

Package ‘SymTS’

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Type Package

Title Symmetric Tempered Stable Distributions

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Description Contains methods for simulation and for evaluating the pdf, cdf, and quantile functions for symmetric stable, symmetric classical tempered stable, and symmetric power tempered stable distributions.

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R topics documented:

SymTS-package	2
dCTS	3
dPowTS	4
dSaS	5
pCTS	6
pPowTS	7
pSaS	8
qCTS	9
qPowTS	10
qSaS	10
rCTS	11
rPowTS	12
rSaS	13

Index	14
--------------	-----------

SymTS-package

*Symmetric Tempered Stable Distributions***Description**

Contains methods for simulation and for evaluating the pdf, cdf, and quantile functions for symmetric stable, symmetric classical tempered stable, and symmetric power tempered stable distributions.

Details

The DESCRIPTION file:

```
Package:      SymTS
Type:        Package
Title:       Symmetric Tempered Stable Distributions
Version:     1.0
Date:       2017-03-06
Author:      Michael Grabchak <mgrabcha@uncc.edu> and Lijuan Cao <lcao2@uncc.edu>
Maintainer:  Michael Grabchak <mgrabcha@uncc.edu>
Description: Contains methods for simulation and for evaluating the pdf, cdf, and quantile functions for symmetric stable, symmetric classical tempered stable, and symmetric power tempered stable distributions.
License:     GPL (>= 3)
```

Index of help topics:

SymTS-package	Symmetric Tempered Stable Distributions
dCTS	PDF of CTS Distribution
dPowTS	PDF of PowTS Distribution
dSaS	PDF of Symmetric Stable Distribution
pCTS	CDF of CTS Distribution
pPowTS	PDF of PowTS Distribution
pSaS	CDF of Symmetric Stable Distribution
qCTS	Quantile Function of CTS Distribution
qPowTS	Quantile Function of PowTS Distribution
qSaS	Quantile Function of Symmetric Stable Distribution
rCTS	Simulation from CTS Distribution
rPowTS	Simulation from PowTS Distribution
rSaS	Simulation from Symmetric Stable Distribution

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References

- M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.
- S. T. Rachev, Y. S. Kim, M. L. Bianchi, and F. J. Fabozzi (2011). Financial Models with Levy Processes and Volatility Clustering. Wiley, Chichester.
- J. Rosinski (2007). Tempering stable processes. Stochastic Processes and Their Applications, 117(6):677-707.
- G. Samorodnitsky and M. Taqqu (1994). Stable Non-Gaussian Random Processes: Stochastic Models with Infinite Variance. Chapman & Hall, Boca Raton.

dCTS

PDF of CTS Distribution

Description

Evaluates the pdf for the symmetric classical tempered stable distribution. When $\alpha=0$ this is the symmetric variance gamma distribution.

Usage

```
dCTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of points.
alpha	Number in [0,2)
c	Parameter $c > 0$
ell	Parameter $\text{ell} > 0$
mu	Location parameter, any real number

Details

The integration is preformed using the QAWF method in the GSL library for C. For this distribution the Rosinski measure $R(dx) = c \cdot \delta_{\text{ell}}(dx) + c \cdot \delta_{-\text{ell}}(dx)$, where δ is the delta function. The Levy measure is $M(dx) = c \cdot \text{ell}^{\alpha} \cdot e^{(-x/\text{ell})} \cdot x^{-(1-\alpha)} dx$. The characteristic function is, for α not equal 0,1:

$$f(t) = \exp(2 \cdot c \cdot \gamma(-\alpha) \cdot (1 + \text{ell}^2 t^2)^{\alpha/2} \cdot (\cos(\alpha \cdot \text{atan}(\text{ell} \cdot t)) - 1)) \cdot e^{i \cdot t \cdot \mu},$$

for $\alpha = 1$ it is

$$f(t) = (1 + \text{ell}^2 t^2)^c \cdot \exp(-2 \cdot c \cdot \text{ell} \cdot t \cdot \text{atan}(\text{ell} \cdot t)) \cdot e^{i \cdot t \cdot \mu},$$

and for $\alpha=0$ it is

$$f(t) = (1 + t^2 \text{ell}^2)^{-c} \cdot e^{i \cdot t \cdot \mu}.$$

Note

When $\alpha=0$ and $c \leq .5$, the pdf is unbounded. It is infinite at μ and the method returns Inf in that case. This does not affect pCTS, qCTS, or rCTS.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (-10:10)/10
dCTS(x, .5)
```

dPowTS

PDF of PowTS Distribution

Description

Evaluates the pdf for the symmetric power tempered stable distribution.

