

# Bregman superquantiles. Estimation methods and applications

Tatiana Labopin-Richard

Institut de mathématiques de Toulouse

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Joint work with F. Gamboa, A. Garivier (IMT) and B. Iooss (EDF R&D).

# Introduction

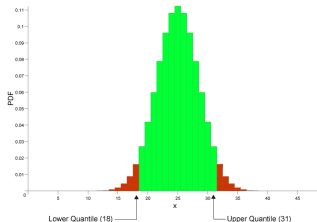
Ma thèse s'intitule "Méthodes statistiques et d'apprentissage pour la validation d'un code numérique et stochastique. Applications aux énergies renouvelables."

Je travaille avec Fabrice Gamboa, Aurélien Garivier et Bertrand looss (EDF R&D).

# Tout savoir sur le quantile

- Il faut d'abord un **niveau**  $\frac{1}{2} < \alpha < 1$ .
- Il faut ensuite une **loi**  $X$  (avec une densité  $f$  et une fonction de répartition  $F$ ).
- Définition : le **quantile** de niveau  $\alpha$  de la loi  $X$  est  $q_\alpha^X := \inf\{x \in \mathbb{R}, \mathbb{P}(X \leq x) \geq \alpha\}$ .
- Si  $F$  est la fonction de répartition, on a  $q_\alpha^X := F_X^{-1}(\alpha)$ .

# Estimateur du quantile empirique



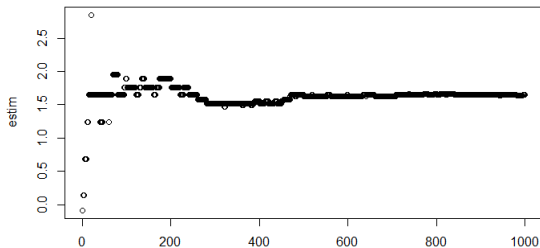
Estimation classique du quantile : le **quantile empirique**. Soit  $(X_1, \dots, X_n)$  un échantillon iid de la loi de  $X$

$$\hat{q}_\alpha^n = X_{(\lfloor n\alpha \rfloor + 1)}.$$

## Propriétés statistiques de l'estimateur

Pour tout  $\alpha \in ]0, \frac{1}{2}]$ , si la loi de  $X$  a un unique quantile d'ordre  $\alpha$ , alors l'estimateur est **consistant (fortement)** :

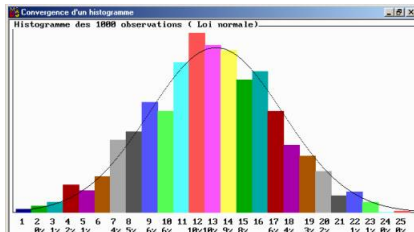
$$\hat{q}_\alpha^n \xrightarrow[n \rightarrow +\infty]{} q_\alpha^X.$$



# Propriétés statistiques de l'estimateur

Si de plus la loi  $X$  admet une densité strictement positive au voisinage du quantile, alors l'estimateur est **normalement asymptotique** (pour  $\sigma = \frac{\alpha(1-\alpha)}{f(q_\alpha)}$ )

$$\sqrt{n}(\hat{q}_\alpha^n - q_\alpha^X) \xrightarrow[n \rightarrow +\infty]{\mathcal{L}} \mathcal{N}(0, \sigma^2)$$



## Lien avec la finance

Le quantile est une mesure de risque (la probabilité de perdre plus que le quantile est faible (de proportion  $1 - \alpha$ )).

**Le quantile n'est pas sous-additif**

(dans certains cas  $q_{\alpha}^{X+Y} > q_{\alpha}^X + q_{\alpha}^Y$ )

Problème de modélisation !

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Let  $X$  be a real-valued random variable and let  $F_X$  be its cumulative distribution function. We denote for  $u \in ]0, 1[$ , the quantile function

$$F_X^{-1}(u) := \inf\{x : F_X(x) \geq u\}.$$

A usual way to quantify the risk associated with  $X$  is to consider, for a given number  $\alpha \in ]0, 1[$  close to 1, its lower quantile

$$q_\alpha := F_X^{-1}(\alpha).$$

**The quantile is not subadditive**  
(in some examples  $q_\alpha^{X+Y} > q_\alpha^X + q_\alpha^Y$ )

- Subadditivity is interesting in finance.
- Rockafellar introduces a new quantity which is subadditive, the superquantile.

