

Stochastic Methods

Academic Year 2020/2021

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Assignment 3 - Solution

[Please insert your name]

Exercise 1: Unconstrained Optimization of a Quadratic Problem

Exercise 2: Constrained Optimization with Parametrization

Exercise 3: Optimization on the Unit Circle

(a)

(b)

(c)

Exercise 4: Lagrange Multipliers and Bordered Hessian

(a)

(b)

(c)

Exercise 5: An Application to Economics

(a)

(b)

(c)

Exercise 6: Maximisation Using the KKT Conditions