Usage

```
dPowTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of points
alpha	Number in [0,2)
c	Parameter $c > 0$
ell	Parameter $\text{ell} > 0$
mu	Location parameter, any real number

Details

The integration is performed using the QAWF method in the GSL library for C. For this distribution the Rosinski measure $R(dx) = c \cdot (\alpha + \text{ell} + 1) \cdot (\alpha + \text{ell}) \cdot (1 + |x|)^{-2 - \alpha - \text{ell}}(dx)$.

Note

We do not allow for the case $\alpha=0$ and $c \leq .5 \cdot (1 + \text{ell})$, as, in this case, the pdf is unbounded. This does not affect pPowTS, qPowTS, or rPowTS.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (-10:10)/10
dPowTS(x, .5)
```

dSaS

PDF of Symmetric Stable Distribution

Description

Evaluates the pdf for the symmetric alpha stable distribution. For alpha=1 this is the Cauchy distribution.

Usage

```
dSaS(x, alpha, c = 1, mu = 0)
```

Arguments

x	Vector of points.
alpha	Index of stability; Number in (0,2)
c	Scale parameter, c>0
mu	Location parameter, any real number

Details

The integration is performed using the QAWF method in the GSL library for C. The characteristic function is

$$f(t) = e^{(-c |t|^\alpha) * e^{i*t*\mu}}.$$

Author(s)

Michael Grabchak and Lijuan Cao

References

G. Samorodnitsky and M. Taqqu (1994). Stable Non-Gaussian Random Processes: Stochastic Models with Infinite Variance. Chapman & Hall, Boca Raton.

Examples

```
x = (-10:10)/10
dSaS(x, .5)
```

pCTS

CDF of CTS Distribution

Description

Evaluates the cdf for the symmetric classical tempered stable distribution. When $\alpha=0$ this is the symmetric variance gamma distribution.

Usage

```
pCTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of probabilities.
alpha	Number in $[0,2)$
c	Parameter $c > 0$
ell	Parameter $\text{ell} > 0$
mu	Location parameter, any real number

Details

For details about this distribution see the the description of dCTS.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (-10:10)/10
pCTS(x, .5)
```

pPowTS

PDF of PowTS Distribution

Description

Evaluates the cdf for the symmetric power tempered stable distribution.

Usage

```
pPowTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of probabilities.
alpha	Number in [0,2)
c	Parameter $c > 0$
ell	Parameter $ell > 0$
mu	Location parameter, any real number

Details

The integration is performed using the QAWF method in the GSL library for C. For this distribution the Rosinski measure $R(dx) = c * (\alpha + ell + 1) * (\alpha + ell) * (1 + |x|)^{-2 - \alpha - ell} dx$.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (-10:10)/10  
pPowTS(x, .5)
```

pSaS

CDF of Symmetric Stable Distribution

Description

Evaluates the cdf for the symmetric alpha stable distribution. For alpha=1 this is the Cauchy distribution.

Usage

```
pSaS(x, alpha, c = 1, mu = 0)
```

Arguments

x	Vector of probabilities.
alpha	Index of stability; Number in (0,2)
c	Scale parameter, c>0
mu	Location parameter, any real number

Details

The integration is performed using the QAWF method in the GSL library for C. The characteristic function is

$$f(t) = e^{(-c |t|^\alpha)} * e^{(i*t*\mu)}.$$

Author(s)

Michael Grabchak and Lijuan Cao

References

G. Samorodnitsky and M. Taqqu (1994). Stable Non-Gaussian Random Processes: Stochastic Models with Infinite Variance. Chapman & Hall, Boca Raton.

Examples

```
x = (-10:10)/10  
pSaS(x, .5)
```

qCTS

Quantile Function of CTS Distribution

Description

Evaluates the quantile function for the symmetric classical tempered stable distribution. When $\alpha=0$ this is the symmetric variance gamma distribution.

Usage

```
qCTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of quantiles.
alpha	Number in $[0,2)$
c	Parameter $c > 0$
ell	Parameter $ell > 0$
mu	Location parameter, any real number

Details

For details about this distribution see the the description of dCTS.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (1:9)/10  
qCTS(x, .5)
```

 qPowTS

Quantile Function of PowTS Distribution

Description

Evaluates the quantile function for the symmetric power tempered stable distribution.

