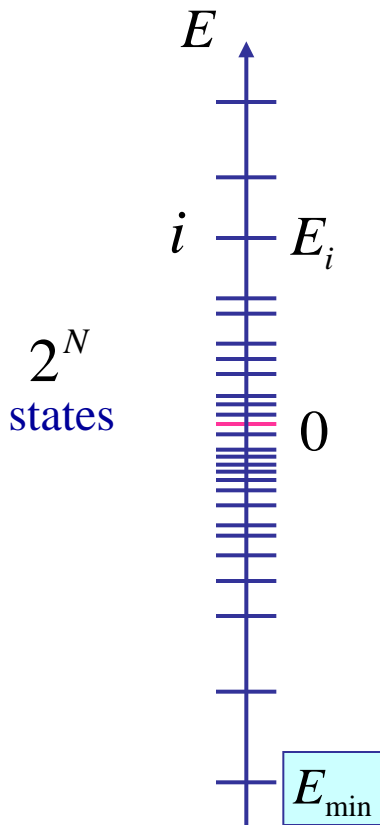
J.-P. Bouchaud and M. Mézard (1997)

S-K model

$$H \sim - \sum_{ij} J_{ij} \sigma_i \sigma_j \quad P(J_{ij}) \sim \exp \left[- \frac{J_{ij}^2 N}{J^2} \right]$$

replaced by

$$P_0(E_i) \sim \exp \left[- \frac{E_i^2}{J^2 N} \right]$$



Low temperature behavior:

Q: What is the distribution of the ground state energy?

$$u = \frac{\sqrt{\ln 2}}{J} E_{\min} - N \ln 2$$

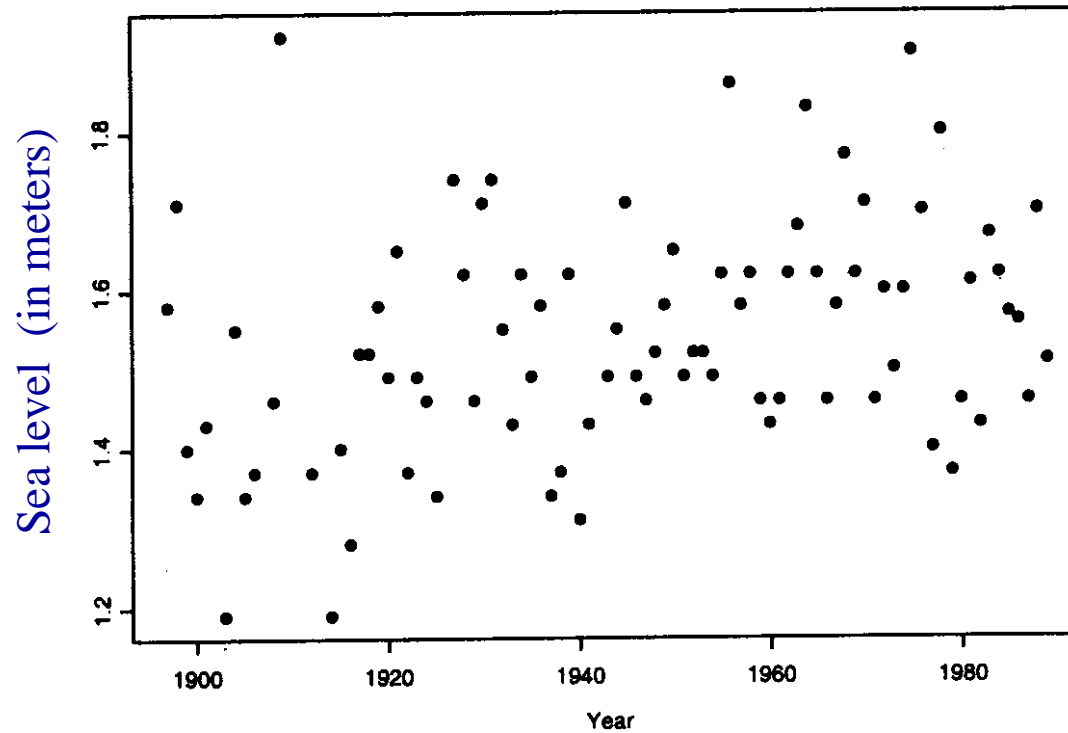
$$P(u) = e^{u+e^u} \sim e^u$$

exponential distribution ●

correlations?

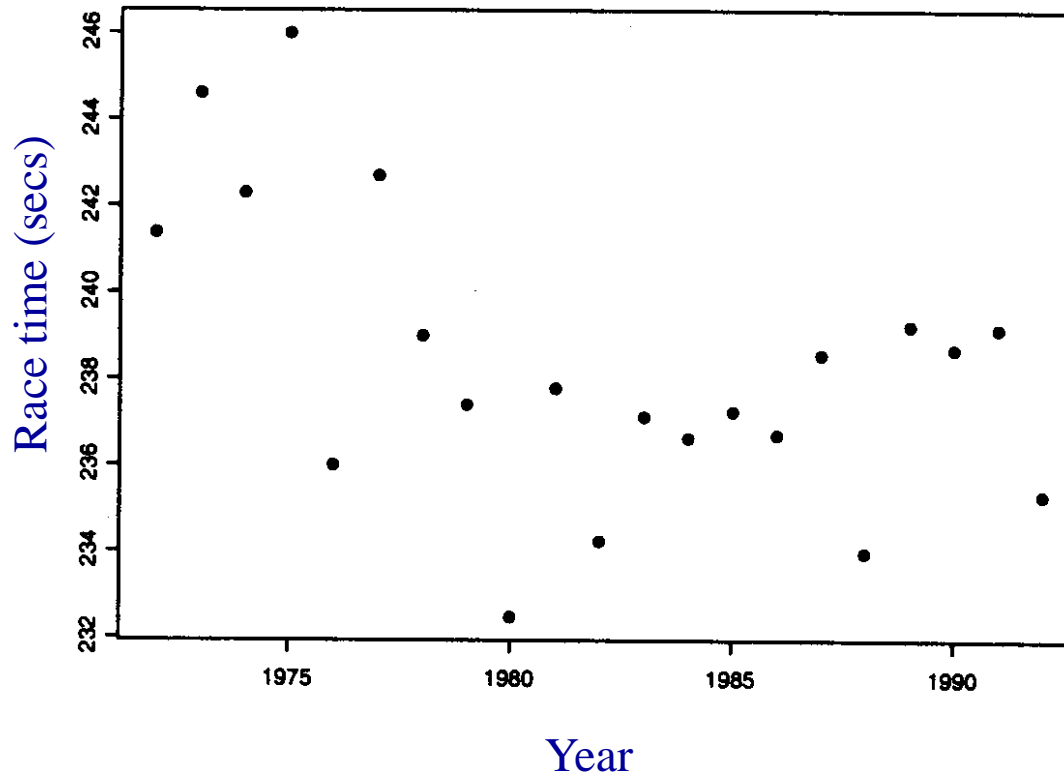
Problems with EVS: Trends I.

Figures are from **Stuart Coles: An Introduction to Statistical Modeling of Extreme Values**



Annual maximum sea levels at Fremantle, Western Australia

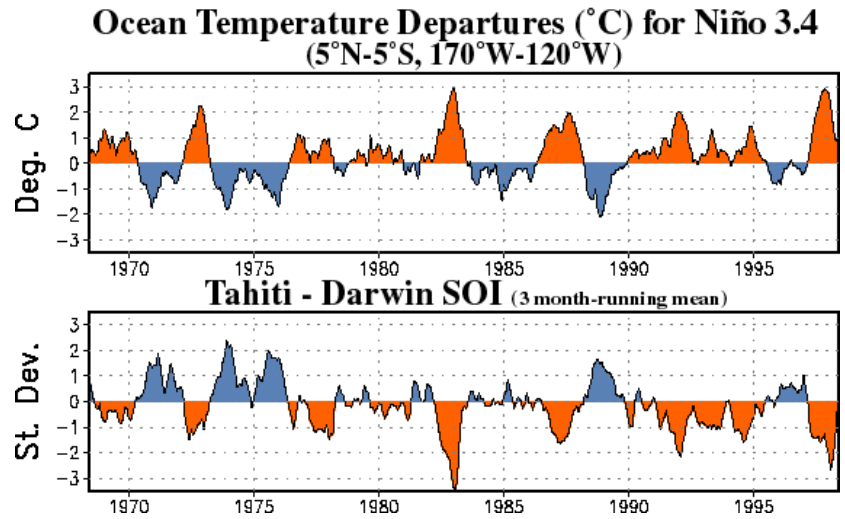
Problems with EVS: Trends II.



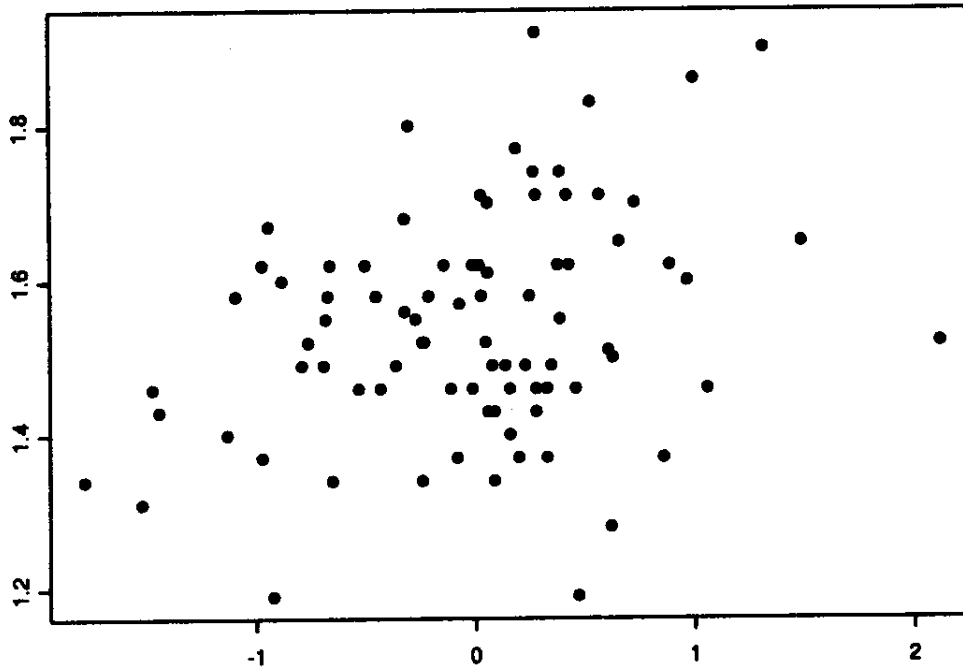
Fastest annual women's 1500 meters race times

Problem of time-correlations

Most of the EVS theory is about i.i.d. variables but ...

