

TAs' Notes - STAT-4300 Spring'26

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1 Class 1 - Set Theory, Probability, and Indicator Functions

1.1 Set Theory

1.1.1 Review of basic definitions

We begin with definitions that should be familiar.

Definition 1.1 (Set). : A **set** is a collection of elements.

Definition 1.2 (Subset and superset). : A set A is a **subset** of B if every element of A is also an element of B , denoted

$$A \subset B$$

Equivalently, B is a **superset** of A .

Definition 1.3 (Null set and empty set). The set with no elements is called the **null set** or the **empty set**, denoted \emptyset .

Remark. The null set is a subset of any set. I.e. for any A ,

$$\emptyset \subset A$$

Definition 1.4. (Universal set): The **universal set** is the set of all things that we could possibly consider in the context we are studying.

Remark. In probability, the universal set is typically the sample space denoted Ω

1.1.2 Review of set operations

Except for **symmetric difference**, most of these set operations should be familiar.

Definition 1.5 (Union). : The **union** of two sets, A and B , is a set containing all the elements that are in A or in B (possibly both).

The union of two sets, A and B is denoted

$$A \cup B$$

The union of three or more sets, say A_1, A_2, \dots, A_n is denoted

$$A_1 \cup A_2 \cup A_3 \dots \cup A_n = \bigcup_{i=1}^n A_i$$

Definition 1.6 (Intersection). : The **intersection** of two sets, A and B , is a set containing all the elements that are both in A and B .

The intersection of two sets, A and B is denoted

$$A \cap B$$

The intersection of three or more sets, say A_1, A_2, \dots, A_n is denoted

$$A_1 \cap A_2 \cap A_3 \dots \cap A_n = \bigcap_{i=1}^n A_i$$

Definition 1.7 (Complement). : The **complement** of a set A denoted by A^C is the set of all elements that are in the universal set S but are not in A .

Definition 1.8 (Difference, subtraction of sets). : The **difference** of two sets is defined where $A - B$ consists of the elements that are in A but not in B . This is denoted

$$A - B = A \setminus B = \{x \in \Omega : x \in A, x \notin B\}$$

Remark. From the above definition, it should be clear that

$$A - B = A \cap B^C$$

Definition 1.9 (Mutually exclusive, disjoint). : Two sets, A and B , are **mutually exclusive** or **disjoint** if they do not have any shared elements, i.e.

$$A \cap B = \emptyset$$

For three or more sets, the sets having a trivial intersection does not mean they are disjoint. Instead, we require the stronger condition below.

Definition 1.10 (Pairwise disjoint). : Several sets are **pairwise disjoint** if no two sets share a common element.

1.1.3 Review of common set properties

Theorem 1.11 (De Morgan's law). : For sets A_1, A_2, \dots, A_n , we have

- $(A_1 \cup A_2 \cup \dots \cup A_n)^C = A_1^C \cap A_2^C \cap \dots \cap A_n^C$
- $(A_1 \cap A_2 \cap \dots \cap A_n)^C = A_1^C \cup A_2^C \cup \dots \cup A_n^C$

Theorem 1.12 (Distributive law). : For any sets A, B, C , we have

- $A \cap (B \cup C) = (A \cap B) \cup (A \cap C)$
- $A \cup (B \cap C) = (A \cup B) \cap (A \cup C)$

1.1.4 The symmetric difference

Pay especially close attention to the symmetric difference, which may not have been emphasized upon in previous courses.

Definition 1.13 (Symmetric difference). : The **symmetric difference** of two sets, A and B , is defined as the set of elements that are only in A or in B , but not both. This is denoted

$$A \Delta B$$

The symmetric difference of two sets is their union, minus their intersection

$$A \Delta B = (A \cup B) \setminus (A \cap B)$$

Result 1.14. Properties of the symmetric difference

1. Commutativity

$$A \Delta B = B \Delta A$$

2. Associativity

$$(A \Delta B) \Delta C = A \Delta (B \Delta C)$$

3. Distributivity of the intersection

$$A \cap (B \Delta C) = (A \cap B) \Delta (A \cap C)$$

4. The symmetric difference is trivial if and only if the two sets are equal

$$A \Delta B = \emptyset \Leftrightarrow A = B$$

5. Taking complement with respect to the same universal set,

$$A \Delta B = A^C \Delta B^C$$

6. The symmetric difference is a subset of the union

$$A \Delta B \subseteq A \cup B$$

7. The symmetric difference is equal to the union if and only if the sets are disjoint

$$A \Delta B = A \cup B \Leftrightarrow A \cap B = \emptyset$$

8. The symmetric difference and the intersection partition the union, since

$$(A \Delta B) \cap (A \cap B) = \emptyset$$

$$(A \Delta B) \cup (A \cap B) = A \cup B$$

The concept of partition will be introduced in Class 2

9. We can define the union using

$$A \cup B = (A \triangle B) \triangle (A \cap B)$$

The following result is especially important. Hence we discuss it separately.

Lemma 1.15. Given arbitrary sets A_1, A_2, \dots, A_n and B_1, B_2, \dots, B_n ,

$$\left(\bigcup_{i=1}^n A_i \right) \triangle \left(\bigcup_{i=1}^n B_i \right) \subseteq \bigcup_{i=1}^n (A_i \triangle B_i)$$

The proof of this lemma is revisited later in the lecture after the introduction of indicator functions. We will see that the proof is simple once we introduce indicators.

1.2 Probabilities

1.2.1 Review

Definition 1.16 (Random experiment, outcome, sample space). :

- A **random experiment** is a process by which we observe something uncertain.
- The result of a random experiment is an **outcome**.
- The set of possible outcomes is the **sample space**.

Definition 1.17 (Event). : An **event** E is a subset of the sample space, i.e. a collection of outcomes.

Remark. If A and B are events, then $A \cup B$ and $A \cap B$ are also events.

$A \cup B$ occurs if A **or** B occurs.

$A \cap B$ occurs if A **and** B occurs.

Definition 1.18 (Probability). : The **probability** measure of event A is denoted $P(A)$.

