A Absorbing state of a Markov chain, 194 Accessibility of states in a Markov chain, 204 Age of the renewal process, 452–453 Algorithmic efficiency, 234–237 Algorithms, analyzing probabilistic, 237–241 Alias method in simulation, 691–695 Aloha protocol, 211–214 Alternating renewal process, 450–451 Antithetic variables, 707–710 Aperiodic state of a Markov chain, 214 Arbitrage, defined, 640 Arbitrage theorem, 640–641 Arrival theorem, 534–535 Availability, system, 616	Bivariate normal distribution, 174 Bivariate Poisson process, 360 Black-Scholes option pricing formula, 644–649 Bonferroni's inequality, 16 Bonus Malus automobile insurance system, 194–195, 229–230 Boole's inequality, 16 Bose-Einstein statistics, 149–153 Box-Muller approach, 682 Branching processes, 245–249 Bridge Brownian, 652 structure, 594–595 system defined, 584 Brown, Robert, 632 Brownian bridge, 652 Brownian motion
Balking, M/M/1 queueing system, 517 Ballot problem, 130–132, 185 Bayes' formula, 12–15 Bernoulli random variables, 26–27, 36–37, 47, 54–55, 296, 719	standard, 633 variations on, 636–638 Brownian motion and stationary processes, 631–666 Gaussian processes, 651–654
independent, 125–126 Best prize problem, 126–127 Beta distribution, 685–686 Beta random variable, 61 relation to gamma, 60–61 simulation of, 675, 685–686	harmonic analysis of weakly stationary processes, 659–661 hitting times and gambler's ruin problem, 635–636 maximum variable and gambler's ruin
Binomial random variables, 27–29, 37, 47 simulating, 690 sums of independent, 67 variance of, 54 Binomials, negative, 172–173 Birth and death model, 371	problem, 635–636 pricing stock options, 638–649 stationary and weakly stationary processes, 654–659 variations on Brownian motion, 636–638 white noise, 649–651
Birth and death processes, 374–381 ergodic, 399 forward equations for, 390 Birth and death queueing models, 517–522 Bivariate exponential distribution, 368	Busy period, 347, 454–455, 540–541, 558 C Cayley's theorem, 597 Central limit theorem, 80, 83–84

Central limit theorem for renewal processes, Conditional probability density function, 438-439 Chapman-Kolmogorov equations, 195-204, Conditional probability mass function, 98-99 Conditional variance, 119 385 Chebyshev's inequality, 78-79 Conditional variance formula, 119 Conditioning, computing probabilities by, Chi-squared distribution, 684-685 Chi-squared random variable with n degrees of 122-139, 199-200 Connected graph, defined, 147 freedom, 72, 180 Continuous random variables, 24, 31-36 Class of Markov chain, 205 Continuous-time process, 84 Closed class of a Markov chain, 277 Communications with Markov chain, 204 Convolution, 56 Correlation, 175 Complement of event, 3 Counting processes, 312–313 Compound Poisson process, 346-351 Coupling from past, 723–725 Compound Poisson random variable, 120 Coupon collecting problem, 322-325 Compound random variables Covariance defined, 109, 167 in M/M/1 queueing system, 569 identities, 167-169 properties of, 52–53 variances of, 119-120 and variance of sums of random variables, Compound random variables, identity for, 166-173 Coxian random variables, 311–312 binomial compounding distribution, 171 Craps, 16 compounding distribution related to negative Cumulative distribution function (cdf), 24, 26 binomials, 172–173 Cut vector, defined, 584 Poisson compounding distribution, 169–170 Compounding distribution, 167 D Conditional expectation, 98, 103, 106-107 Debugging software, 337 Conditional expectation, conditional probability and, 97-189 Decreasing failure rate (DFR), 603-604, 606-607 computing expectations by conditioning, Delayed renewal process, 466, 486 106-121 Dependent events, 10 computing probabilities by conditioning, Dirichlet distributions, defined, 151 122 - 139Discrete distributions simulating from, 688-695 continuous case, 102-106 Discrete random variables, 24 discrete case, 97-102 Discrete-time process, 84 identity for compound random variables, Distribution function, 24 166-173 Distributions, simulating from discrete, miscellaneous applications, 140–166 688-695 Conditional or mixed Poisson processes, Doubly stochastic, 278 351-354 Conditional probability, 7–10, 139 Ε Conditional probability and conditional expectation e, 132-133 computing expectations by conditioning, Ehrenfest, P. and T., 252 Ehrenfest urn model, 252, 284 computing probabilities by conditioning, Einstein, A., 633 122 - 139Elementary renewal theorem, 432–433 continuous case, 102-106 Equilibrium distribution, 455 discrete case, 97-102 Ergodic birth and death process, 399 identity for compound random variables, Ergodic define, 215 166 - 173Ergodic Markov chain, 255 miscellaneous applications, 140-166 Erlang's loss system, 563-564