### Definition of the superquantile

The superquantile  $Q_\alpha$  of a law  $X$  is defined in this way

$$Q_\alpha := \mathbb{E}(X|X \geq q_\alpha) = \mathbb{E}(X|X \geq F_X^{-1}(\alpha)) = \mathbb{E}\left(\frac{X \mathbf{1}_{X \geq F_X^{-1}(\alpha)}}{1 - \alpha}\right)$$

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Subadditivity is not the sole interesting property for a measure of risk.

### Definition of a coherent measure of risk

Let  $\mathcal{R}$  be a measure of risk and  $X$  and  $X'$  be two real-valued random variables. We say that  $\mathcal{R}$  is coherent if, and only if, it satisfies the five following properties :

- i) **Constant invariant** : let  $C \in \mathbb{R}$ , If  $X = C$  (a.s.) then  $\mathcal{R}(C) = C$ .
- ii) **Homogeneity** :  $\forall \lambda > 0$ ,  $\mathcal{R}(\lambda X) = \lambda \mathcal{R}(X)$ .
- iii) **Subadditivity** :  $\mathcal{R}(X + X') \leq \mathcal{R}(X) + \mathcal{R}(X')$ .
- iv) **Non decreasing** : If  $X \leq X'$  (a.s.) then  $\mathcal{R}(X) \leq \mathcal{R}(X')$ .
- v) **Closeness** : Let  $(X_h)_{h \in \mathbb{R}}$  be a collection of random variables. If  $\mathcal{R}(X_h) \leq 0$  and  $\lim_{h \rightarrow 0} \|X_h - X\|_2 = 0$  then  $\mathcal{R}(X) \leq 0$ .

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## Bregman divergence

Let  $\gamma$  be a **strictly convex function**,  $\overline{\mathbb{R}}$ -valued on  $\mathbb{R}$ . We assume that  $\text{dom}\gamma$  is a non empty open set and that  $\gamma$  is closed proper and differentiable on the interior of  $\text{dom}\gamma$ .

The **Bregman divergence**  $d_\gamma$  associated to  $\gamma$  is a function defined on  $\text{dom}\gamma \times \text{dom}\gamma$  by

$$d_\gamma(x, x') := \gamma(x) - \gamma(x') - \gamma'(x')(x - x') \quad ; (x, x' \in \text{dom}\gamma).$$

## Definition of the Bregman mean

Let  $\mu$  be a probability measure whose support is included in  $\text{dom}\gamma$  such that  $\mu(\overline{\text{dom}\gamma} \setminus \text{dom}\gamma) = 0$  and  $\gamma'$  is integrable with respect to  $\mu$ . **The Bregman mean is the unique point  $b$  in the support of  $\mu$  satisfying**

$$\int d_\gamma(b, x) \mu(dx) = \min_{m \in \text{dom}\gamma} \int d_\gamma(m, x) \mu(dx). \quad (1)$$

By differentiating it's easy to see that

$$b = \gamma'^{-1} \left[ \int \gamma'(x) \mu(dx) \right].$$



## Examples

- Euclidean.  $\gamma(x) = x^2$  on  $\mathbb{R}$ , we obviously obtain, for  $x, x' \in \mathbb{R}$ ,

$$d_\gamma(x, x') = (x - x')^2$$

and  $b$  is the **classical mean**.

- Geometric.  $\gamma(x) = x \ln(x) - x + 1$  on  $\mathbb{R}_+^*$  we obtain, for  $x, x' \in \mathbb{R}_+^*$ ,

$$d_\gamma(x, x') = x \ln \frac{x}{x'} + x' - x$$

and  $b$  is the **geometric mean**.

- Harmonic.  $\gamma(x) = -\ln(x) + x - 1$  on  $\mathbb{R}_+^*$  we obtain, for  $x, x' \in \mathbb{R}_+^*$ ,

$$d_\gamma(x, x') = -\ln \frac{x}{x'} + \frac{x}{x'} - 1$$

and  $b$  is the **harmonic mean**.