1.2.2 Axioms of probability

Definition 1.19 (Axioms of probability). : The axioms of probability state that

1. For any event A , $P(A) \geq 0$
2. Probability of the sample space Ω is $P(\Omega) = 1$
3. If A_1, A_2, A_3, \dots are disjoint, then

$$P(A_1 \cup A_2 \cup A_3 \dots) = P(A_1) + P(A_2) + P(A_3) + \dots$$

1.2.3 Inclusion-Exclusion Principle

Result 1.20 (Inclusion-exclusion). : By the **inclusion-exclusion principle**, we have

$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

In general for n events A_1, \dots, A_n ,

$$\begin{aligned}
P(\cup_{i=1}^n A_i) &= \sum_{i=1}^n P(A_i) \\
&\quad - \sum_{i < j} P(A_i \cap A_j) \\
&\quad + \sum_{i < j < k} P(A_i \cap A_j \cap A_k) \\
&\quad \vdots \\
&\quad + (-1)^{n-1} P\left(\bigcap_{i=1}^n A_i\right)
\end{aligned}$$

1.3 Indicator Functions

1.3.1 Definition

Definition 1.21 (Indicator function). : Given an arbitrary set X , and a subset $A \subseteq X$, the **indicator function** of A is

$$\mathbf{1}_A(x) = \begin{cases} 1 & \text{if } x \in A \\ 0 & \text{if } x \notin A \end{cases}$$

1.3.2 Properties of the indicator function

Result 1.22. Properties of the indicator function

1. Indicator of the intersection is the product of indicators

$$\mathbf{1}_{A \cap B}(x) = \min\{\mathbf{1}_A(x), \mathbf{1}_B(x)\} = \mathbf{1}_A(x) \cdot \mathbf{1}_B(x)$$

2. The indicator of the union is sum of indicators minus their product

$$\begin{aligned}
\mathbf{1}_{A \cup B}(x) &= \max\{\mathbf{1}_A(x), \mathbf{1}_B(x)\} \\
&= \mathbf{1}_A(x) + \mathbf{1}_B(x) - \mathbf{1}_A(x) \cdot \mathbf{1}_B(x) \\
&= \mathbf{1}_A(x) + \mathbf{1}_B(x) - \mathbf{1}_{A \cap B}(x)
\end{aligned}$$

3. Indicator of the complement

$$\mathbf{1}_{A^c} = 1 - \mathbf{1}_A$$

4. If A, B disjoint

$$\mathbf{1}_{A \cup B} = \mathbf{1}_A + \mathbf{1}_B$$

$$\mathbf{1}_{A \cap B} = 0$$

5. Indicators of subsets

$$A \subseteq B \Leftrightarrow \mathbf{1}_A \leq \mathbf{1}_B$$

6. Indicators of difference of subsets

$$\begin{aligned}
\mathbf{1}_{A-B} &= \mathbf{1}_{A \cap B^c} \quad \text{by definition of set subtraction} \\
&= \mathbf{1}_A \cdot \mathbf{1}_{B^c} \quad \text{by indicator of intersections} \\
&= \mathbf{1}_A(1 - \mathbf{1}_B) \quad \text{by indicator of complement} \\
&= \mathbf{1}_A - \mathbf{1}_{A \cap B} \quad \text{by indicator of intersections}
\end{aligned}$$

7. Indicators of symmetric difference

$$\begin{aligned}
\mathbf{1}_A \Delta B &= \mathbf{1}_{(A \cup B) \setminus (A \cap B)} \quad \text{by definition of symmetric difference} \\
&= \mathbf{1}_{A \cup B} \cdot \mathbf{1}_{(A \cap B)^C} \quad \text{by definition of set subtraction} \\
&= \mathbf{1}_{A \cup B} (1 - \mathbf{1}_{A \cap B}) \quad \text{by indicator of complement} \\
&= (\mathbf{1}_A + \mathbf{1}_B - \mathbf{1}_{A \cap B})(1 - \mathbf{1}_{A \cap B}) \quad \text{by indicator of union} \\
&= \mathbf{1}_A + \mathbf{1}_B - 2 \mathbf{1}_{A \cap B} \quad \text{since } \mathbf{1}_{A \cap B}^2 = \mathbf{1}_{A \cap B} \\
&= |\mathbf{1}_A - \mathbf{1}_B|
\end{aligned}$$

1.3.3 Demonstrating the usefulness of indicators

Recall Lemma 1.15. Given arbitrary sets A_1, \dots, A_n and B_1, \dots, B_n ,

$$\left(\bigcup_{i=1}^n A_i \right) \Delta \left(\bigcup_{i=1}^n B_i \right) \subseteq \bigcup_{i=1}^n (A_i \Delta B_i).$$

We can prove this lemma by reducing the set inclusion to an inequality involving indicator functions.

Proof. By property 1.23.5, it suffices to show

$$\mathbf{1}_{(\bigcup_{i=1}^n A_i) \Delta (\bigcup_{i=1}^n B_i)} \leq \mathbf{1}_{\bigcup_{i=1}^n (A_i \Delta B_i)}$$

By property 1.23.7 (indicator of symmetric differences), the LHS can be written as

$$|\mathbf{1}_{\bigcup_{i=1}^n A_i}(x) - \mathbf{1}_{\bigcup_{i=1}^n B_i}(x)|$$

By property 1.23.2 (indicator of unions)

$$\mathbf{1}_{\bigcup_{i=1}^n A_i}(x) = \max_{1 \leq i \leq n} \mathbf{1}_{A_i}(x), \quad \mathbf{1}_{\bigcup_{i=1}^n B_i}(x) = \max_{1 \leq i \leq n} \mathbf{1}_{B_i}(x),$$

Hence we get

$$\left| \max_{1 \leq i \leq n} \mathbf{1}_{A_i}(x) - \max_{1 \leq i \leq n} \mathbf{1}_{B_i}(x) \right| \leq \mathbf{1}_{\bigcup_{i=1}^n (A_i \Delta B_i)}(x)$$

We now prove this inequality by enumerating the possible values of the right-hand side.

Case 1: RHS = 0

$$\begin{aligned}
&\mathbf{1}_{\bigcup_{i=1}^n (A_i \Delta B_i)}(x) = 0 \\
&\implies x \notin A_i \Delta B_i \text{ for all } i \\
&\implies \mathbf{1}_{A_i}(x) = \mathbf{1}_{B_i}(x) \text{ for all } i \\
&\implies \max_i \mathbf{1}_{A_i}(x) = \max_i \mathbf{1}_{B_i}(x) \\
&\implies \left| \max_{1 \leq i \leq n} \mathbf{1}_{A_i}(x) - \max_{1 \leq i \leq n} \mathbf{1}_{B_i}(x) \right| = 0
\end{aligned}$$

Hence the inequality holds.

Case 2: RHS = 1

Since the LHS is the absolute value of the difference of indicators, it takes values 0 or 1, and this is a simple upper bound.

In both cases, the inequality holds. Since this inequality is equivalent to the desired set inclusion, the lemma follows. \checkmark

2 Class 2 - Conditional Probability, Independence, and Law of Total Probability

2.1 Conditional Probability

Definition 2.1 (Conditional Probability). Let A, B be events in a sample space S , with $P(B) > 0$, then the **conditional probability** of A given B is defined as

$$P(A|B) = \frac{P(A \cap B)}{P(B)}$$

Remark. **Conditional probability is a probability.** Fix B , define $P_B(\cdot) = P(\cdot|B)$. Then, $P(\cdot|B)$ satisfies the three axioms of probability on the reduced sample space B .