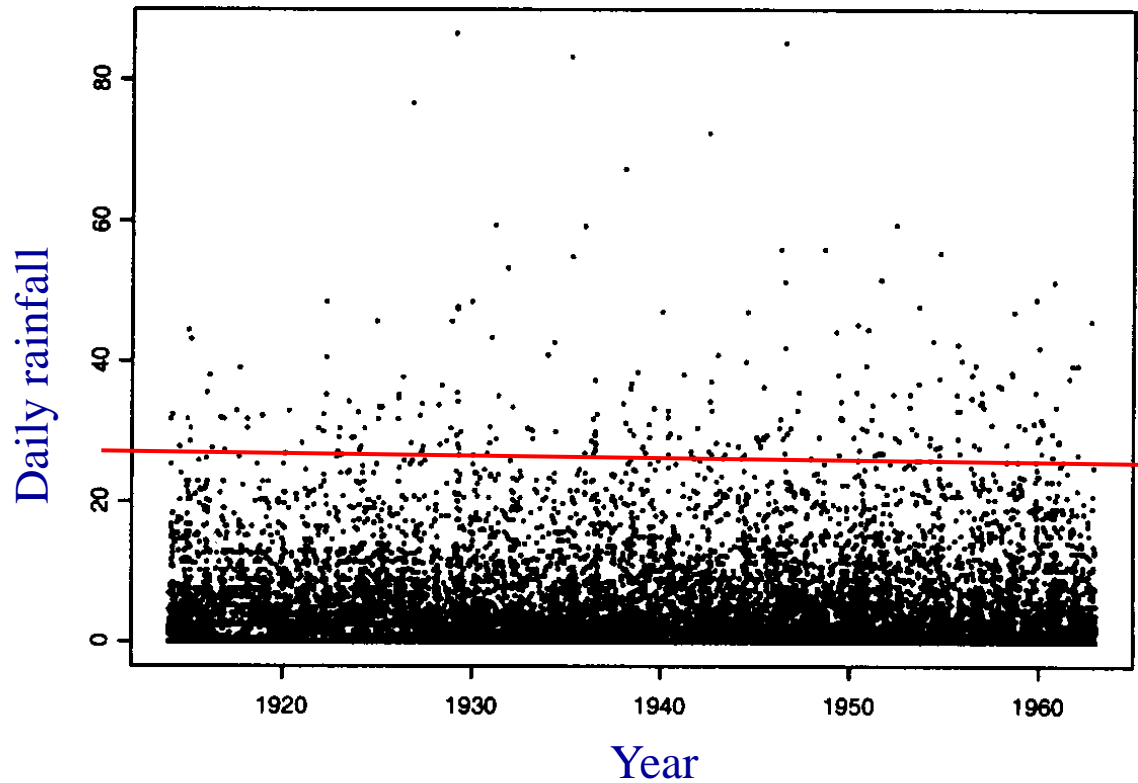


Annual maximum sea levels at Fremantle, W. Australia



Southern Oscillation Index

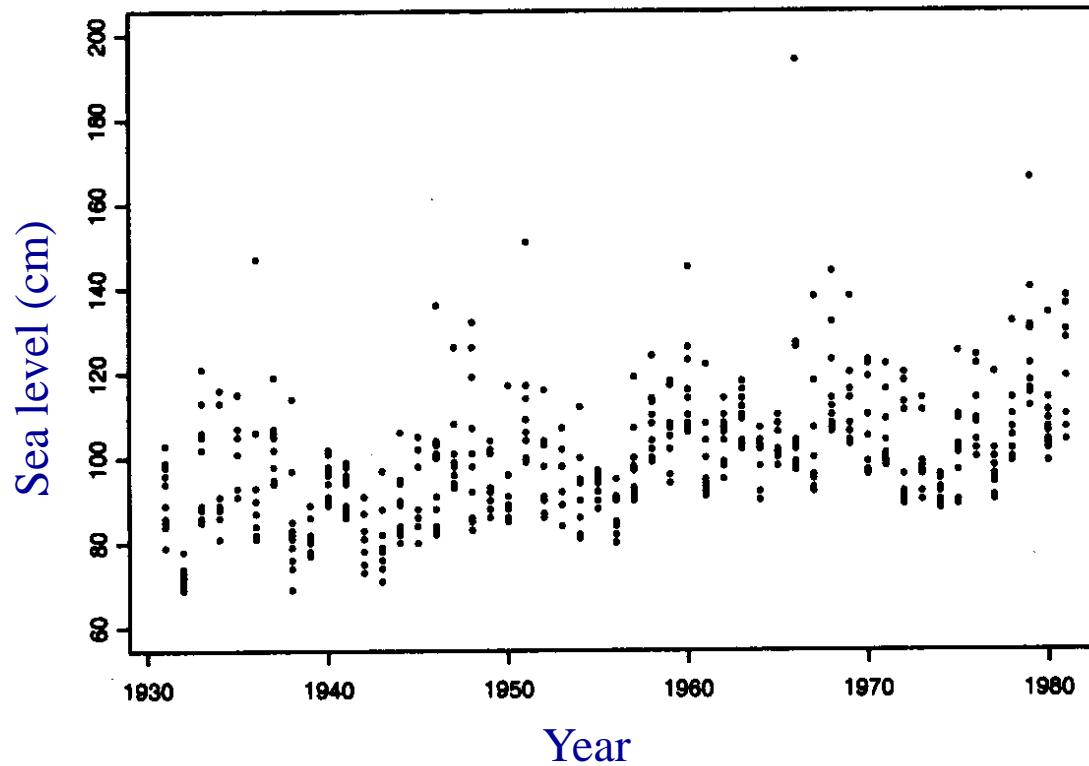
Problem of information loss



This part of the distribution gets lost in EVS

Daily rainfall accumulations

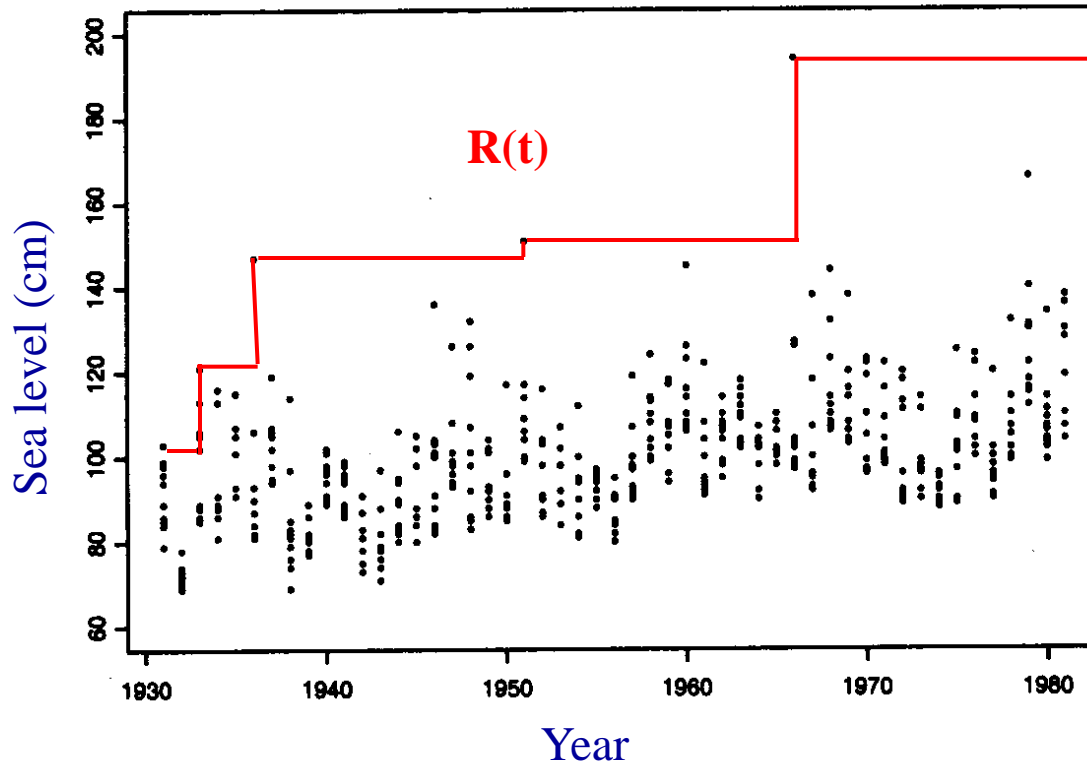
Order statistics: Second-, third-, ..., largest values



Trying to correct for the loss of interesting, discarded data.

