

Corrections to: Bayesian Econometrics by Gary Koop (published by Wiley)

I would like to thank Luc Bauwens, Joshua Chan, Bill Griffiths, Jack Li and James MacKinnon for pointing out these errors.

- Page 1, the second equation on this page should be:

$$p(A, B) = p(B|A)p(A).$$

- Page 5, 8 lines after (1.8), the probability here should be $p(y^*|y)$
- Page 20, (2.18) should be

$$\text{var}(h|y) = \frac{2\bar{s}^{-4}}{\bar{\nu}}.$$

- Page 37, (3.19) should be

$$\text{var}(h|y) = \frac{2\bar{s}^{-4}}{\bar{\nu}}.$$

- Page 42, (3.37) should be:

$$PO_{12} = \frac{(|X_1'X_1|)^{-\frac{1}{2}} (\nu_1 s_1^2)^{-\frac{N}{2}} p(M_1)}{(|X_2'X_2|)^{-\frac{1}{2}} (\nu_2 s_2^2)^{-\frac{N}{2}} p(M_2)}.$$

- Page 60, 2 lines above (4.3), should refer to "(3.3), (4.1) and (4.2)"
- Page 79, 2 lines above (4.39), the reference to (4.38) should refer to (4.37)
- Page 103, has a description of the posterior predictive p-value. It is correct as stands, but could be a bit misleading (the method described calculates the probability of more extreme values than the observed test statistic *in one tail only of the its posterior distribution*). The way I have defined it, the posterior predictive p-value is a number between 0 and 0.5. You can get a more conventional p-value by doubling this (which should work well if the distribution is roughly symmetric).
- Page 160, (7.36) should be:

$$p(\widehat{\theta_2^*|y}, \theta_1^*) = \frac{1}{S^*} \sum_{s^*=1}^{S^*} p(\theta_2^*|y, z^{(s^*)}, \theta_1^*),$$

- Page 198, (8.42) should be

$$K_t = (T_t P_t Z_t' + J_t G_t') D_t^{-1},$$

- Page 199, (8.44) should be

$$P_{t+1} = T_t P_t (T_t - K_t Z_t)' + J_t (J_t - K_t G_t)'$$

- Page 199, (8.47) should be

$$V_t = F_t (G_t' D_t^{-1} Z_t + [J_t - K_t G_t]' U_t [T_t - K_t Z_t]),$$

- Page 339, the Hobert and Casella reference is in volume 91 (not 96 as listed in the book).