

Home assignment 1

Deadline: 2024-09-20, 21:00.

- 1.
2. Cowboy Joe enters the Epsilon Bar and orders one pint of beer. He drinks it and orders one pint more. And so on and so on and so on... The problem is that the barmaid waters down each pint with probability 0.2 independently of other pints. Joe does not like watered down beer. He will blow the Epsilon Bar to hell if two or more out of the last three pints are watered down.

We point out that Joe never drinks less than 3 pints in a bar.

- (a) What is the expected number of pints of beer Joe will drink?

Consider the corresponding Markov chain. Let S_t — be the number of watered down pints among the last three pints at time $t \geq 3$.

- (b) What are the possible values of S_3 and their probabilities?
 - (c) Write down the transition matrix of this Markov chain.
3. Pavel Durov starts at the point $X_0 = 3$ on the real line. Each minute he moves left with probability 0.4 or right with probability 0.6 independently of past moves. The points 0 and 5 are absorbing. If Pavel reaches 0 or 5 he stays there forever. Let X_t be the coordinate of Pavel after t minutes.
 - (a) Write down the transition matrix of this Markov chain.
 - (b) Calculate the distribution of X_7 .

Hint: you are free to use python for this problem :)