## Definition of the Bregman superquantile

Let  $\alpha \in ]0, 1[$ , the Bregman superquantile  $Q_\alpha^{d_\gamma}$  is defined by

$$Q_\alpha^{d_\gamma} := \gamma'^{-1} \left( \mathbb{E}(\gamma'(X) | X \geq F_X^{-1}(\alpha)) \right) = \gamma'^{-1} \left[ \mathbb{E} \left( \frac{\gamma'(X) \mathbf{1}_{X \geq F_X^{-1}(\alpha)}}{1 - \alpha} \right) \right].$$

In words  $Q_\alpha^{d_\gamma}$  satisfies (1) taking for  $\mu$  the distribution of  $X$  conditionally to  $X \geq F_X^{-1}(\alpha)$ .

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## Proposition

Fix  $\alpha$  in  $]0, 1[$ .

- i) Any Bregman superquantile always satisfies the properties of constant invariance and non decreasing.
- ii) The Bregman superquantile associated to  $\gamma$  is homogeneous if and only if
$$\gamma''(x) = \beta x^\delta$$
 for some real numbers  $\beta$  and  $\delta$ .
- iii) If  $\gamma'$  is concave and sub-additive, then subadditivity and closeness axioms both hold.

## Examples

- **Bregman geometric function** :  $\gamma'(x) = x \mapsto \ln(x)$ .
  - i) and ii) satisfied.
  - $\gamma'$  is concave but subadditive only on  $[1, +\infty[$ . Then it satisfies iii) only for couples  $(X, X')$  such that,

$$\min \left( q_{\alpha}^X(\alpha), q_{\alpha}^{X'}(\alpha), q_{\alpha}^{X+X'}(\alpha) \right) > 1$$

- **The subadditivity and the homogeneity are not true in the general case.** For  $\gamma(x) = \exp(x)$  and  $X \sim \mathcal{U}([0, 1])$  :

$$\mathcal{R}(2X) - 2\mathcal{R}(X) = 0.000107 > 0,$$

and

$$\frac{\mathcal{R}(4X)}{4\mathcal{R}(X)} = 1,000321 > 1$$

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## Plug-in estimator

Assume that we have at hand  $(X_1, \dots, X_n)$  an i.i.d sample with same distribution as  $X$ . If we wish to estimate  $Q_\alpha^{d_\gamma}$ , we may use the following empirical estimator :

$$\hat{Q}_\alpha^{d_\gamma} = \gamma'^{-1} \left[ \frac{1}{1-\alpha} \left( \frac{1}{n} \sum_{i=[n\alpha]+1}^n \gamma'(X_{(i)}) \right) \right]$$

where  $X_{(1)} \leq X_{(2)} \leq \dots \leq X_{(n)}$  is the re-ordered sample built with  $(X_1, \dots, X_n)$ .

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## Theorem : consistency

Let  $\alpha \in ]0, 1[$  be close to 1 and  $X$  be a real-valued random variable. Let  $(X_1, \dots, X_n)$  be an independant sample with the same distribution as  $X$ .

We assume that

- H1)  $\gamma$  is twice differentiable.
- H2)  $F_X$  is  $\mathcal{C}^1$  on  $]0, 1[$  and  $f_X > 0$  on its support.
- H3) The derivative of  $\gamma' \circ F_X^{-1}$  that we denote  $l_\gamma$  is non-decreasing and  $o((1-t)^{-2})$  in the neighborhood of 1.

**Then the plug-in estimator is consistent.**

## Theorem : asymptotic normality

Strongly, we assume that

- H1)  $\gamma$  is three times differentiable.
- H2)  $F_X$  is  $\mathcal{C}^2$  and  $f_X > 0$  on its support.
- H3) The second derivative of  $\gamma' \circ F_X^{-1}$  that we denote  $L_\gamma$  is non decreasing and  $O((1-t)^{-m_L})$  for an  $1 < m_L < \frac{5}{2}$ , in the neighborhood of 1.

