

Homework 4

Part I (Reading): Example 4.1(D),

Part II (Textbook Chapter 4): 4.1, 4.4, 4.5, 4.7, 4.8, 4.11, 4.18, 4.19, 4.31, 4.22, 4.26 ((a), (b) and (c)), 4.41, 4.42, 4.44

Hint: (1) 4.7 (a) can be solved in different ways, which are either fundamental (e.g., via conditional expectation) or advanced (e.g., via stationary distribution).

Part III (Some problems in Chapter 4 with solutions given in the end of textbook): 4.14, 4.16, 4.17, 4.21, 4.30, 4.46

Requirement: You are required to submit **only Part II**.