Statistics 434: Bullet Points
A Pre-Thanksgiving Interlude

In the Wednesday afternoon before Thanksgiving, attendance typically runs under 60%, so the most practical use of this time is to cover some special topics that one can miss without creating a gap in the core material everyone must know. Still, we will look at some material that I think is both interesting and practically useful — though future returns may vary.

- The “R” Statistical Language
  1. How to get it and use it
  2. Relationship to S and S-Plus
  3. The time series packages in R, focus on rMetrics

- Utility theory and the World Series of Poker
  1. Harrington’s metaphor — Just Four Tickets for a WSOP Champ
  2. Pay-out Tables and the decision to play in the WSOP
  3. Prospect Theory — Changes from Utility Theory

- University Endowment: Convergence of Portfolios
  1. Comparison of some University Endowments
  2. Focus on Yale — but Harvard and Stanford are not so different
     (a) The Big Switch (Real Assets, Total Return, Private Equity)
     (b) The Allocation over Time

- Rebalancing — according to Swensen and others

- Swensen’s Portfolio for the “Rest of Us” — Time series Test?

- Structured Products and Weird ETFs — hunting ground for projects

- Juggling as a Metaphor for Learning “Anything”
  1. Juggling one ball, two ball, and three balls (real juggling)
  2. Two business (or research) juggling metaphors
  3. New: A UTube example — Human Talent is “Long Tailed”

Quote of the Day:
“There is no sense in being precise, when you don’t even know what you’re talking about.” — physicist, mathematician, economists, and proto-computer scientists John von Neumann, quoted by professional gambler Barry Greenstein in his autobiography *Ace on the River.*