**Then the estimator is asymptotically normal.**

$$\sqrt{n} \left( \gamma'^{-1} \left( \frac{1}{n(1-\alpha)} \sum_{i=\lfloor n\alpha \rfloor + 1}^n \gamma'(X_{(i)}) \right) - Q_\alpha^{d\gamma}(X) \right) \Rightarrow \mathcal{N} \left( 0, \frac{\sigma_\gamma^2}{(\gamma'' \circ \gamma'^{-1}(Q_\alpha(\gamma'(X))))^2 (1-\alpha)} \right)$$

where

$$\sigma_\gamma^2 := \int_\alpha^1 \int_\alpha^1 \frac{(\min(x, y) - xy)}{f_Z(F_Z^{-1}(x))f_Z(F_Z^{-1}(y))} \text{ and } Z := \gamma'(X)$$

## Remark

The key point of the proof is to notice that we have the fundamental link between these two quantities

$$Q_{\alpha}^{d\gamma}(X) = \gamma'^{-1} (Q_{\alpha}(\gamma'(X))) .$$

Indeed, as  $\gamma' (F_{(\gamma')^{-1}(Z)}^{-1}(\alpha)) = F_Z^{-1}(\alpha)$ , we have

$$\mathbb{E} \left( \gamma'(X) \mathbf{1}_{X > F_X^{-1}(\alpha)} \right) = \mathbb{E} \left( Z \mathbf{1}_{Z > F_Z^{-1}(\alpha)} \right) .$$

Then we have to study the asymptotic behaviour of the superquantile.

## Plug-in estimator of the superquantile

For  $\gamma' = id$ , the estimator becomes  $(n(1 - \alpha))^{-1} \sum_{i=\lfloor n\alpha \rfloor}^n X_{(i)}$ .

**Proposition** : consistency of the plug-in estimator of the superquantile

Let  $\alpha \in ]0, 1[$  be close to 1 and  $X$  be a real-valued random variable. Let  $(X_1, \dots, X_n)$  be an independant sample with the same distribution as  $X$ . We assume that

- H1)  $F_X$  is  $\mathcal{C}^1$  on  $]0, 1[$  and  $f_X > 0$  on its support.
- H2) The derivative of the quantile function  $F_X^{-1}$  denoting  $l$  is non-decreasing and  $o((1 - t)^{-2})$  in the neighborhood of 1.

Then, the plug-in estimator is **consistent**.

## Proposition : asymptotic normality of the plug-in estimator of the superquantile

Strongly, we assume that

H1)  $F_X$  is  $\mathcal{C}^2$ ,  $f_X > 0$  on its support.

H2) The second derivative of the quantile function that we denote  $L$  is non decreasing and  $O((1-t)^{-m_L})$  for an  $1 < m_L < \frac{5}{2}$ , in the neighborhood of 1.

Then the estimator is **asymptotically normal**.

$$\sqrt{n} \left( \frac{1}{n(1-\alpha)} \sum_{i=[n\alpha]+1}^n X_{(i)} - Q_\alpha \right) \Rightarrow \mathcal{N} \left( 0, \frac{\sigma^2}{1-\alpha} \right)$$

where  $\sigma^2 := \int_\alpha^1 \int_\alpha^1 \frac{(\min(x,y)-xy)}{f(F^{-1}(x))f(F^{-1}(y))} \cdot$

## Sketch of proof

- Step 1 : Using properties on ordered statistics, we show that our proposition is equivalent to show the convergence in law of

$$\sqrt{n} \left[ \frac{1}{n} \sum_{i=\lfloor n\alpha \rfloor}^n X_{(i)} - \frac{1}{n} \sum_{i=\lfloor n\alpha \rfloor}^n F^{-1} \left( \frac{i}{n+1} \right) \right].$$

Then we use Taylor-Lagrange formula

$$\begin{aligned} \sqrt{n} \left( \frac{1}{n} \sum_{i=\lfloor n\alpha \rfloor+1}^n \left[ X_{(i)} - F^{-1} \left( \frac{i}{n+1} \right) \right] \right) &\stackrel{\mathcal{L}}{=} \sqrt{n} \left[ \frac{1}{n} \sum_{i=\lfloor n\alpha \rfloor+1}^n \left( U_{(i)} - \frac{i}{n+1} \right) \frac{1}{f \left( F^{-1} \left( \frac{i}{n+1} \right) \right)} \right] \\ &+ \frac{1}{\sqrt{n}} \sum_{i=\lfloor n\alpha \rfloor+1}^n \left[ \int_{\frac{i}{n+1}}^{U_{(i)}} \frac{f'(F^{-1}(t))}{(f(F^{-1}(t)))^3} (U_{(i)} - t) dt \right]. \end{aligned}$$

- Step 2 : Convergence of the second order term to 0 in probability (Markov's inequality).
- Step 3 : Identification of the limit in law of the first order using a corollary of the Lindenberg-Feller theorem.