1. Nonnegativity. For any A , $P(A|B) \geq 0$
2. Normalized. $P(B|B) = 1$
3. Countable additivity. If A_1, A_2, A_3, \dots disjoint, then

$$P(A_1 \cup A_2 \cup A_3 \dots | B) = P(A_1|B) + P(A_2|B) + P(A_3|B) + \dots$$

Proof. We verify the three axioms:

1. For any A , since $P(A \cap B) \geq 0$ and $P(B) > 0$, we have

$$P(A|B) = \frac{P(A \cap B)}{P(B)} \geq 0$$

2.

$$P(B|B) = \frac{P(B \cap B)}{P(B)} = \frac{P(B)}{P(B)} = 1$$

3. If A_1, A_2, A_3, \dots are disjoint, then

$$\begin{aligned} P(A_1 \cup A_2 \cup A_3 \dots | B) &= \frac{P((A_1 \cup A_2 \cup A_3 \dots) \cap B)}{P(B)} \\ &= \frac{P((A_1 \cap B) \cup (A_2 \cap B) \cup (A_3 \cap B) \dots)}{P(B)} \quad (\text{by distributing the intersection}) \\ &= \frac{P(A_1 \cap B) + P(A_2 \cap B) + P(A_3 \cap B) + \dots}{P(B)} \quad (\text{by axiom 3 of probability}) \\ &= P(A_1|B) + P(A_2|B) + P(A_3|B) + \dots \end{aligned}$$

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Remark. In class, prof used a slightly different notation to prove countable additivity.

$$\begin{aligned} P_B\left(\bigcup_{i=1}^n A_i\right) &= \frac{P(B \cap \bigcup_{i=1}^n A_i)}{P(B)} \\ &= \frac{P(\bigcup_{i=1}^n (B \cap A_i))}{P(B)} \\ &= \frac{\sum_{i=1}^n P(B \cap A_i)}{P(B)} \\ &= \sum_{i=1}^n P(A_i|B) \end{aligned}$$

2.2 Independence

Definition 2.2 (Independence). Events A, B are **independent** if and only if

$$P(A \cap B) = P(A)P(B)$$

Equivalent

$$\begin{aligned} P(A|B) &= \frac{P(A \cap B)}{P(B)} \\ &= \frac{P(A)P(B)}{P(B)} \\ &= P(A) \end{aligned}$$

Independence is sometimes denoted

$$A \cap B$$

Remark (Independence vs Disjointness). Two events are **disjoint** if $A \cap B = \emptyset$.

Two events are independent if $P(A \cap B) = P(A)P(B)$ or $P(A|B) = P(A)$

If two events are disjoint (and each event has non-zero probability), knowing one event provides full information about the other. Therefore, disjoint events are **not** independent.

Result 2.3 (Independence and complements). Suppose A, B are independent events. Then the following pairs of events are also independent:

- A^c and B
- A and B^c
- A^c and B^c

2.3 Law of Total Probability

Definition 2.4 (Partition). We say that a collection of nonempty sets A_1, A_2, \dots form a **partition** of A if they are disjoint and their union is A .

That is,

- pairwise disjoint: $A_i \cap A_j = \emptyset$ for all $i \neq j$
- collectively exhaustive: $\bigcup_i A_i = A$
- nonempty: $A_i \neq \emptyset$ for all i

Remark. If A_1, A_2, \dots partition Ω , then any $\omega \in \Omega$ lives in exactly one of the A_i 's.

Theorem 2.5 (Law of Total Probability). If B_1, B_2, \dots is a partition of the sample space S , then for any event A , we have

$$P(A) = \sum_i P(A \cap B_i) = \sum_i P(A|B_i)P(B_i)$$

Proof. Decompose A into disjoint unions and apply axiom 3.

$$\begin{aligned} A &= \bigcup_{i=1}^n (A \cap B_i) \text{ and union is disjoint} \\ P(A) &= P\left(\bigcup_{i=1}^n (A \cap B_i)\right) \\ &= \sum_{i=1}^n P(A \cap B_i) \quad (\text{by axiom 3}) \\ &= \sum_{i=1}^n P(A|B_i)P(B_i) \end{aligned}$$

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3 Class 3 - Bayes Rule and Counting

3.1 Bayes Rule

Theorem 3.1 (Bayes Rule). For any two events A, B , where $P(A) \neq 0, P(B) \neq 0$, we have

$$P(A|B) = \frac{P(B|A)P(A)}{P(B)}$$

Remark.

$$\underbrace{P(A|B)}_{\text{posterior}} = \underbrace{\frac{P(B|A)}{P(B)}}_{\text{update function}} \underbrace{P(A)}_{\text{prior}}.$$

Proof.

$$\begin{aligned} P(A|B) &= \frac{P(A \cap B)}{P(B)} \\ &= \frac{P(B|A)P(A)}{P(B)} \end{aligned}$$

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Example (Biased coins). Three coins with head probabilities $(p_1, p_2, p_3) = (.9, .6, .3)$. Suppose we select a coin at random and observe (H, H, H, T) .

What is the probability that we chose coin i given the data?

$$P(i \text{ chosen}|D) = \frac{P(D|i \text{ chosen})}{P(D)} \cdot P(i \text{ chosen})$$

More concretely, say $i = 1$

$$\begin{aligned} P(D|1 \text{ chosen}) &= P(\{H, H, H, T\}|1 \text{ chosen}) \\ &= P(H|1 \text{ chosen})^3 \cdot P(T|1 \text{ chosen}) \text{ by independence} \\ &= 0.9^3 \cdot 0.1 \end{aligned}$$

From last week, we apply law of total probability to find $P(D)$

$$P(D) = \sum_{i \in \{1, 2, 3\}} P(D|i \text{ chosen}) \cdot P(i \text{ chosen})$$

More generally, the probability that we chose coin i given the data is

$$P(i \text{ chosen}|D) = \frac{p_i^3(1-p_i)}{\sum_{j=1}^3 p_j^3(1-p_j)} = \begin{cases} 0.56 & i = 1 \\ 0.33 & i = 2 \\ 0.11 & i = 3 \end{cases}$$

3.2 Counting

3.2.1 Counting Principles

Definition 3.2 (Counting Principle). Let A_1, \dots, A_n be finite sets with $|A_i| = k_i$, and $(a_1, \dots, a_n) \in A_1 \times \dots \times A_n$, then

$$|A_1 \times A_2 \times \dots \times A_n| = |A_1| \cdot |A_2| \cdot \dots \cdot |A_n| = \prod_{i=1}^n k_i$$

Example (Phone PIN code). Consider 4 digit PIN codes, (a_1, a_2, a_3, a_4) , then

$$|A_1| = |A_2| = |A_3| = |A_4| = 10$$

Thus, by the counting principle, the total number of possible PIN codes is

$$|A_1 \times A_2 \times A_3 \times A_4| = 10^4 = 10,000$$

Remark. Every n element set is equivalent to $\{1, 2, \dots, n\}$.