Event, 2	queueing system with bulk service, 524-527
Events that occur, distribution of, 74–77	shoeshine shop, 522–524
Excess life of renewal process, 446–447,	single-server, 502–511
453–454	single-server, finite capacity, 511-517
Expectation, conditional, 97, 103. see also	Exponential random variables, 34, 39
Conditional expectation, conditional	convolutions of, 308-312
probability and	mixtures of, 606-607
Expectations, computing by conditioning,	rate of, 299–301
106–121	simulating, 673
computing variances by conditioning, 117–121	Von Neumann algorithm, 686–688
Expected discounted return, 288-289	F
Expected system lifetime, 610–616	Failure rate
Expected time to maximal run of distinct	decreasing, 603-604, 606-607
values, 474–476	increasing, 579, 608
Expected value, 36, 38-39, 92-93	Failure rate function, 299, 311, 355
of Bernoulli random variables, 36–37, 47	discrete time, 311
of binomial random variables, 37, 47	Feedback, queueing, 531
of compound random variables, 108–109	First-come, first-served (FIFO) ordering,
of continuous random variables, 38–40	543–544
of discrete random variables, 36–38	
of exponential random variables, 39,	G
292–293	Gambler's ruin problem, 230–232
of functions of random variables, 40–44, 46	application to drug testing, 232-234
of geometric random variables, 37–38,	hitting times and, 635-636
108–110	maximum variable and, 635–636
of hypergeometric random variables, 54–57	Gamma distribution, 604, 684
of normal random variables, 39–40	Gamma random variables, 34
of Poisson random variables, 38	independent, 60
of random variables, 36–44	Gaussian processes, 651–654
of sum of random number of random	General renewal process, 466, 486
variables, 108–109	Geometric Brownian motion, 636–638, 662
of sums of random variables, 47–48	Geometric distribution
tables of, 66	mean of, 109–110
of time until k consecutive successes,	simulation of, 689
113–114	Geometric random variable, 29, 37–38
of total discounted reward, 178, 293–294	variance of, 118–119
of uniform random variables, 39	Gibbs sampler, 263–264, 536–537
Exponential distribution, 292–312, 373,	G/M/1 queues, 553–558
686–688	busy/idle periods, 558
further properties of, 301–308	G/M/k queues, 565–567
Exponential distribution and Poisson process	Graph and components, 596
convolutions of exponential random	Graphs, random, 141–149, 596–599
variables, 308–312	Greedy algorithms, analyzing, 303–305
definition, 292–293	Н
exponential distribution, 292–312	
further properties of exponential distribution,	Hardy-Weinberg law, 217–219
301–308	Hastings-Metropolis algorithm, 261–264 Hazard function, defined, 608
properties of exponential distribution,	Hazard rate function, 299, 311
294–301	Hazard rate method, 677-680
Exponential queuing models, 502-527	discrete, 728–729
birth and death, 517–522	Hit-miss method, 732

Hitting time theorem, 162–164	mass function, 45
Hyperexponential random variable, 300	of sample mean and sample variance from
Hypergeometric, defined, 54, 56	normal population, 71–74
Hypergeometric distribution, defined, 100	Jointly continuous random variables, 45
Hypoexponential random variable, 308	Jointly distributed random variables, 44–61
I	joint distribution functions, 44–48
Idle period, 347, 540	K
IFR lifetime distribution, 605	Kolmogorov's backward equation, 386
IFR, parallel system that is not, 606	Kolmogorov's forward equation, 389
Ignatov's theorem, 135, 157–159	k-out-of-n structure, 581
Impulse response function, 659	k-out-of-n system, 583, 612-613
Inclusion and exclusion, method of, 591–599	with equal probability, 587
Inclusion-exclusion bounds, 593	with identical components, 605-606
Inclusion-exclusion identity, 6	k-record index, 158
Inclusion-exclusion theorem, 136–138	k-record values of discrete random variables,
Increasing failure on the average (IFRA), 608	157–160
Increasing failure rate (IFR), 603	
Increasing failure rate on the average (IFRA),	L
579	$L = \lambda a W, 499$
Independent events, 10–12	$L = \lambda aWQ$, 500