Usage

```
qPowTS(x, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

x	Vector of quantiles.
alpha	Number in [0,2)
c	Parameter $c > 0$
ell	Parameter $ell > 0$
mu	Location parameter, any real number

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
x = (1:9)/10
qPowTS(x, .5)
```

 qSaS

Quantile Function of Symmetric Stable Distribution

Description

Evaluates the quantile function for the symmetric alpha stable distribution. For $\alpha=1$ this is the Cauchy distribution.

Usage

```
qSaS(x, alpha, c = 1, mu = 0)
```

Arguments

x	Vector of points.
alpha	Index of stability; Number in (0,2)
c	Scale parameter, $c > 0$
mu	Location parameter, any real number

Details

The characteristic function is

$$f(t) = e^{(-c |t|^\alpha)} * e^{i*t*\mu}.$$

Author(s)

Michael Grabchak and Lijuan Cao

References

G. Samorodnitsky and M. Taqqu (1994). Stable Non-Gaussian Random Processes: Stochastic Models with Infinite Variance. Chapman & Hall, Boca Raton.

Examples

```
x = (1:9)/10
qSaS(x, .5)
```

rCTS

Simulation from CTS Distribution

Description

Simulates from the symmetric classical tempered stable distribution. When $\alpha=0$ this is the symmetric variance gamma distribution. The simulation is performed by numerically evaluating the quantile function.

Usage

```
rCTS(r, alpha, c = 1, ell = 1, mu = 0)
```

Arguments

r	Number of observations.
alpha	Number in [0,2)
c	Parameter $c > 0$
ell	Parameter $\text{ell} > 0$
mu	Location parameter, any real number

Details

For details about this distribution see the the description of dCTS.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
rCTS(10, .5)
```

rPowTS

Simulation from PowTS Distribution

Description

Simulates from the symmetric power tempered stable distribution. The simulation is performed by numerically evaluating the quantile function.

Usage

```
rPowTS(r, alpha, c = 1, e11 = 1, mu = 0)
```

Arguments

r	Number of observations.
alpha	Number in [0,2)
c	Parameter $c > 0$
e11	Parameter $e_{11} > 0$
mu	Location parameter, any real number

Details

For this distribution the Rosinski measure $R(dx) = c * (\alpha + e_{11} + 1) * (\alpha + e_{11}) * (1 + |x|)^{-2 - \alpha - e_{11}}(dx)$.

Author(s)

Michael Grabchak and Lijuan Cao

References

M. Grabchak (2016). Tempered Stable Distributions: Stochastic Models for Multiscale Processes. Springer, Cham.

Examples

```
pPowTS(10, .5)
```

rSaS

Simulation from Symmetric Stable Distribution

Description

Simulates from the symmetric alpha stable distribution. When alpha=1 this is the Cauchy distribution. The simulation is performed using a well-known approach. See for instance Proposition 1.7.1 in Samorodnitsky and Taqu (1994).

Usage

```
rSaS(r, alpha, c = 1, mu = 0)
```

Arguments

r	Number of observations.
alpha	Index of stability; Number in (0,2)
c	Scale parameter, c>0
mu	Location parameter, any real number

Details

The characteristic function is

$$f(t) = e^{(-c |t|^\alpha) * e^{i * t * \mu}}.$$

Author(s)

Michael Grabchak and Lijuan Cao

References

G. Samorodnitsky and M. Taqu (1994). Stable Non-Gaussian Random Processes: Stochastic Models with Infinite Variance. Chapman & Hall, Boca Raton.

Examples

```
rSaS(10, .5)
```

Index

*Topic **Symmetric Stable
Distributions**

SymTS-package, [2](#)

*Topic **Symmetric Tempered Stable
Distributions**

SymTS-package, [2](#)

dCTS, [3](#)

dPowTS, [4](#)

dSaS, [5](#)

pCTS, [6](#)

pPowTS, [7](#)

pSaS, [8](#)

qCTS, [9](#)

qPowTS, [10](#)

qSaS, [10](#)

rCTS, [11](#)

rPowTS, [12](#)

rSaS, [13](#)

SymTS (SymTS-package), [2](#)

SymTS-package, [2](#)