3.2.2 Sampling Taxonomy - 4 kinds of sampling regimes

We want to count the number of ways to draw k things from n -elements set, i.e. $S = \{1, 2, \dots, n\}$. There are 4 scenarios.

	Ordered	Unordered
With Replacement	Sequences	Multisets
Without Replacement	Permutations	Combinations

3.2.3 Ordered, without replacement - Permutations

Result 3.3 (Counting Permutations). We want to count the number of ordered samples of size k drawn without replacement from an n element set. Formally, we want to count the size of the sample space

$$\Omega = \{(a_1, \dots, a_k) : a_i \neq a_j \text{ if } i \neq j\}$$

We call the number of permutations " n permute k " and denote it by ${}_nP_k$. By counting principle,

$${}_nP_k = |\Omega| = n \cdot (n-1) \cdot (n-2) \cdots (n-k+1) = \frac{n!}{(n-k)!}$$

Example (Collision problem). In a group of n people, what is the probability p_n that at least two have the same birthday? Assume birthdays are uniform over 365 days and independent.

Instead of counting the number of ways with at least 2, which would require us to consider the number of cases with exactly 2, exactly 3, etc., we use the **complement rule**.

$$\begin{aligned} p_n &= 1 - P(\text{no collision}) \\ &= 1 - \frac{\text{number of ways to assign birthdays with no collision}}{\text{number ways to assign birthdays}} \end{aligned}$$

We can define

$$\begin{aligned} \Omega &= \{(a_1, \dots, a_n) \in \{1, \dots, 365\}^n\} \\ A &= \{(a_1, \dots, a_n) \in \{1, \dots, 365\}^n, a_i \neq a_j \text{ if } i \neq j\} = \{\text{permutations of } \{1, \dots, 365\}\} \end{aligned}$$

Then

$$\begin{aligned} |\Omega| &= 365^n \\ |A| &= {}_{365}P_n = \frac{365!}{(365-n)!} \end{aligned}$$

$$\begin{aligned} p_n &= 1 - P(\text{no collision}) \\ &= 1 - \frac{\text{number of ways to assign birthdays with no collision}}{\text{number ways to assign birthdays}} \\ &= 1 - \frac{{}_{365}P_n}{365^n} \\ &= 1 - \frac{365!}{(365-n)!365^n} \end{aligned}$$

We can simplify this equation

$$\begin{aligned} p_n &= 1 - \frac{365 \cdot 364 \cdots (365-n+1)}{365^n} \\ &= 1 - 1 \cdot \frac{365}{365} \cdots (365-n+1)/365 \\ &= 1 - \prod_i^{n-1} \left(1 - \frac{i}{365}\right) \end{aligned}$$

Since $1 - x \leq e^{-x}$, we have

$$1 - \frac{i}{365} \leq e^{-\frac{i}{365}}$$

Hence

$$\begin{aligned} \prod_{i=1}^{n-1} \left(1 - \frac{i}{365}\right) &\leq \prod_{i=1}^{n-1} e^{-\frac{i}{365}} \\ &= e^{-\sum_{i=0}^{n-1} \frac{i}{365}} \\ &= e^{-\frac{n(n-1)}{2 \cdot 365}} \end{aligned}$$

Therefore

$$p_n = 1 - \prod_{i=0}^{n-1} \left(1 - \frac{i}{365}\right) \geq 1 - e^{-\frac{n(n-1)}{2 \cdot 365}}$$

Hence, p_n becomes significant when n is on the order of $\sqrt{365} \approx 19$.

To see a collision among m categories, we need about \sqrt{m} samples.

3.2.4 Unordered, without replacement - Combinations

Remark. Combinations are permutations modulo order.

Result 3.4 (Counting Combinations). We want to count the number of unordered samples of size k drawn without replacement from an n element set. This is equivalent to counting the number of unordered k -subsets from n elements. Formally, we want to count the size of the sample space

$$\Omega = \{\{a_1, a_2 \dots a_n\} \subseteq \{1, 2, \dots n\}\}$$

We call the number of combinations " n choose k " and denote it by ${}_n C_k$ or $\binom{n}{k}$

$${}_n C_k = |\Omega| = \binom{n}{k}$$

For each unordered subset, we can generate $k!$ ordered sequences. Hence

$$k! |\Omega| = k! {}_n C_k = {}_n P_k$$

Therefore

$${}_n C_k = |\Omega| = \binom{n}{k} = \frac{{}_n P_k}{k!} = \frac{n!}{k!(n-k)!}$$

Example (Flipping coins). Flip a coin 20 times. Each ordered sequence of H/T is equally likely. Which outcome has more ways to happen?

- exactly 10 heads
- exactly 2 heads

The number of outcomes are

- exactly 10 heads: ${}_{20} C_{10} = \binom{20}{10} = 184,756$ ways
- exactly 2 heads: ${}_{20} C_2 = \binom{20}{2} = 190$ ways

3.2.5 Unordered, with replacement - Multisets

Definition 3.5 (Multisets). Fix $S = \{1, 2, \dots n\}$. A **multiset** on S is a function $m : S \rightarrow \mathbb{N}$ where $m(\sigma)$ is the multiplicity of $\sigma \in S$. A **multiset of size k** is one such that

$$\sum_{\sigma \in S} m(\sigma) = k$$

Result 3.6 (Counting Multisets). We want to count the number of unordered samples of size k drawn with replacement from an n element set. This is equivalent to counting the number of multisets of size k from n elements.

The sample space is

$$\Omega = \{m : S \rightarrow \mathbb{N}, \sum_{\sigma \in S} m(\sigma) = k\}$$

We call the number of multisets " n multichoose k " and denote it by $\binom{n}{k}$.

We count this using the **bijective argument**: Let $x_i = m(i)$ for $i \in \{1, 2, \dots, n\}$, then

$$x_1 + x_2 + \dots + x_n = k \text{ where } (x_1, \dots, x_n) \in \{0, 1, 2, \dots\}^n = \mathbb{N}^n$$

We build a bijection

$$\Phi(x_1, \dots, x_n) = \underbrace{* * \dots *}_{x_1} | \underbrace{* * \dots *}_{x_2} | \dots | \underbrace{* * \dots *}_{x_n}$$

This is equivalent to arranging k stars and $n - 1$ bars, which is a total of $k + n - 1$ symbols. We need to choose $n - 1$ positions for the bars, hence

$$|\Omega| = \binom{\binom{n}{k}}{n-1} = \binom{n+k-1}{n-1} = \binom{n+k-1}{k}$$

3.2.6 Summary

As a summary, we have the following counting formulas:

	Ordered	Unordered
With Replacement	Sequences: $\prod_{i=1}^n k_i$	Multisets: $\binom{\binom{n}{k}}{n-1} = \binom{n+k-1}{k}$
Without Replacement	Permutations: ${}_n P_k = \frac{n!}{(n-k)!}$	Combinations: ${}_n C_k = \binom{n}{k} = \frac{n!}{k!(n-k)!}$

4 Class 4 - Multinomial Coefficients and Discrete Random Variables

4.1 Multinomial Coefficients

Definition 4.1 (Multinomial coefficient). Let S be a finite set with $|S| = n$. For nonnegative integers m_1, \dots, m_n satisfying

$$\sum_{i=1}^n m_i = k,$$

the **multinomial coefficient**

$$\binom{k}{m_1, \dots, m_n} = \frac{k!}{m_1! \cdots m_n!}$$

counts the number of ordered sequences in S^k in which element $i \in S$ appears exactly m_i times.