pairwise, that are not independent, 11	Laplace transform, 69, 316
Independent increments, 312	Left skip free random walks, 160–166
Independent random variables, 48–49, 322	Limit theorems, 77–84
sum of, 65	Limiting probabilities, 390–397
Indicator random variable for event, 23	Linear provide model with immigration
Inspection paradox, 460-463	Linear growth model with immigration, 375–377
Instantaneous transmission rates, defined, 384	Linear program
Insurance, 122–123, 138–139, 334–335,	defined, 268
353–354, 451–452	optimization problem, 234
Bonus Malus system, 194-195, 229-230	List model, 140–141
Insurance ruin problem, 478–484	Little o notation, 314
Interarrival time, sequence of, 317	Little's formula, 499
Intersection of event, 3	Long run proportion of time, 215
Inventory example, 455–457	Long run proportion of time, 213
Inverse transformation method, 672–673	M
discrete analog, 689	Markov chain generated data, mean pattern
Inversions, 96	times in, 225–229
Irreducible Markov chain, 205	Markov chain in genetics, 217-219
Irrelevant system component, 624	Markov chains, 191–290
_	branching processes, 245-249
J	Chapman-Kolmogorov equations, 195-204
Jacobian determinant, 61	classification of states, 204-214
Joint cumulative probability distribution	continuous-time, 372-374, 386-389
function, 44	defined, 192
Joint density functions, 51–52, 61	ergodic, 255
Joint moment generating function, 96	expected discounted return, 288-289
Joint probability	hidden Markov chains, 269-275
computing, 333–334	independent time reversible continuous-time
density function, 45	404
distribution of functions of random variables,	irreducible, 258
59–61	limiting probabilities, 214–230

Markov decision processes, 265-268	M/G/k queues, 567–568
mean time spent in transient states, 243–245	Minimal cut set, 584
miscellaneous applications, 230-242	Minimal cut vector, 584
Monte Carlo methods, 260–265	Minimal path and minimal cut sets, 582–586
simulation, 723–726	Minimal path set, 582
time reversible, 249–260	Minimal path vector common, 582
time reversible Markov chains, 249-260	Mixed Poisson processes, conditional or,
transition probability matrix, 192	351–354
Markov chains, continuous-time, 371–419	Mixture of distributions, 606
birth and death processes, 374–381	M/M/1 queues, 517
computing transition probabilities, 409-411	M/M/1 queues with balking, 517
limiting probabilities, 390-397	M/M/k queues, 517–518, 564
time reversibility, 397–405	Moment and expected value, 42
transition probability function, 381-390	Moment generating functions, 62–74, 65
uniformization, 406-409	of binomial random variables, 63
Markov chains, hidden, 269-275	defined, 62
defined, 269	determines distribution, 67
forward/backward approach, 272	of exponential random variables, 64,
predicting states, 273–275	292–293
Markov decision processes, 265-268	of normal random variables, 64–67
Markov processes. see Semi-Markov processes	of Poisson random variables, 63–64
Markovian property, 237, 238, 239	of the sum of independent random variables,
Markov's inequality, 77-79	65 tables of, 66
Martingale process, 649, 663	Monte Carlo methods, Markov chain, 260–265
Match problem, 127-130	Monte Carlo simulation approach, defined, 668
Matching rounds problem, 111-113, 120-121	Monte Carlo's simulation, 260
Mean	Moving average process, 658
expected value, 42	Multinomial distribution, 88
of geometric distribution, 109–110	Multivariate normal distribution, 70–71
joint distribution of sample, 71–74	Mutually exclusive events, 3
pattern times in Markov chain generated	reaction, constant cremes, c
data, 225–229	N
Poisson distribution with, 63-64	Negative binomial distribution, defined, 88
Poisson random variable with, 345	Negative binomials, compounding distribution
sample, 53	related to, 172–173
value function, 342, 425	New better than used (NBU), 471
Mean time	Noncentral chi-squared random variables, 179
for patterns, 153–157	Nonhomogeneous Poisson process
spent in transient states, 243–245	conditional distribution of event times,
Mean value analysis of queueing networks, 535	366–367
Memory, lack of, 298, 317	mean value function of, 342
Memoryless random variable, 294, 373	simulating, 697–703, 711–712
M/G/1 queueing system, 538–553	Normal random variables, 34–36, 39–40, 94
busy periods, 540–541	as approximations of the binomial, 80-81
optimization example, 546–550	simulation of, 675–677, 680–684
