Bayes Rule

$$P(A \land B) = P(A|B) \cdot P(B) = P(B|A) \cdot P(A)$$

$$\uparrow$$
and

$$P(B|A) = P(A|B) \cdot P(B) / P(A)$$

$$B, \sim B?$$

$$P(B), A$$

Bayesian Updating

PBE

1) Play may reveal info about type subsequent rational should reflect that info

2) rationality calls for specifying beliefs about opponents type rationally at all information set

A strategy profile is a PBE if only if:

1) Each player's actions are optimal given their beliefs and the other players strategies

2) All beliefs are congruent w/ the equilibrium and are consistent w/ Bayes rule where it's applicable