Example (Most likely outcome of 60 dice rolls). Roll a fair 6-sided die 60 times. Count the number of 1s, 2s, 3s, 4s, 5s, and 6s. What is the most likely unordered outcome?

Let $\Omega = \{1, 2, \dots, 6\}^{60}$. Each ordered outcome is equally likely. The most likely unordered outcome is the one where each element appears exactly 10 times. The number of such outcomes is given by the multinomial coefficient

$$\binom{60}{10, 10, 10, 10, 10, 10} = \frac{60!}{(10!)^6}$$

Proof: Suppose two of the multiplicities differ by more than 1, i.e. $m_a \geq m_b + 2$ for some a, b . Then define

$$m'_a = m_a - 1, \quad m'_b = m_b + 1$$

We then compare the ratio of the two multinomial coefficients:

$$\frac{\binom{60}{m'_a, \dots, m'_b, \dots}}{\binom{60}{m_a, \dots, m_b, \dots}} = \frac{m_a}{m_b + 1} > 1$$

This means we can always increase the multinomial coefficient by balancing the multiplicities. Hence the maximum occurs when all multiplicities are within 1 apart.

4.2 Discrete Random Variables

4.2.1 Discrete Random Variables, PMF, CDF

Definition 4.2 (Discrete random variables). A **discrete random variable** is a function $X : \Omega \rightarrow A \subseteq \mathbb{R}$ where A is countable (i.e. there is a one-to-one mapping between A and \mathbb{N} , $|A| \leq |\mathbb{N}|$).

Remark. For discrete X , Ω can be arbitrarily complicated, but the range of X , A needs to be countable.

Definition 4.3 (Probability mass function). The **probability mass function** (pmf) of a discrete random variable X is the function $p_X : \mathbb{R} \rightarrow [0, 1]$ defined by

$$p_X(x) = P(X = x) = P(\{\omega \in \Omega : X(\omega) = x\})$$

Definition 4.4 (Support). The **support** of a discrete random variable X is the set of values in \mathbb{R} where the pmf is positive:

$$\text{supp}(X) = \{x \in \mathbb{R} : p_X(x) > 0\}$$

Remark. The pmf satisfies

- $p_X(x) \geq 0$ for all $x \in \mathbb{R}$
- $\sum_{x \in A} p_X(x) = 1$, where A is the range of X

Definition 4.5 (Cumulative distribution function). The **cumulative distribution function** (cdf) of a discrete

random variable X is the function $F_X : \mathbb{R} \rightarrow [0, 1]$ defined by

$$F_X(t) = P(X \leq t) = \sum_{a \leq t} p_X(a)$$

Example (Sum of two dice rolls). Let $D_1, D_2 \in \{1, 2, \dots, 6\}$ be outcomes of 2 dice rolls. Define

$$S := D_1 + D_2 \in A = \{2, 3, \dots, 12\}$$

The sample space is

$$\Omega = \{1, 2, \dots, 6\}^2$$

The number of outcomes corresponding to sum s is

$$N(s) = \begin{cases} s - 1 & \text{if } 2 \leq s \leq 7 \\ 13 - s & \text{if } 8 \leq s \leq 12 \end{cases}$$

The probability mass function of S is

$$p_S(s) = \frac{N(s)}{|\Omega|} = \frac{N(s)}{36}$$

4.2.2 Expectations and Variance

Definition 4.6 (Expectation of discrete random variable). If X is a discrete random variable with pmf p_X , and $\sum_{x \in A} |x| p_X(x) < \infty$, then the **expectation** of X is defined as

$$\mathbb{E}[X] = \sum_{x \in \text{supp}(X)} x \cdot p_X(x)$$

If $g : \mathbb{R} \rightarrow \mathbb{R}$, then the **expectation** of $g(X)$ is defined as

$$\mathbb{E}[g(X)] = \sum_{x \in \text{supp}(X)} g(x) \cdot p_X(x)$$

Definition 4.7 (Variance). Given a random variable X with finite expectation, the **variance** of X is defined as

$$\text{Var}(X) = \mathbb{E}[(X - \mathbb{E}[X])^2] = \mathbb{E}[X^2] - (\mathbb{E}[X])^2$$

Theorem 4.8 (Linearity of Expectation). Let X, Y be discrete random variables, and a, b be constants, then

$$\mathbb{E}[aX + bY] = a\mathbb{E}[X] + b\mathbb{E}[Y]$$

Remark. In general, $\mathbb{E}[g(X)] \neq g(\mathbb{E}[X])$.

4.2.3 Indicator random variables

Definition 4.9 (Indicator random variables). For an event $A \subseteq \Omega$, the **indicator function** is a discrete random variable $\mathbf{1}_A : \Omega \rightarrow \{0, 1\}$ defined by

$$\mathbf{1}_A(\omega) = \begin{cases} 1 & \text{if } \omega \in A \\ 0 & \text{if } \omega \notin A \end{cases}$$

Result 4.10 (Expectation of indicator r.v.). The expectation of an indicator random variable is the probability of the corresponding event:

$$\mathbb{E}[\mathbf{1}_A] = P(A)$$

Proof. By definition of expectation

$$\begin{aligned} \mathbb{E}[\mathbf{1}_A] &= 1 \cdot P(\mathbf{1}_A = 1) + 0 \cdot P(\mathbf{1}_A = 0) \\ &= P(A) \end{aligned}$$

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Theorem 4.11 (Law of total probability). Let A_1, \dots, A_n be a partition of Ω , define a discrete random variable $I : \Omega \rightarrow \{1, 2, \dots, n\}$ by

$$I(w) = i \text{ if } w \in A_i$$

Then

$$P(I = i) = P(A_i)$$

Define $g(I) : P(B|I = i)$. Then the law of total probability can be stated as

$$P(B) = \sum_{i=1}^n P(B|A_i)P(A_i) = \mathbb{E}[P(B|I)]$$

5 Class 5 - Independence, Chebyshev's, Bernoullis, and Binomials

5.1 Independence of Random Variables

We previously introduced independence of events. We now discuss independence of random variables.