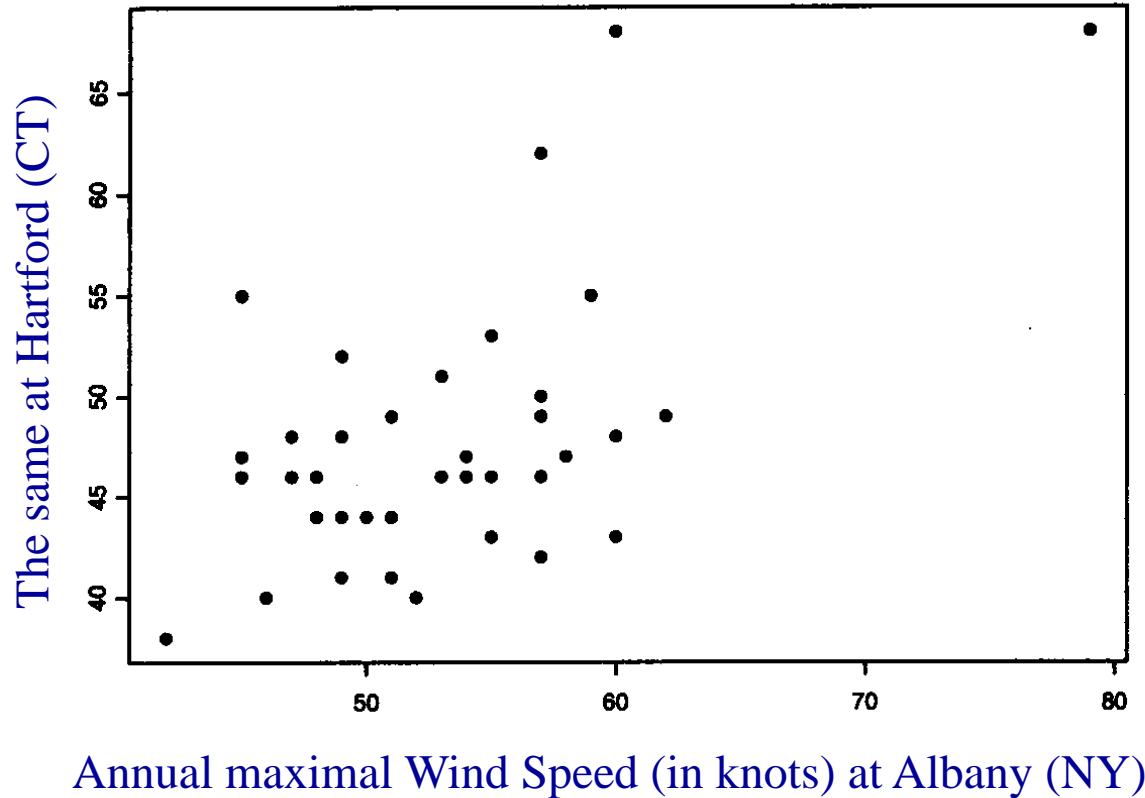
Largest 10 annual sea-levels in Venice

Record statistics



Largest 10 annual sea-levels in Venice

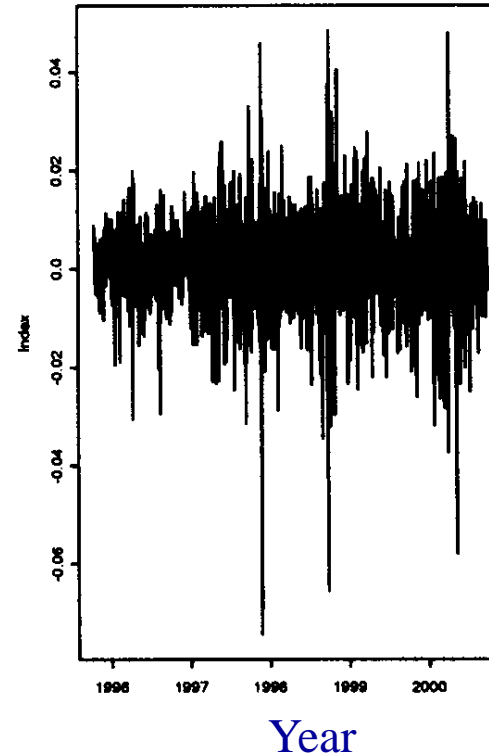
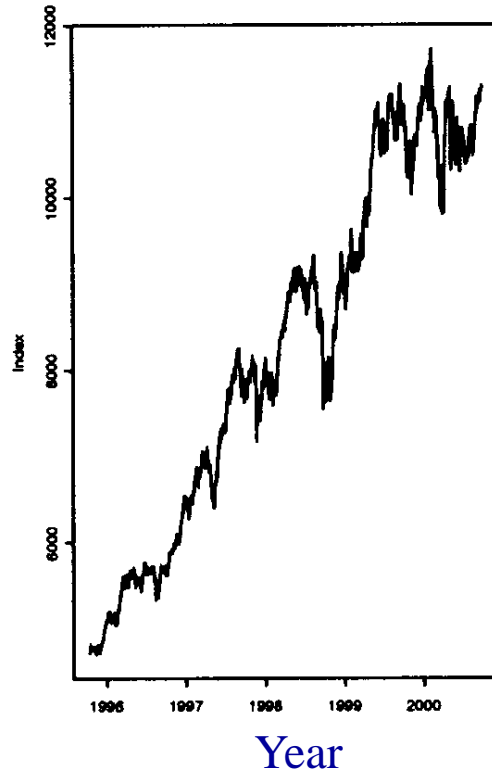
Problem of spatial correlations



Q: At what distances are the correlations negligible?

Problem of trends and the choice of variables

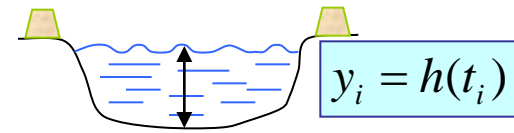
Searching for independent variables.



$$\Delta = \ln \frac{M_i}{M_{i-1}}$$

Left panel: daily closing prices of the Dow Jones Index.
Right panel: log daily returns of the same.

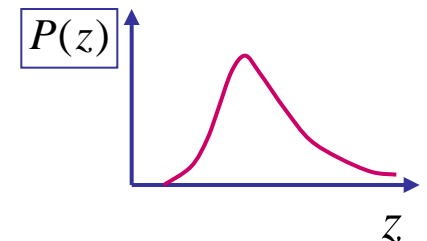
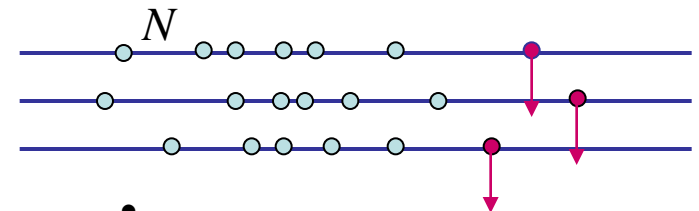
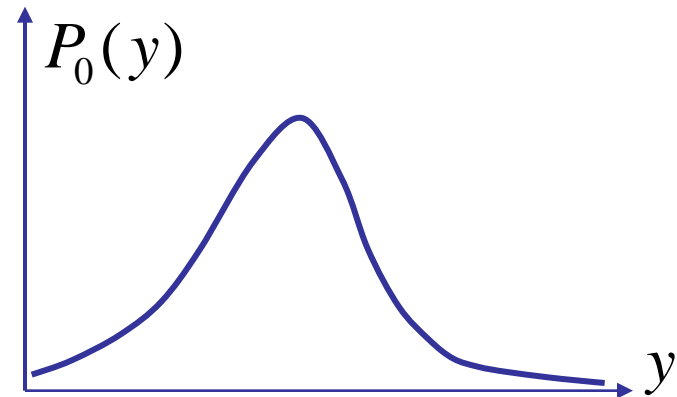
Extreme value paradigm



Y is measured: y_1, y_2, \dots, y_N

$z_N = \max\{y_1, y_2, \dots, y_N\}$

Question: What is the distribution of the largest number?



Logics:

Assume something about

$$y_i$$

E.g. independent, identically distributed

Use limit arguments: $(N \rightarrow \infty)$

A family of limit distributions (models) emerges

Calibrate the family of models

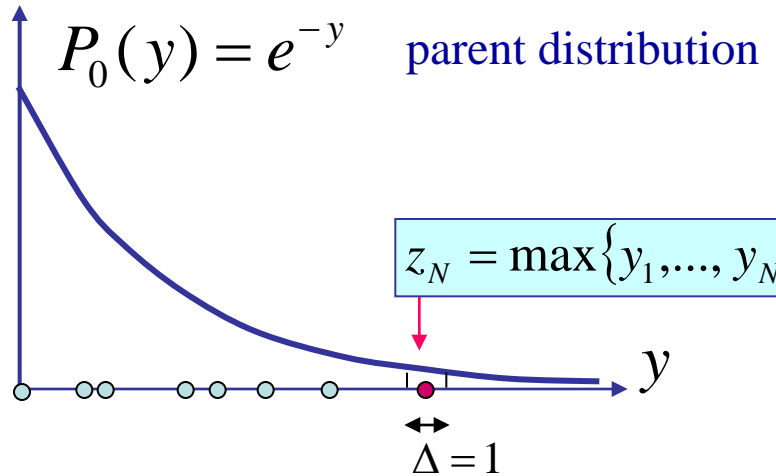
by the measured values of z_N .

Slightly suspicious but no alternatives exist at present.