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## Examples : Exponential distribution

On  $\mathbb{R}_*^+$ ,  $f(t) = \exp(-t)$  and  $F^{-1}(t) = -\ln(1-t)$ .

- **Superquantile.**

→ **Consistency.**

$$l(t) = (1-t)^{-1} = o\left((1-t)^{-2}\right)$$

Then **the estimator of the superquantile is consistent.**

→ **Asymptotic normality.**

$$L(t) = (1-t)^{-2} = O\left((1-t)^{-m_L}\right)$$

for  $2 < m_L < \frac{5}{2}$ . **The estimator is asymptotically gaussian.**

## Examples : Exponential distribution

- **Bregman superquantile with Bregman geometric function.**

For  $\gamma(x) = x \ln(x) - x + 1$ ,  $F_Z^{-1}(t) = 1 + \frac{1}{\ln(1-t)}$ .

→ **Consistency.**

$$l_\gamma(t) = \frac{1}{(1-t)(\ln(1-t))^2} = o\left((1-t)^{-2}\right),$$

for  $2 < m_L < \frac{5}{2}$ . **The estimator is consistent.**

→ **Asymptotic normality.**

$$L_\gamma(t) = \frac{(\ln(1-t))^2 + 2\ln(1-t)}{(1-t)^2(\ln(1-t))^4} = O\left((1-t)^{-m_L}\right),$$

for  $2 < m_L < \frac{5}{2}$ . **Our estimator is asymptotically gaussian.**

## Examples : Pareto law of parameter $a > 0$

On  $\mathbb{R}_*^+$ ,  $f(t) = ax^{-a-1}$  and  $F^{-1}(t) = (1-t)^{\frac{-1}{a}}$ .

- **Superquantile**

→ **Consistency.**

$$l(t) = (a(1-t)^{-1-\frac{1}{a}}) = o\left((1-t)^{-2}\right)$$

as soon as  $a > 1$ . **The consistency is true when  $a > 1$ .**

→ **Asymptotic normality.**

$$L(t) = C(a)(1-x)^{-\frac{1}{a}-2} = O\left(\frac{1}{(1-t)^{m_L}}\right)$$

for  $\frac{3}{2} < m_L < \frac{5}{2}$  as soon as  $a > 2$ . **The asymptotic normality is true if and only if  $a > 2$ .**

## Examples : Pareto law

- **Bregman superquantile with the Bregman harmonic function**

For  $\gamma(x) = -\ln(x) + x - 1$ ,  $F_Z^{-1}(t) = -\frac{1}{a} \ln(1-t)$ .

→ **Consistency.**

$$l_\gamma(t) = \frac{1}{a} \frac{1}{1-t} = o\left(\frac{1}{(1-t)^2}\right).$$

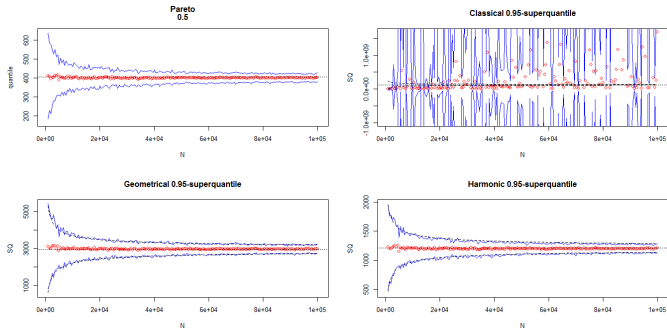
**The estimator is consistent for every  $a > 0$ .**