Remark. We use the following notational short hand

$$P(X = x, Y = y) = P(\{X = x\} \cap \{Y = y\})$$

Definition 5.1 (Independence). Let X, Y be discrete random variables on Ω . We say that X and Y are **independent** if

$$P(X = x, Y = y) = P(\{X = x\} \cap \{Y = y\}) = P(X = x)P(Y = y)$$

for every x and y .

Result 5.2 (Expectation of product of independent random variables). Let X, Y be discrete random variables on Ω with $\text{supp}(X) = A, \text{supp}(Y) = B$. If X, Y independent, then

$$\mathbb{E}[XY] = \mathbb{E}[X]\mathbb{E}[Y]$$

This is denoted

$$X \perp Y$$

Proof.

$$\begin{aligned} \mathbb{E}[XY] &= \sum_{x \in A} \sum_{y \in B} x \cdot y P(X = x, Y = y) \quad \text{by definition of expectation} \\ &= \sum_{x \in A} \sum_{y \in B} x \cdot y P(X = x)P(Y = y) \quad \text{by independence} \\ &= \left(\sum_{x \in A} x P(X = x) \right) \left(\sum_{y \in B} y P(Y = y) \right) \\ &= \mathbb{E}[X]\mathbb{E}[Y] \quad \text{by definition of expectation} \end{aligned}$$

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Remark. Note that the implication only works one way

$$X \perp Y \implies \mathbb{E}[XY] = \mathbb{E}[X]\mathbb{E}[Y]$$

The converse is not true

$$\mathbb{E}[XY] = \mathbb{E}[X]\mathbb{E}[Y] \neq X \perp Y$$

5.2 Chebyshev's Inequality

Chebyshev's allows us to bound the probability that a random variable deviates by a *certain amount* from its mean.

Theorem 5.3 (Chebyshev's Inequality). Let X be a random variable with expectation μ and variance σ^2 . For any $t > 0$,

$$P(|X - \mu| \geq t) \leq \frac{\sigma^2}{t^2}$$

5.3 Bernoulli Random Variables

Remark. For random variable X , we sometimes use the following short hand

$$P_X(x) = P(X = x)$$

Definition 5.4 (Bernoulli). A random variable $X : \Omega \rightarrow \{0, 1\}$ is a **Bernoulli** random variable with parameter $p \in [0, 1]$ if

$$P_X(1) = p, \quad P_X(0) = 1 - p$$

We denote this

$$X \sim \text{Bern}(p)$$

Result 5.5 (Moments of a Bernoulli random variable). The mean of a Bernoulli is

$$\mathbb{E}[X] = 1 \cdot p + 0 \cdot (1 - p) = p$$

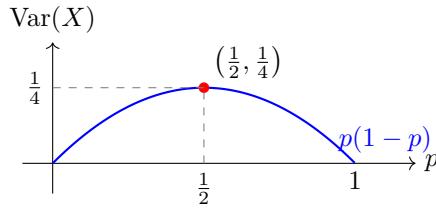
To find $\mathbb{E}[X^2]$

$$\begin{aligned}\mathbb{E}[X^2] &= \sum_{x \in \{0,1\}} x^2 P(X=x) \\ &= 1 \cdot p + 0 \cdot (1 - p) \\ &= p\end{aligned}$$

The variance of a Bernoulli is

$$\begin{aligned}\text{Var}(X) &= \mathbb{E}[X^2] - \mathbb{E}[X]^2 \\ &= p - p^2\end{aligned}$$

Remark. The maximum variance of a Bernoulli random variable is achieved when $p = \frac{1}{2}$



5.4 Binomial Random Variables

Definition 5.6 (Binomial Random Variable). Let X_1, \dots, X_n be independent Bernoullis with the same parameter $p \in [0, 1]$. A **binomial** random variable S_n with parameter n, p is defined as

$$S_n = \sum_{i=1}^n X_i$$

S_n takes as its support $\{0, 1, \dots, n\}$.

S_n has pmf

$$P(S_n = x) = \begin{cases} \binom{n}{x} p^x (1-p)^{n-x} & \text{if } x \in \text{supp}(S_n) \\ 0 & \text{otherwise} \end{cases}$$

We denote this

$$S_n \sim \text{Binom}(n, p)$$

Proof. We want to show for $x \in \text{supp}(S_n)$,

$$P(S_n = x) = \binom{n}{x} p^x (1-p)^{n-x}$$

Fix $x \in \text{supp}(S_n)$. An outcome with exactly x successes is an unordered collection of x successes and $n - x$ failures. Each ordered sequence with x successes is equally likely.

The probability of getting an ordered sequence of x successes followed by $n - x$ failures is, by independence,

$$p^x (1-p)^{n-x}$$

The number of such sequences is the number of ways to choose x positions in n to be successes

$$\binom{n}{x}$$

Hence the pmf is

$$P(S_n = x) = \binom{n}{x} p^x (1-p)^{n-x}$$

Remark. A binomial random variable with parameter n, p counts the number of successes in n independent and identical trials, each with success probability p .

Result 5.7 (Moments of Binomial random variables). The mean of a binomial random variable is

$$\begin{aligned}\mathbb{E}[S_n] &= \mathbb{E}\left[\sum_{i=1}^n X_i\right] \quad \text{by definition} \\ &= \sum_{i=1}^n \mathbb{E}[X_i] \quad \text{by linearity of expectation} \\ &= \sum_{i=1}^n p \\ &= np\end{aligned}$$

To find $\mathbb{E}[S_n^2]$

$$\begin{aligned}\mathbb{E}[S_n^2] &= \mathbb{E}\left[\left(\sum_{i=1}^n X_i\right)^2\right] \\ &= \mathbb{E}[(X_1 + X_2 + \dots + X_n)^2] \\ &= \mathbb{E}\left[\sum_{i=1}^n X_i^2 + \sum_{i \neq j} X_i X_j\right] \\ &= \sum_{i=1}^n \mathbb{E}[X_i^2] + \sum_{i \neq j} \mathbb{E}[X_i X_j] \quad \text{by linearity} \\ &= \sum_{i=1}^n \mathbb{E}[X_i^2] + \sum_{i \neq j} \mathbb{E}[X_i] \mathbb{E}[X_j] \quad \text{by independence of } X_i, X_j \\ &= \sum_{i=1}^n p + \sum_{i \neq j} p^2 \\ &= np + n(n-1)p\end{aligned}$$

Hence the variance of S_n is

$$\begin{aligned}S_n &= \mathbb{E}[S_n^2] - \mathbb{E}[S_n]^2 \\ &= np + n(n-1)p - (np)^2 \\ &= np(1-p)\end{aligned}$$