General considerations through an example

Y is measured: y_1, y_2, \dots, y_N

Assumption: Independent, identically distributed random variables with \longrightarrow



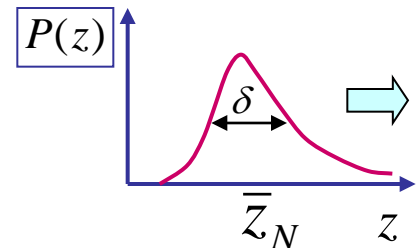
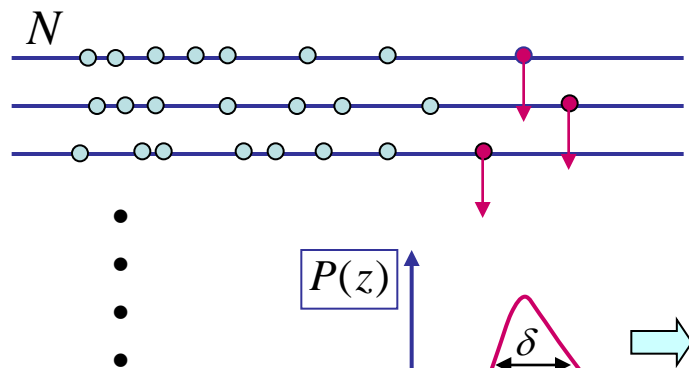
1st question: Can we estimate \bar{z}_N ?

$$P_0(\bar{z}_N) \Delta \cdot N \approx e^{-\bar{z}_N} N \approx 1$$

↓

$$\bar{z}_N \approx \ln N$$

Note: $\bar{z}_N \xrightarrow{N \rightarrow \infty} \infty$



2nd question: Can we estimate $\delta^2 = \overline{(z - \bar{z}_N)^2}$?

$$P_0(\bar{z}_N + \delta) \Delta \cdot N \approx 1/e \quad \longrightarrow \quad \delta \approx 1$$

Homework: Carry out the above estimates for a Gaussian parent distribution $P_0(y) \approx e^{-y^2}$!

Fisher-Tippett-Gumbel distribution

Fisher & Tippett (1928)

Q1: Can we calculate $P_N(z_N)$?

Q2: Is there a limit distribution?

$$\lim_{N \rightarrow \infty} P_N(a_N x + b_N) = P(x)$$

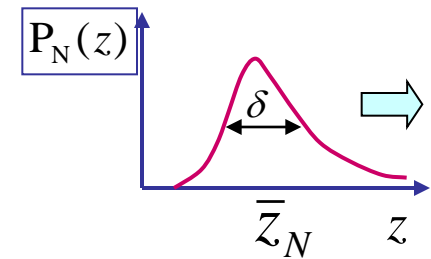
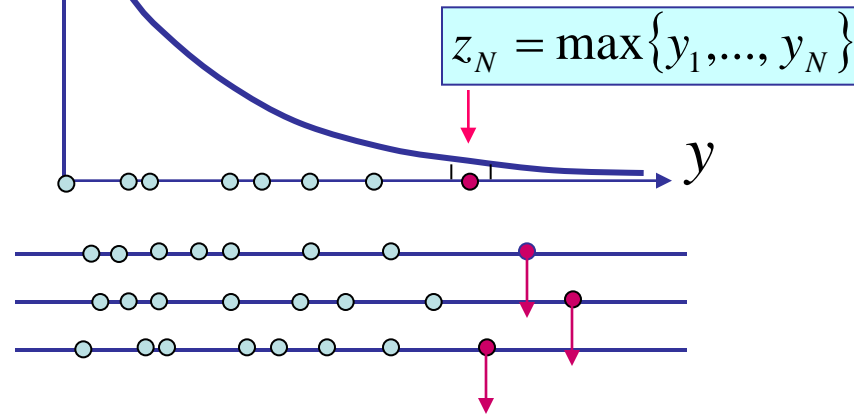
Probability of $z_N < z$:

$$M_N(z) = \int_{-\infty}^z P_N(z_N) dz_N = \left[\int_0^z P_0(y) dy \right]^N$$

$$M_N(z) = (1 - e^{-z})^N = \left[1 - \frac{e^{-(z - \ln N)}}{N} \right]^N = \left[1 - \frac{e^{-x}}{N} \right]^N = e^{-e^{-x}}$$

$$x = z - \ln N$$

$P_0(y) = e^{-y}$ parent distribution
i.i.d.



$$P(x) = \lim_{N \rightarrow \infty} \frac{d}{dx} M_N(z = x + \ln N) = e^{-x - e^{-x}}$$

FTG distribution

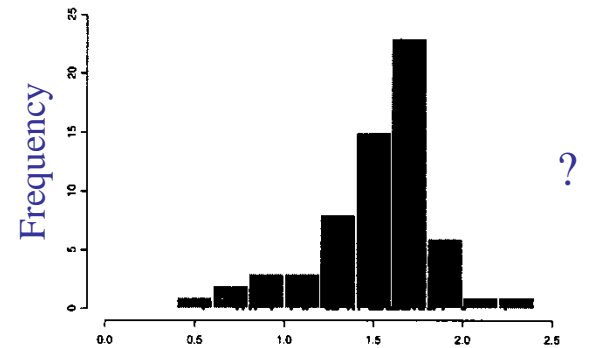
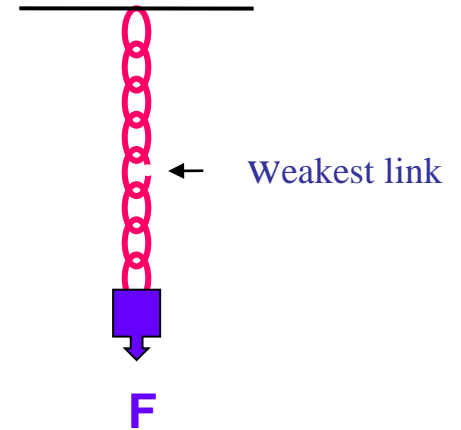
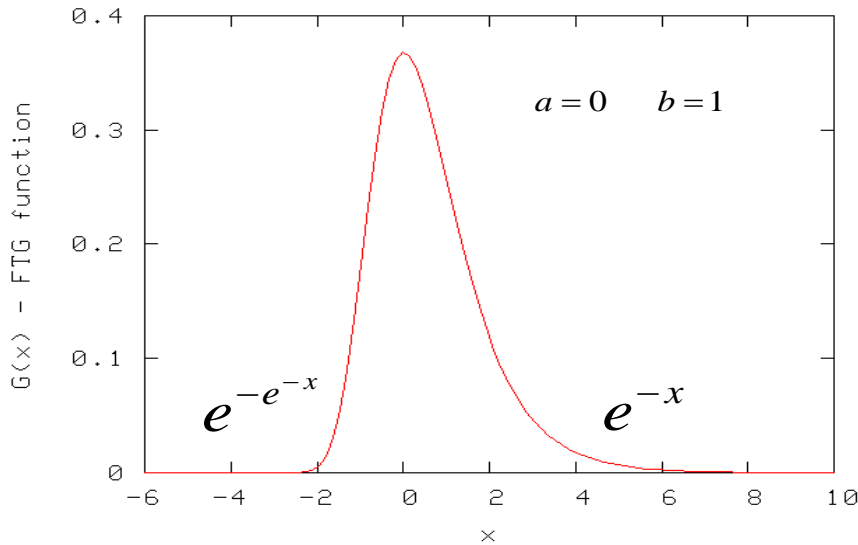
Shape of the FTG function

Fisher & Tippett (1928)
Gumbel (1950)

$$P(x) = \frac{1}{b} e^{-\frac{x-a}{b}} e^{-\frac{x-a}{b}}$$

location parameter

scale parameter



Breaking strength of glass fibres

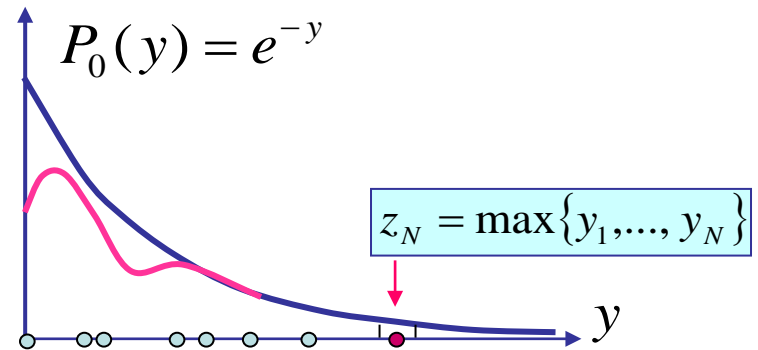
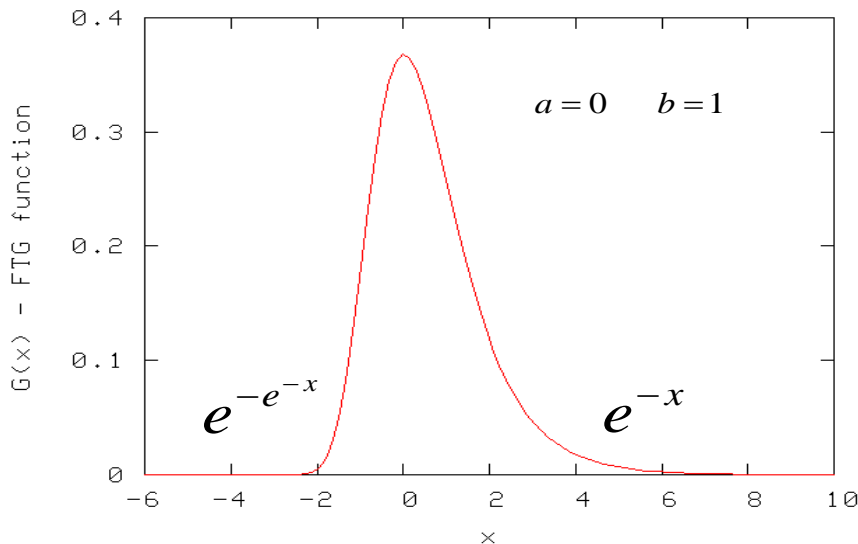
Shape of the FTG function

Fisher & Tippett (1928)

$$P(x) = \frac{1}{b} e^{-\frac{x-a}{b}} e^{-e^{-\frac{x-a}{b}}}$$

location parameter

scale parameter



The limit distribution should not depend on small y details of $P_0(y)$ but there is more generality to this result.