→ **Asymptotic normality.**

$$L_\gamma(t) = \frac{1}{a} \frac{1}{(1-t)^2} = O((1-t)^{-m_L}),$$

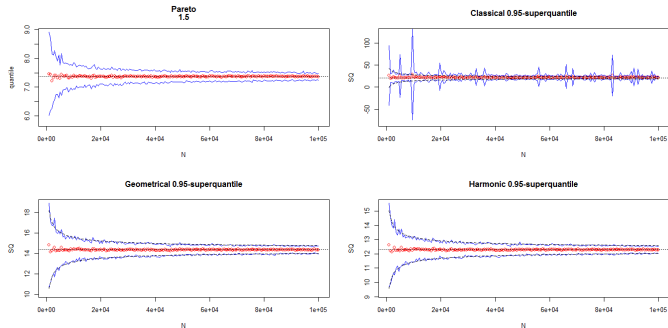
for  $2 < m_L < \frac{5}{2}$ . **The estimator is normally asymptotic for every  $a > 0$ .**

# Numerical simulations for the Pareto law



**FIGURE:** Numerical convergence test for the Pareto distribution  
 ( $\alpha = 0.5$ )

## Numerical simulations for the Pareto law



**FIGURE:** Numerical convergence test for the Pareto distribution  
( $\alpha = 1.5$ )

# Numerical simulations for the Pareto law

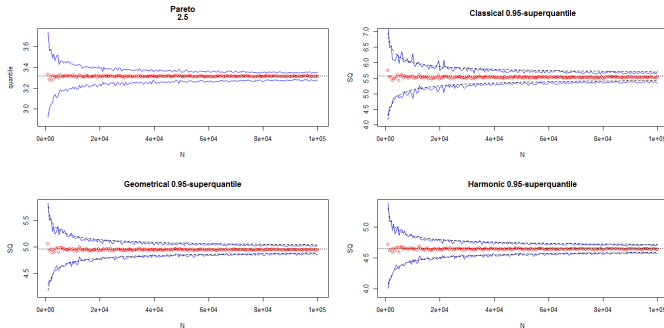


FIGURE: Numerical convergence test for the Pareto distribution  
( $\alpha = 2.5$ )

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# Gascon

**GASCON** is a software developed by **CEA** (French Atomic Energy Commission) to study the potential chronological atmospheric releases and dosimetric impact for **nuclear facilities safety assessment**.

It evaluates, from a fictitious radioactive release, the doses received by a population exposed to the cloud of radionuclides and through the food chains.

We focus on one output of GASCON, **the annual effective dose in  $^{129}\text{I}$  received in one year by an adult who lives in the neighborhood of a particular nuclear facility**.

As GASCON is relatively **costly in computational time**, a metamodel (of polynomial form and which depends on 10 **input variables**) of GASCON outputs was built in order to perform uncertainty and sensitivity analysis.

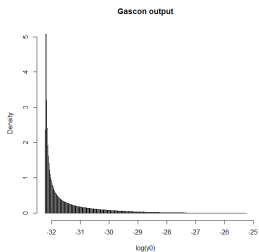
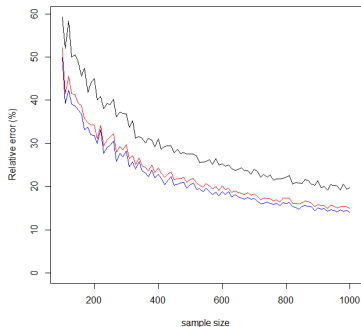


FIGURE: Distribution of the GASCON output variable.

Quantile	Classical superquantile	Geometrical superquantile	Harmonic superquantile
$1.304 \times 10^{-13}$	$4.769 \times 10^{-13}$	$3.316 \times 10^{-13}$	$2.637 \times 10^{-13}$



## Conclusion and perspectives

- The Bregman superquantile is a new coherent measure of risk. This tool is rich thanks to the functions  $\gamma$  because of their diversity.
- The theoretical properties obtained are confirmed on several numerical test cases. More precisely, geometrical and harmonic superquantiles are more robust than the classical superquantile. This robustness is particularly important in risk assessment studies.
- We would like to better understand the choice of the function  $\gamma$ .
- We still work on it in the case of stochastic codes.

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## The quantile is not subadditive

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$$q_{X_1}^{10\%} = q_{X_2}^{10\%} = 0 \text{ and } q_{X_1+X_2}^{10\%} > 0$$