Remark. To see how we expand $(X_1 + X_2 + \dots + X_n)^2$, consider the multiplication table:

\times	X_1	X_2	\dots	X_n
X_1	X_1^2	$X_1 X_2$	\dots	$X_1 X_n$
X_2	$X_2 X_1$	X_2^2	\dots	$X_2 X_n$
\vdots	\vdots	\vdots	\ddots	\vdots
X_n	$X_n X_1$	$X_n X_2$	\dots	X_n^2

The sum of all entries in this $n \times n$ table gives $(X_1 + \dots + X_n)^2$:

- Diagonal entries: n terms
- Off-diagonal entries: $n(n-1)$ terms, there are a few ways to see this
 - $n^2 - n$ terms, by counting total terms - n diagonal terms
 - $n P_2$ terms, by counting number of ways to permute 2 out of n
 - $2 \cdot {}_n C_2 = 2 \binom{n}{2}$ terms, by counting number of ways to choose 2 out of n terms, and then permuting the 2 terms

Hence

$$(X_1 + X_2 + \dots + X_n)^2 = \underbrace{\sum_{i=1}^n X_i^2}_{n \text{ terms}} + \underbrace{\sum_{i \neq j} X_i X_j}_{n(n-1) \text{ terms}}$$

Remark (Concentration of binomial). Let $S_n \sim \text{Binom}(n, p)$

Intuition: For a binomial, *most probability mass lies near the center.*

When $p = \frac{1}{2}$

$$P(S_n = k) = \binom{n}{k} \left(\frac{1}{2}\right)^k \left(\frac{1}{2}\right)^{n-k} = \binom{n}{k} 2^{-n}$$

The binomial coefficient is biggest when $k = \frac{n}{2}$

We can quantify the extent to which the pmf *concentrates around the center* this using mean, variance, and Chebyshev's.

Proof:

By Chebyshev's, for any positive t

$$P(|S_n - np| \geq t) \leq \frac{np(1-p)}{t^2}$$

This inequality is not very meaningful if n is very large and t is small, in which case our LHS will be something bigger than 1. We already know for free that the probability is less than 1.

Since we get to choose whatever t we want, we pick a t such that t^2 is *roughly as big as n .*

Pick $t^2 = c \cdot n$. Then

$$P(|S_n - np| \geq \sqrt{c \cdot n}) \leq \frac{p(1-p)}{c}$$

Conclusion: Deviations of S_n on the order of \sqrt{n} happens with non-negligible probability.

Example: Say $p = \frac{1}{2}$, then S_n deviates from $\frac{n}{2}$ by about $\frac{\sqrt{n}}{2}$

- $n = 100$, $\frac{\sqrt{n}}{2} = 5$, most outcomes will be in $[45, 55]$
- $n = 10,000$, $\frac{\sqrt{n}}{2} = 50$, most outcomes will be in $[4950, 5050]$

In the symmetric case ($p = \frac{1}{2}$),

$$P\left(\left|S_n - \frac{n}{2}\right| \geq t\right) \leq \frac{n}{4t^2}$$

Take $t = 5\sqrt{n}$

$$P\left(\left|S_n - \frac{n}{2}\right| \geq 5\sqrt{n}\right) \leq \frac{1}{100}$$

For symmetric binomial, we have less than 1% chance of seeing a deviation of more than $5\sqrt{n}$.

Take $t = 3\sigma$, $\sigma = \sqrt{\text{Var}(S_n)}$.

$$\begin{aligned} P(|S_n - np| \geq 3\sigma) &\leq \frac{\text{Var}(S_n)}{9\sigma^2} = \frac{1}{9} \\ P(|S_n - np| \leq 3\sigma) &\geq 1 - \frac{1}{9} \approx 88\% \end{aligned}$$

For symmetric binomial, we have 88% chance of observing a value within 3 standard deviations of its mean.

6 Class 6 - Tail Sums, Discrete Waiting Times and Geometric Random Variables

6.1 Tail Sum Formula

The tail sum formula is a useful result for calculating moments of random variables. Here we introduce the discrete case.

Result 6.1 (Tail Sum). Let X be a nonnegative, integer valued random variable, $X : \Omega \rightarrow \{0, 1, 2, \dots\}$. Then

$$\mathbb{E}[X] = \sum_{k=0}^{\infty} P(X > k)$$

Proof. We decompose X as a sum of an infinite sequence of indicator random variables

$$X = \mathbf{1}\{X > 0\} + \mathbf{1}\{X > 1\} + \mathbf{1}\{X > 2\} \dots$$

Taking the expectations of both sides and by linearity

$$\mathbb{E}[X] = P(X > 0) + P(X > 1) + P(X > 2) + \dots$$

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6.2 Geometric Random Variables

Definition 6.2 (Geometric Random Variable). : A random variable X is said to be a **geometric** random variable with parameter p , denoted $X \sim \text{Geom}(p)$ if its pmf is given by

$$P_X(k) = (1-p)^{k-1}p \text{ for } k \in \{1, 2, 3, \dots\}$$

Remark. To see that the geometric pmf is a valid pdf,

$$\begin{aligned} \sum_{k=1}^{\infty} P(T = k) &= p \sum_{k=1}^{\infty} (1-p)^{k-1} \\ &= p \sum_{k=0}^{\infty} (1-p)^k \\ &= p \cdot \frac{1}{1 - (1-p)} \\ &= \frac{p}{p} \\ &= 1 \end{aligned}$$

Result 6.3 (Geometric survival function). The survival function of a geometric random variable $T \sim \text{Geom}(p)$ is sometimes denoted as

$$S(n) = P(T > n) = 1 - F_X(n) = (1-p)^n \text{ for } n \geq 0$$

Proof. To find an expression for the survival function,

$$\begin{aligned} \{T > n\} &= \{X_1 = 0, X_2 = 0, \dots, X_n = 0\} \\ &= \bigcap_{i=1}^n \{X_i = 0\} \\ P(T > n) &= P\left(\bigcap_{i=1}^n X_i = 0\right) \\ &= \prod_{i=1}^n P(X_i = 0) \text{ by independence} \\ &= (1-p)^n \end{aligned}$$

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Example (Polymarket Waiting Time). Consider a polymarket contract: X happens by date D .

We want to find the price of the contract, $P(X \text{ happens by date } D)$.

Define the indicator

$$X_t = \mathbf{1}\{\text{event happens on day } t\}$$

Assume

$$X_t \sim \text{Ber}(p)$$

for fixed p , and X_1, X_2, \dots independent.