FTG distribution – from Gaussian parent

Probability
of $z_N < z$:

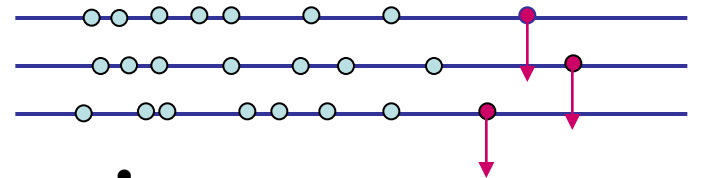
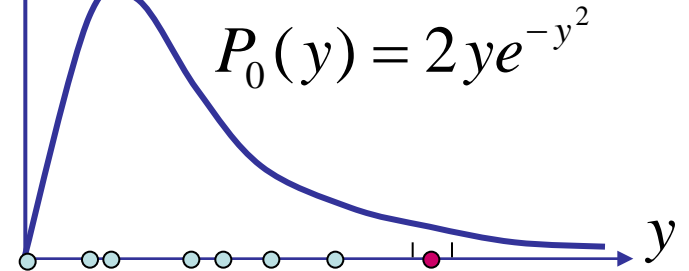
$$M_N(z) = \int_{-\infty}^z P_N(z_N) dz_N = \left[\int_0^z P_0(y) dy \right]^N$$

$$M_N(z) = (1 - e^{-z^2})^N$$

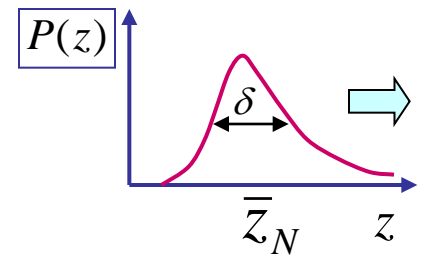
$$= \left[1 - \exp \left[- \left[\frac{x}{\sqrt{\ln N}} + \sqrt{\ln N} \right]^2 \right] \right]^N$$

$$= \left[1 - \frac{\exp[-x - x^2 / \ln N]}{N} \right]^N = e^{-e^{-x}}$$

Gaussian parent distribution



•
•
•
•



$$P(x) = \lim_{N \rightarrow \infty} \frac{d}{dx} M_N \left(z = x / \sqrt{\ln N} + \sqrt{\ln N} \right) = e^{-x-e^{-x}}$$

FTG distribution



Extreme value statistics: i.i.d. variables

Y is measured: y_1, y_2, \dots, y_N

$$z_N = \max\{y_1, y_2, \dots, y_N\}$$

$M_N(z)$ probability of $z_N < z$

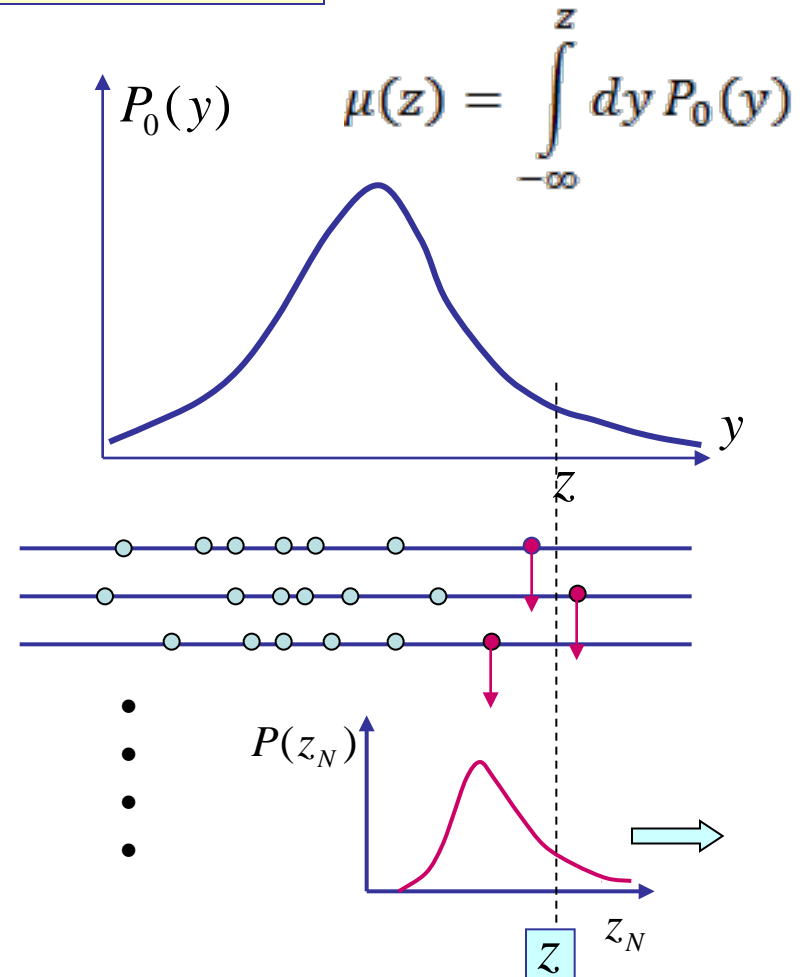
$$M_N(z) = [\mu(z)]^N$$

Question: Is there a limit distribution for $N \rightarrow \infty$?

$$\lim_{N \rightarrow \infty} M_N(a_N x + b_N) =$$

$$\lim_{N \rightarrow \infty} [\mu(a_N x + b_N)]^N = M(x)$$

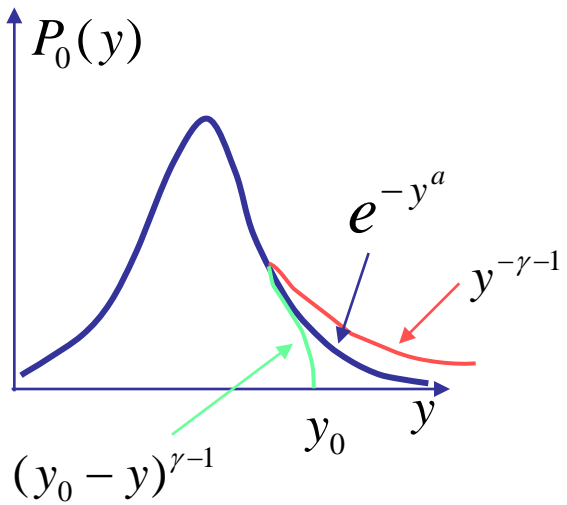
Result: Three possible limit distributions depending on the tail of the parent distribution, $P_0(y)$.



$$z = a_N x + b_N$$

Fisher & Tippett (1928)
 Gnedenko (1941)
 J. Galambos (1978)

Extreme value limit distributions: i.i.d. variables



- Fisher-Tippett-Gumbel (exponential tail)

$$M_{FTG}(x) = \exp(-\exp(-x))$$

- Fisher-Tippett-Frechet (power law tail)

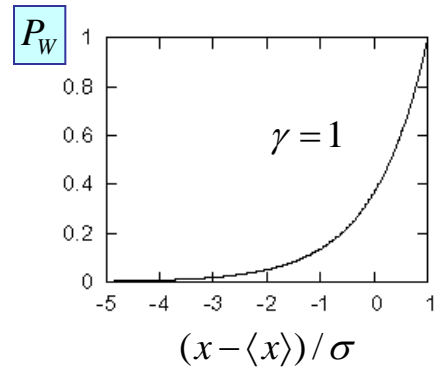
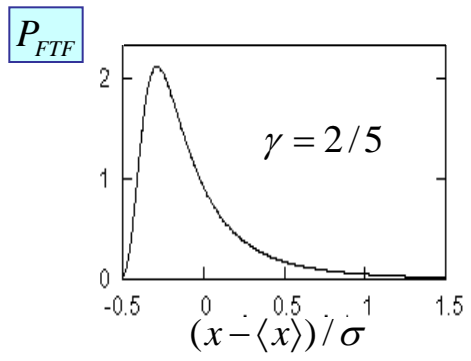
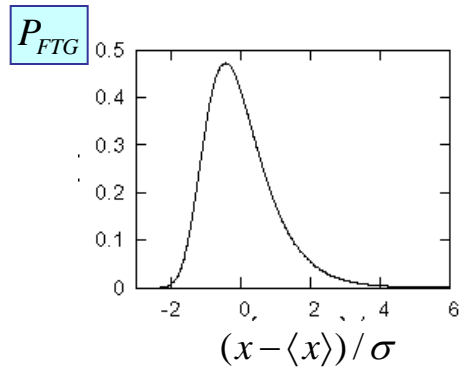
$$M_{FTF}(x) = \begin{cases} \exp(-x^{-1/\gamma}) & x > 0 \\ 0 & x < 0 \end{cases}$$

- Weibull (finite cutoff)

$$M_W(x) = \begin{cases} \exp(-(-x)^{1/\gamma}) & x < 0 \\ 1 & x > 0 \end{cases}$$

Characteristic shapes of probability densities:

$$P_I(x) = dM_I(x) / dx$$



HF2: Picture gallery as a function of γ . Do we understand the trends?

Fisher-Tippett-Frechet distribution

Y is measured: y_1, y_2, \dots, y_N

Assumption: Independent, identically distributed random variables with \longrightarrow

$$z_N = \max\{y_1, y_2, \dots, y_N\}$$

Question: Can we calculate $P_N(z_N)$?

