

Contents

Preface to the First Edition.....	vii
Preface to the Second Edition.....	ix
1 Introduction.....	1
2 Definitions and Basic Properties.....	7
2.1 Preliminaries.....	7
2.2 Copulas.....	10
Exercises 2.1-2.11.....	14
2.3 Sklar's Theorem.....	17
2.4 Copulas and Random Variables.....	24
Exercises 2.12-2.17.....	28
2.5 The Fréchet-Hoeffding Bounds for Joint Distribution Functions of Random Variables.....	30
2.6 Survival Copulas.....	32
Exercises 2.18-2.26.....	34
2.7 Symmetry.....	36
2.8 Order.....	38
Exercises 2.27-2.33.....	39
2.9 Random Variate Generation.....	40
2.10 Multivariate Copulas.....	42
Exercises 2.34-2.37.....	48
3 Methods of Constructing Copulas.....	51
3.1 The Inversion Method.....	51
3.1.1 The Marshall-Olkin Bivariate Exponential Distribution.....	52
3.1.2 The Circular Uniform Distribution.....	55
Exercises 3.1-3.6.....	57
3.2 Geometric Methods.....	59
3.2.1 Singular Copulas with Prescribed Support.....	59
3.2.2 Ordinal Sums.....	63
Exercises 3.7-3.13.....	64
3.2.3 Shuffles of M	67
3.2.4 Convex Sums.....	72
Exercises 3.14-3.20.....	74
3.2.5 Copulas with Prescribed Horizontal or Vertical Sections.....	76
3.2.6 Copulas with Prescribed Diagonal Sections.....	84

Exercises 3.21-3.34.....	86
3.3 Algebraic Methods.....	89
3.3.1 Plackett Distributions.....	89
3.3.2 Ali-Mikhail-Haq Distributions.....	92
3.3.3 A Copula Transformation Method.....	94
3.3.4 Extreme Value Copulas.....	97
Exercises 3.35-3.42.....	99
3.4 Copulas with Specified Properties.....	101
3.4.1 Harmonic Copulas.....	101
3.4.2 Homogeneous Copulas.....	101
3.4.3 Concave and Convex Copulas.....	102
3.5 Constructing Multivariate Copulas.....	105
4 Archimedean Copulas.....	109
4.1 Definitions.....	109
4.2 One-parameter Families.....	114
4.3 Fundamental Properties.....	115
Exercises 4.1-4.17.....	132
4.4 Order and Limiting Cases.....	135
4.5 Two-parameter Families.....	141
4.5.1 Families of Generators.....	141
4.5.2 Rational Archimedean Copulas.....	146
Exercises 4.18-4.23.....	150
4.6 Multivariate Archimedean Copulas.....	151
Exercises 4.24-4.25.....	155
5 Dependence.....	157
5.1 Concordance.....	157
5.1.1 Kendall's tau.....	158
Exercises 5.1-5.5.....	165
5.1.2 Spearman's rho.....	167
Exercises 5.6-5.15.....	171
5.1.3 The Relationship between Kendall's tau and Spearman's rho.....	174
5.1.4 Other Concordance Measures.....	180
Exercises 5.16-5.21.....	185
5.2 Dependence Properties.....	186
5.2.1 Quadrant Dependence.....	187
Exercises 5.22-5.29.....	189
5.2.2 Tail Monotonicity.....	191
5.2.3 Stochastic Monotonicity, Corner Set Monotonicity, and Likelihood Ratio Dependence.....	195
Exercises 5.30-5.39.....	204
5.3 Other Measures of Association.....	207
5.3.1 Measures of Dependence.....	207
5.3.2 Measures Based on Gini's Coefficient.....	211
Exercises 5.40-5.46.....	213
5.4 Tail Dependence.....	214

Exercises 5.47-5.50	216
5.5 Median Regression.....	217
5.6 Empirical Copulas.....	219
5.7 Multivariate Dependence.....	222
6 Additional Topics.....	227
6.1 Distributions with Fixed Margins.....	227
Exercises 6.1-6.5	233
6.2 Quasi-copulas.....	236
Exercises 6.6-6.8	240
6.3 Operations on Distribution Functions.....	241
6.4 Markov Processes.....	244
Exercises 6.9-6.13.....	248
References	251
List of Symbols.....	263
Index.....	265