The waiting time is T , where

$$T := \min\{t \geq 0, X_t = 1\}$$

The desired probability is

$$F_T(D) = P(T \leq D) = 1 - \underbrace{P(T > D)}_{\text{survival function}}$$

Theorem 6.4 (Memorylessness of geometric random variables). Let $m, n \in \mathbb{N}$, and $T \sim \text{Geom}(p)$

$$P(T > m + n | T > m) = P(T > n)$$

Proof.

$$\begin{aligned} P(T > m + n | T > m) &= \frac{P(T > m + n, T > m)}{P(T > m)} \\ &= \frac{P(T > m + n)}{P(T > m)} \\ &= \frac{(1-p)^{m+n}}{(1-p)^m} \\ &= (1-p)^n \end{aligned}$$

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Theorem 6.5 (Memorylessness implies geometric). Suppose T is a positive integer valued random variable that takes as its support $\text{supp}(T) = \{1, 2, \dots\}$, and

$$P(T > m + n | T > n) = P(T > n)$$

for all $m, n \in \mathbb{N}$.

Then $T \sim \text{Geom}(p)$ for some $p \in (0, 1]$

Proof. Since $T \geq 1$, $S(0) = P(T > 0) = 1$.

By memorylessness

$$P(T > m + 1 | T > m) = P(T > 1)$$

Define

$$q = P(T > 1) = 1 - p$$

Hence

$$P(T > m + 1 | T > m) = P(T > 1) = \frac{P(T > m + 1)}{P(T > m)} = \frac{S(m + 1)}{S(m)} = q$$

For $m \geq 0$, we have the recurrence relation $S(m + 1) = S(m) = q$, and $S(0) = 1$. Solving the recurrence relation,

$$S(m) = q^m = (1 - p)^m$$

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Result 6.6 (Moments of geometric random variables). Let $T \sim \text{Geom}(p)$

The expectation is

$$\mathbb{E}[T] = \frac{1}{p}$$

The second moment is

$$\mathbb{E}[T^2] = \frac{2(1-p)}{p^2} + \frac{1}{p}$$

The variance is

$$Var(T) = \frac{1-p}{p^2}$$

Remark. Recall the geometric series formula, for $-1 < r < 1$,

$$\sum_{i=0}^{\infty} ar^i = \frac{a}{1-r}$$

Remark. Calculating the expectation and variance requires us to compute

$$\mathbb{E}[T] = \sum_{k=1}^{\infty} kp(1-p)^{k-1}$$

$$\mathbb{E}[T^2] = \sum_{k=1}^{\infty} k^2 p(1-p)^{k-1}$$

This computation involves exchanging the order of a summation and a derivative, which is only justified subject to certain technical conditions that are beyond the scope of this class.

Instead of dealing with the exchange of the summation and the limit, Prof Bou-Rabee discussed an alternate method in class involving the use of the tail-sum formula and indicators. As it turns out, we have all the tools required to compute the expectation and variance.

Proof. We can calculate the expectation by applying the tail sum formula.

$$\begin{aligned}\mathbb{E}[T] &= \sum_{k=0}^{\infty} P(T > k) \\ &= \sum_{k=0}^{\infty} (1-p)^k \\ &= \frac{1}{1 - (1-p)} \\ &= \frac{1}{p}\end{aligned}$$

To find $\mathbb{E}[T^2]$, we begin by expressing T^2 as a finite sum

$$\begin{aligned}&\sum_{k=0}^{T-1} (2k+1) \\ &= 2 \sum_{k=0}^{T-1} k + \sum_{k=0}^{T-1} 1 \\ &= 2 \frac{(T-1)T}{2} + T \\ &= (T-1)T + T \\ &= T^2\end{aligned}$$

Then we express T^2 using an infinite sum and indicators.

$$\begin{aligned} T^2 &= \sum_{k=0}^{T-1} (2k+1) \\ &= \sum_{k=0}^{\infty} (2k+1) \mathbf{1}\{k > T\} \\ &= \sum_{k=0}^{\infty} (2k+1) \mathbf{1}\{T > k\} \end{aligned}$$

To see the second equality, think of this step as *filtering* for only the terms in the summation where $k \leq T-1 \Leftrightarrow k < T$.

We take expectations on both sides and apply linearity

$$\begin{aligned} \mathbb{E}[T^2] &= \mathbb{E} \left[\sum_{k=0}^{\infty} (2k+1) \mathbf{1}\{T > k\} \right] \\ &= \sum_{k=0}^{\infty} (2k+1) \mathbb{E}[\mathbf{1}\{T > k\}] \text{ by linearity} \\ &= \sum_{k=0}^{\infty} (2k+1) P(T > k) \text{ by expectation of indicators} \\ &= \sum_{k=0}^{\infty} (2k+1)(1-p)^k \text{ by survival function of geometric r.v.} \\ &= \sum_{k=0}^{\infty} 2k(1-p)^k + \sum_{k=0}^{\infty} (1-p)^k \\ &= \frac{2(1-p)}{p} \sum_{k=0}^{\infty} kp(1-p)^{k-1} + \sum_{k=0}^{\infty} (1-p)^k \\ &= \frac{2(1-p)}{p} \sum_{k=1}^{\infty} kp(1-p)^{k-1} + \sum_{k=0}^{\infty} (1-p)^k \\ &= \frac{2(1-p)}{p} \mathbb{E}[T] + \sum_{k=0}^{\infty} (1-p)^k \\ &= \frac{2(1-p)}{p^2} + \frac{1}{p} \\ &= \frac{2 - 2p + p}{p^2} \\ &= \frac{2 - p}{p^2} \end{aligned}$$

Now we can find variance

$$\begin{aligned} Var(T) &= \mathbb{E}[T^2] - \mathbb{E}[T]^2 \\ &= \frac{2 - p}{p^2} - \frac{1}{p^2} \\ &= \frac{1 - p}{p^2} \end{aligned}$$

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A Table of Common Distributions

A.1 Discrete Distributions

Distribution	Parameters	PMF $P(X = k)$	CDF $F(k)$	$\mathbb{E}[X]$	$\text{Var}(X)$
Discrete Uniform	$a, b \in \mathbb{Z}, a \leq b$	$\frac{1}{b-a+1}, \ k \in \{a, \dots, b\}$	$\frac{k-a+1}{b-a+1}$	$\frac{a+b}{2}$	$\frac{(b-a)(b-a+2)}{12}$
Bernoulli	$p \in [0, 1]$	$p^k(1-p)^{1-k}, \ k \in \{0, 1\}$	$\begin{cases} 1-p & k=0 \\ 1 & k=1 \end{cases}$	p	$p(1-p)$
Binomial	$n \in \mathbb{N}, p \in [0, 1]$	$\binom{n}{k} p^k (1-p)^{n-k}, \ k \in \{0, \dots, n\}$	$\sum_{i=0}^k \binom{n}{i} p^i (1-p)^{n-i}$	np	$np(1-p)$
Geometric	$p \in (0, 1]$	$(1-p)^{k-1} p, \ k \in \{1, 2, \dots\}$	$1 - (1-p)^k$	$\frac{1}{p}$	$\frac{1-p}{p^2}$