Probability of $z_N < z$:

$$M_N(z) = \int_{-\infty}^z P_N(z_N) dz_N = \left[\int_0^z P_0(y) dy \right]^N$$

$$M(z) = \left(1 - \frac{1}{z^\alpha}\right)^N = \left(1 - \frac{1}{N(N^{1/\alpha} z)^\alpha}\right)^N$$

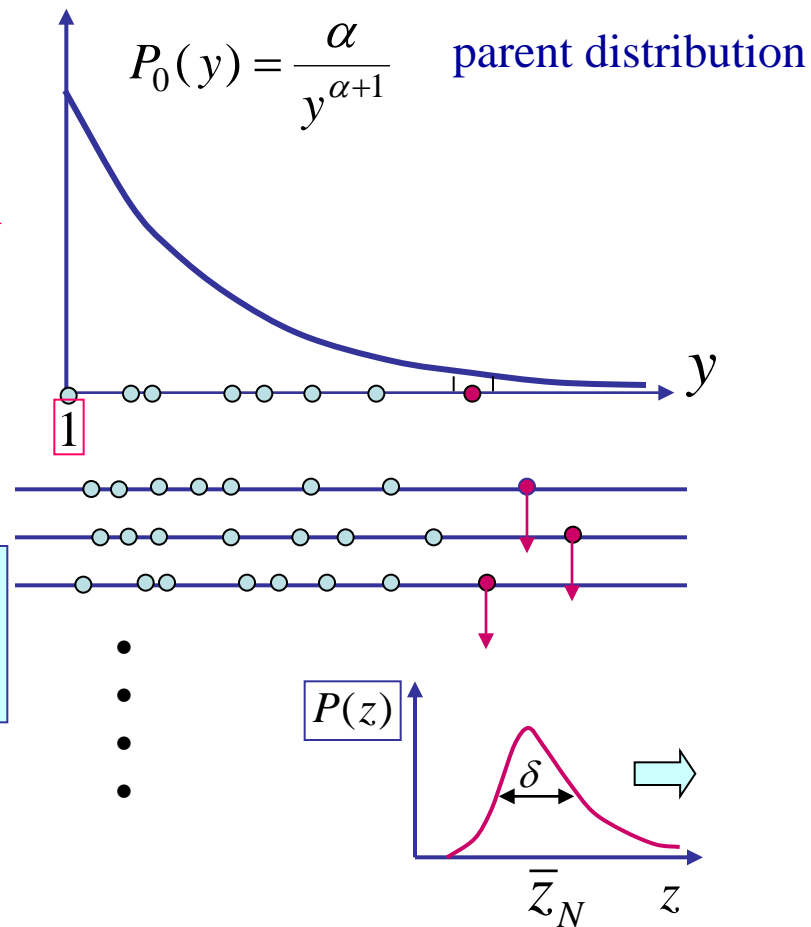
$$= \left(1 - \frac{1}{Nx^\alpha}\right)^N = \exp(-x^{-\alpha})$$

$$x = N^{1/\alpha} z$$

$$P(x) = \lim_{N \rightarrow \infty} \frac{d}{dx} M_N(z = xN^{-1/\alpha}) = \alpha x^{-\alpha-1} \exp(-x^{-\alpha})$$

FTF distribution \nearrow

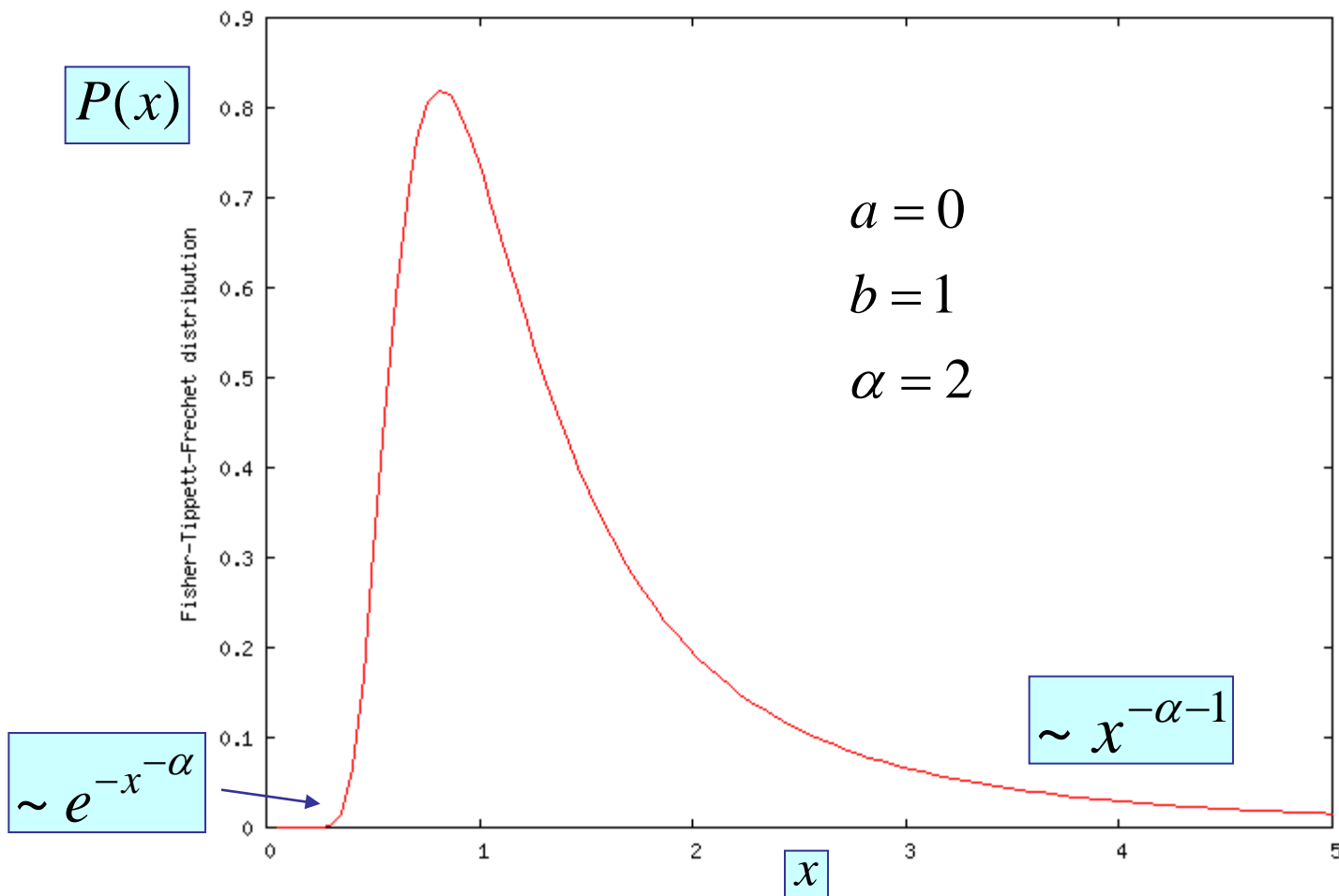
$$x \geq 0$$



Shape of the FTF distribution

$$P(x) = \alpha \left[\frac{x-a}{b} \right]^{-\alpha-1} e^{-\left[\frac{x-a}{b} \right]^{-\alpha}}$$

$$x \geq a$$

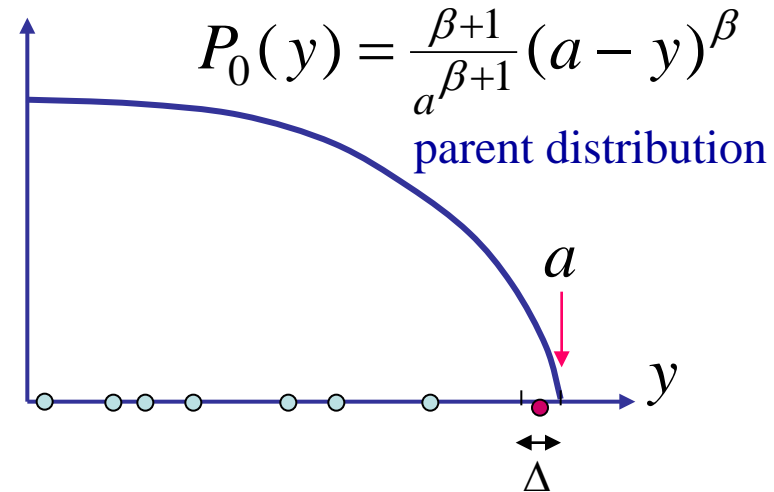


Finite cutoff: Weibull distribution

Y is measured: y_1, y_2, \dots, y_N

Assumption: Independent, identically distributed random variables with \longrightarrow

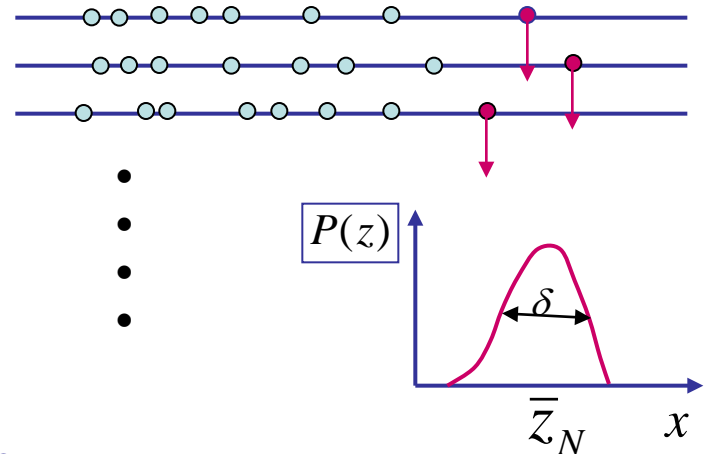
$$z_N = \max\{y_1, y_2, \dots, y_N\} \xrightarrow{N \rightarrow \infty} a$$



1st question: Can we estimate $a - \bar{z}_N$?

$$P_0(\bar{z}_N) \Delta \cdot N \approx 1 \quad \Delta \approx a - \bar{z}_N$$

$$a - \bar{z}_N \approx N^{-1/(\beta+1)}$$



2nd question: Can we estimate $\delta^2 = \overline{(z - \bar{z}_N)^2}$?

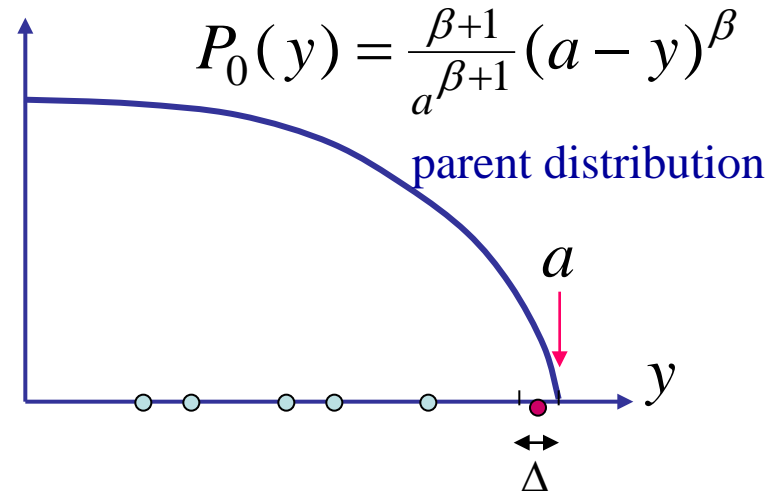
$$P_0(a) = 0 \quad \longrightarrow \quad \delta \approx a - \bar{z}_N \quad \longrightarrow \quad \delta \approx N^{-1/(\beta+1)}$$

Weibull distribution II

Y is measured: y_1, y_2, \dots, y_N

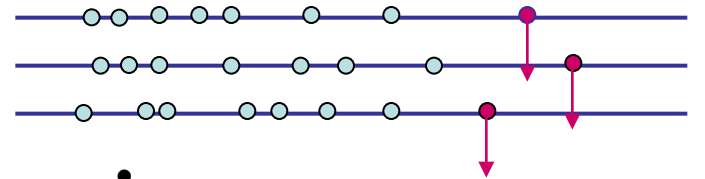
Assumption: Independent, identically distributed random variables with \longrightarrow

$$z_N = \max\{y_1, y_2, \dots, y_N\}$$



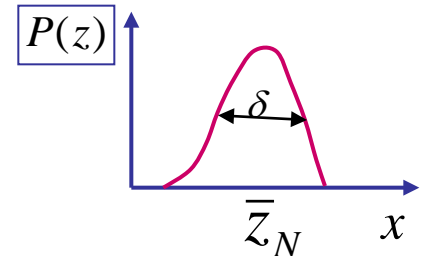
Probability of $z_N < z$:

$$M_N(z) = \int_{-\infty}^z P_N(z_N) dz_N = \left[\int_0^z P_0(y) dy \right]^N$$



$$M(z) = \left[1 - \left(1 - \frac{z}{a}\right)^{\beta+1} \right]^N = \left(1 - (-x)^{\beta+1} / N \right)^N = e^{-(-x)^{\beta+1}}$$

$$a - \bar{z}_N \approx N^{-1/(\beta+1)} \quad z = a + xN^{-1/(\beta+1)}$$



$$P(x) = \lim_{N \rightarrow \infty} \frac{d}{dx} M_N(z = a + xN^{-1/(\beta+1)}) = (\beta+1)(-x)^\beta \exp[-(-x)^{\beta+1}] \quad x \leq 0$$

Weibull distribution \curvearrowright

$$P(x) = 0 \quad x \geq 0$$

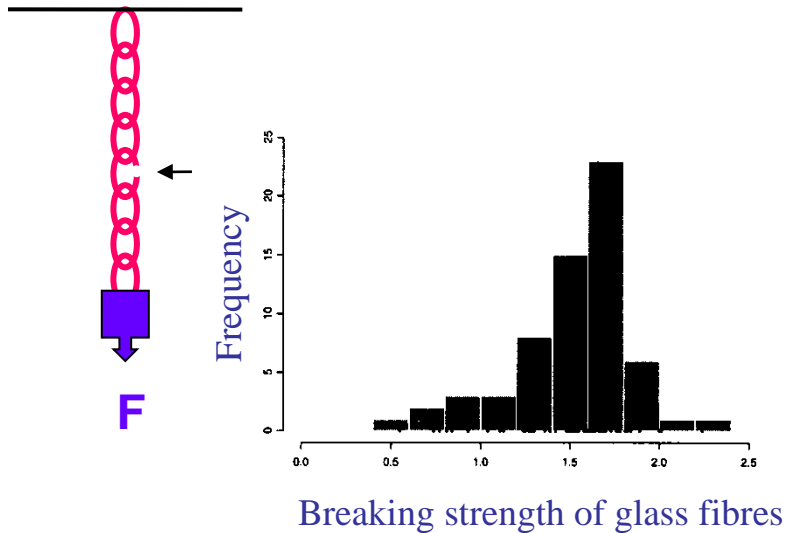
Weibull function and fitting

$z_N = \max\{y_1, y_2, \dots, y_N\}$ is measured.

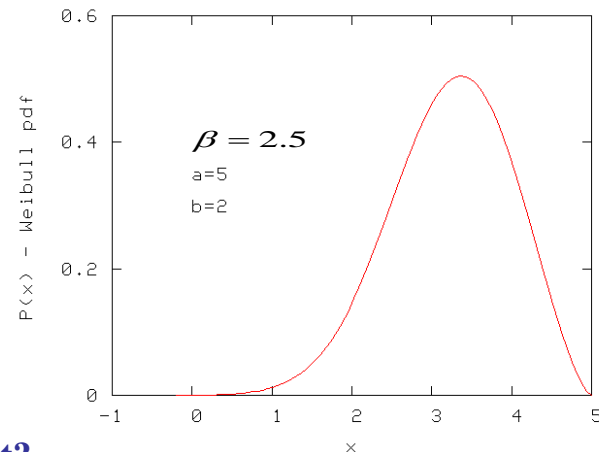
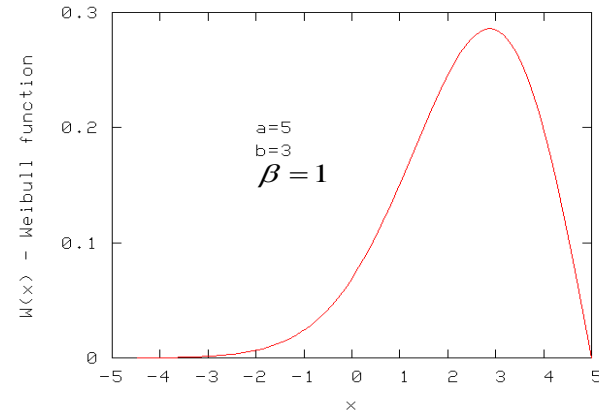
N is not known!

Question:

What is the fitting procedure?



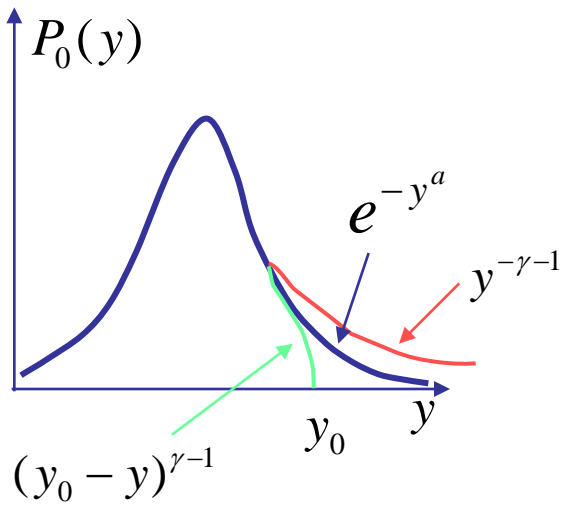
$$P(x) = \begin{cases} \frac{\beta+1}{b} \left(\frac{a-x}{b}\right)^\beta e^{-\left(\frac{a-x}{b}\right)^{\beta+1}} & x \leq a \\ 0 & x > a \end{cases}$$



HF.3: Is there a better fit?

Fisher & Tippett (1928)
 Gnedenko (1941)
 J. Galambos (1978)

Extreme value limit distributions: i.i.d. variables



- Fisher-Tippett-Gumbel (exponential tail)

$$M_{FTG}(x) = \exp(-\exp(-x))$$

- Fisher-Tippett-Frechet (power law tail)

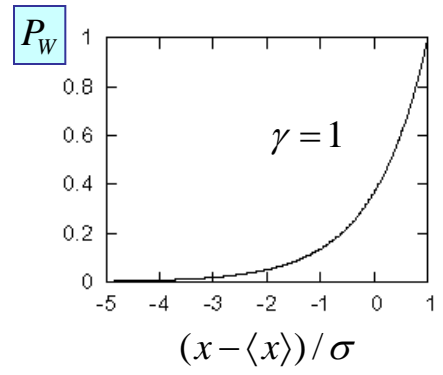
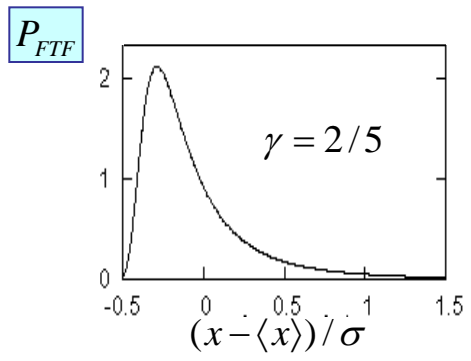
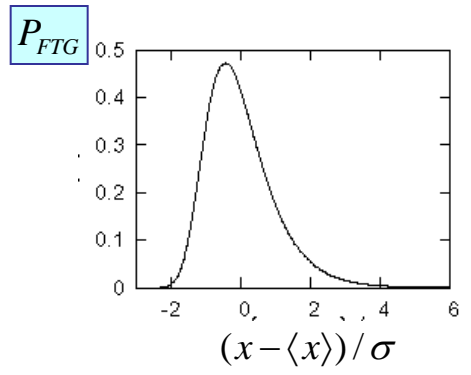
$$M_{FTF}(x) = \begin{cases} \exp(-x^{-1/\gamma}) & x > 0 \\ 0 & x < 0 \end{cases}$$

- Weibull (finite cutoff)

$$M_W(x) = \begin{cases} \exp(-(-x)^{1/\gamma}) & x < 0 \\ 1 & x > 0 \end{cases}$$

Characteristic shapes of probability densities:

$$P_I(x) = dM_I(x) / dx$$



HF2: Picture gallery as a function of γ . Do we understand the trends?

Extreme value statistics and renormalization group

Q: Limit distribution for $N \rightarrow \infty$?

$$\lim_{N \rightarrow \infty} [\mu(z)]^N \Big|_{z = a_N x + b_N} = M(x)$$

Fix point condition: $N \rightarrow N' = pN$

$$[M(a_p x + b_p)]^p = M(x)$$

Interpretation:

$\mathfrak{R}_p [M(z)] = [M(z)]^p = [M(a_p x + b_p)]^p = M(x)$

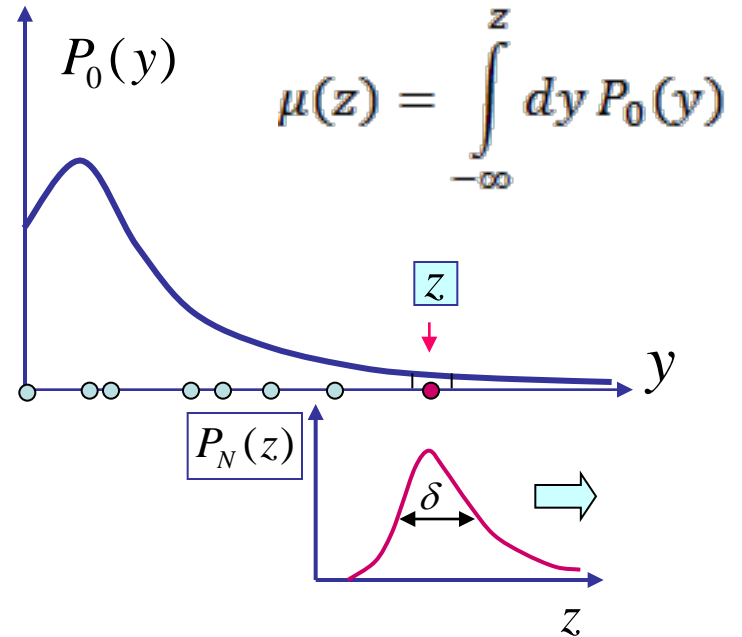
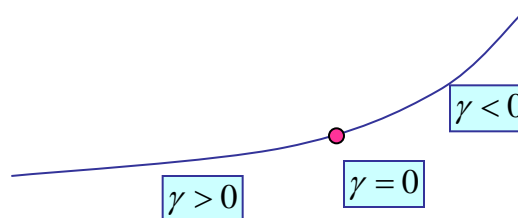
↑
↑
↑
transformation
scale change
shift

$$M(x) = \exp\left[-(1 + \gamma x)^{-1/\gamma}\right] \bullet$$

How to get γ ?

$$g(z) = -\ln[-\ln F_0(z)]$$

$$g''/(g')^2 \Big|_{z \rightarrow z^*} = -1/\gamma$$



Solving the RG fix point equation I.

For arbitrary p , we have $M(x) = [M(a_p x + b_p)]^p$

Let $M(x) = \exp[-\exp(-f(x))]$

Standardization (shift and scaling)
in the $x \sim O(1)$ variable:

$$M(0) = M'(0) = 1/e \quad \rightarrow$$

$$f(x) = f(a_p x + b_p) + \ln p$$

$$f(0) = 0 \quad f'(0) = 1$$

Solution:

$$f'(x) = a_p f'(a_p x + b_p)$$

The right hand side
should not depend on p .

$$f'(x) = \frac{1}{1 + \gamma x}$$

where

$$\gamma = \frac{a_p - 1}{b_p}$$

Solving the RG fixed point equation II.

$$f(x) = f(a_p x + b_p) + \ln p$$

$$f(0) = 0 \quad f'(0) = 1$$

$$\rightarrow f'(x) = \frac{1}{1 + \gamma x}$$

$$\downarrow$$

$$f(x) = \frac{1}{\gamma} \ln(1 + \gamma x) + C$$

\parallel
 0 from
 $f(0) = 0$

Generalized Extreme Value statistics

$$\underline{\underline{M(x) = \exp[-\exp(-f(x))] = \exp[-(1 + \gamma x)^{-1/\gamma}]}}$$

Probability density:

$$P(x) = (1 + \gamma x)^{-(1+\gamma)/\gamma} \exp[-(1 + \gamma x)^{-1/\gamma}]$$

$\gamma \rightarrow 0$ limit

$$M(x) = \exp[-\exp(-x)]$$

$$P(x) = \exp[-x - \exp(-x)]$$

Solving the RG fix point equation III.

Generalized Extreme Value statistics $M(x) = \exp[-(1 + \gamma x)^{-1/\gamma}]$

$0 < \gamma$
 $-1/\gamma < x$

$$P(x) = (1 + \gamma x)^{-(1+\gamma)/\gamma} \exp[-(1 + \gamma x)^{-1/\gamma}] \quad \text{Frechet}$$

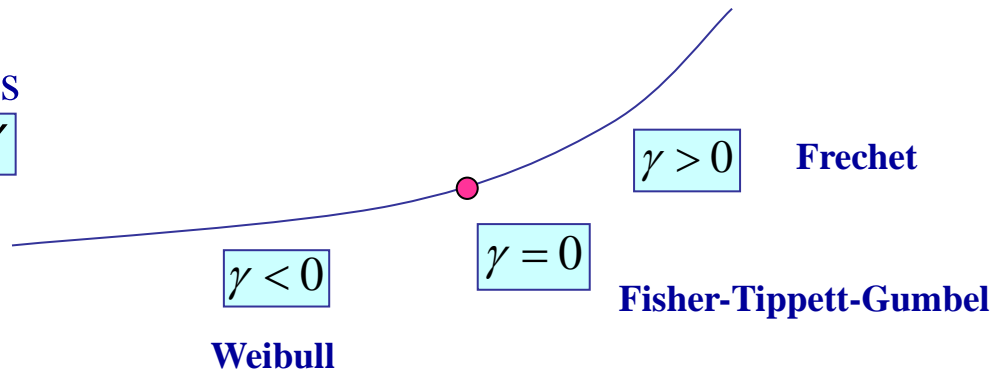
$\gamma < 0$
 $x < -1/|\gamma|$

$$P(x) = (1 - |\gamma| x)^{(1-|\gamma|)/|\gamma|} \exp[-(1 - |\gamma| x)^{1/|\gamma|}] \quad \text{Weibull}$$

$\gamma = 0$
 $-\infty < x < \infty$

$$P(x) = \exp[-x - \exp(-x)] \quad \text{Fisher-Tippett-Gumbel}$$

A line of fix points
parametrized by γ



Return to the random energy model: What can be deduced from EVS?

B. Derrida (1980)
J.-P. Bouchaud and M. Mézard (1997)

S-K model

$$H \sim - \sum_{ij} J_{ij} \sigma_i \sigma_j$$

$$P(J_{ij}) \sim \exp \left[- \frac{J_{ij}^2 N}{J^2} \right]$$

replaced by

$$P_0(E_i) \sim \exp \left[- \frac{E_i^2}{J^2 N} \right]$$

$$y = \frac{E^2}{J^2 N}$$

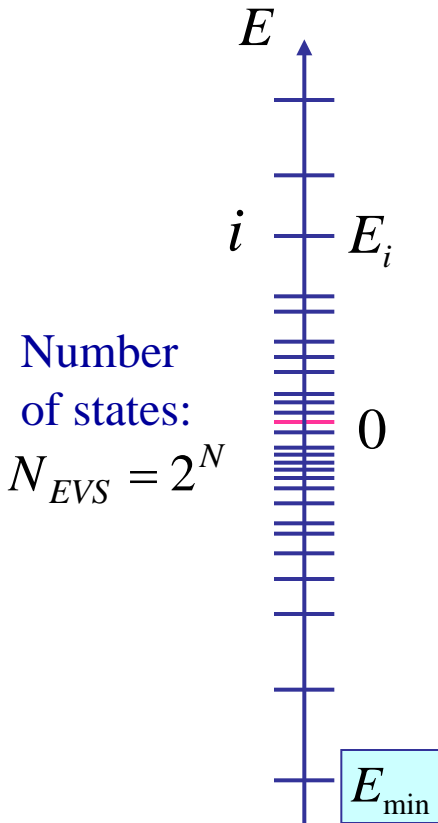
Number of spins
in the system

Distribution of the ground state energy:

Change of variables for Gaussian: $E_{\min} = \frac{u}{\sqrt{\ln N_{EVS}}} + \sqrt{\ln N_{EVS}}$

$$u = \frac{\sqrt{\ln 2}}{J} E_{\min} - N \ln 2$$

$$P(u) = e^{u+e^u} \sim e^u \sim e^{E_{\min}} \quad \text{exponential distribution}$$



Low temperature behavior: Second lowest energy and crowding at E_{\min} is needed.