priority queues, 543–546	Null event, 3
random-sized batch arrivals, 541–543	Null recurrent state of a Markov chain, 281
server breakdown, 550-553	•
simulating, 714–715	0
variations, 541–553	Occupation time, 408, 418
work, 538–540	Odds, 641–642

Options, pricing stock, 638–649 Order statistics, 58–59	properties of exponential distribution, 294–301
simulation of, 729	Poisson process, generalization of, 339–354
Ornstein-Uhlenbeck process, 656–657	compound Poisson process, 346-351
P	conditional or mixed Poisson processes, 351–354
Pairwise independent events, 11	Poisson process having rate, 313
Parallel structure, 580–581	Poisson processes
Parallel system, 579, 587, 603, 617-620	conditional or mixed, 351–354
expected life of, 614–616	miscellaneous properties of, 319-325
that is not IFR, 606	Poisson queue, output process of infinite server
Path vector, 582	344–345
Patterns	Poisson random variables, 30–31, 100, 316,
of discrete random variables, 467-474	329
mean time for, 153–157	approximating binomial random variables,
Patterns, applications to, 463–478	30
expected time to maximal run of distinct	approximation to the binomial, 316
values, 474–476	expectation of, 38
increasing runs of continuous random	maximum probability, 89
variables, 476–478	with mean, 345
patterns of discrete random variables,	random sampling, 123–125
467–474	simulating, 660–691
Period of a state of a Markov chain, 214	sums of independent, 70
Poisson arrival queues, single-server, 347–351	Polar method, defined, 684
Poisson compounding distribution, 166–170	Pollaczek-Khintchine formula, 539
Poisson distribution, 58	Polya's urn model, 149–153, 177
Poisson distribution with mean, 63–64	Positive recurrent state of a Markov chain, 215
Poisson paradigm, 68–69	Power spectral density, 660
Poisson process, 312–339	Priority queues, 543–546
bivariate, 359	Probabilistic algorithm, 241
compound, 346–351	Probabilistically process, 317
conditional distribution of arrival times,	Probabilities
325–336, 700–701	computing, 122–139
counting processes, 312–313	computing joint, 333–334
definition of, 313–316	conditional, 7–10, 97–189
estimating software reliability, 336–339	defined on events, 4–6
interarrival and waiting time distributions,	inclusion-exclusion identity, 6
316–319	limiting, 214–230, 390–397
miscellaneous properties of Poisson	of matches, 127–130
processes, 319–325	stationary, 222–225
nonhomogeneous, 339–345	steady-state, 500–502
sampling, 327, 697–700	transition, 409–411
simulating event times, 702–703	Probability density function, 31, 42, 45–46
simulating two-dimensional, 703–705	conditional, 102–103
Poisson process, exponential distribution and, 291–369	joint, 45 Probability distribution function, joint
convolutions of exponential random	cumulative, 44
variables, 308–312	Probability function, transition, 381–390
definition, 292–293	Probability mass function, 25, 135
exponential distribution, 292–312	conditional, 98–99
further properties of exponential distribution,	joint, 45
301–308	Probability theory, introduction to, 1–21

Bayes' formula, 12–15	R
conditional probabilities, 7–10	Random graph, 141-149, 596-599
independent events, 10–12	Random numbers, 668, 669
probabilities defined on events, 4-6	Random permutations, generating, 670-671
sample space and events, 1–4	Random subset, 730
Pure birth process, 371	Random telegraph signal process, 658
•	Random variable, expectation
Q	continuous case, 38–40
Queueing system, 377–378	discrete case, 36–38
birth and death queueing models, 517–522 with bulk service, 524–527	expectation of function of random variable,
busy period, 347, 454–455, 540–541, 558	Random variable identity, compound, 169–170
with finite capacity, 511–517	Random variable with mean, Poisson, 345
multiserver exponential, 378–379	Random variables, 21–94
with renewal arrivals, 449	Bernoulli, 26–27, 36–37, 47, 54–55,
simulating, 710, 716–717	125–126, 296, 719
single-server exponential, 502–511	binomial, 27–29, 37, 47
single-server exponential, finite capacity,	chi-squared, 72, 180
511–517	compound, 109, 167
waiting times, 508	continuous, 24, 31–36, 42, 476–478
Queueing theory, 497–578	convolutions of exponential, 308-312
cost equations, 499–500	covariance and variance of sums of, 50-59
departure process, 399–400	Coxian, 311-312
exponential models, 502-527	defined, 21
finite source model, 559–562	discrete, 24, 25-31, 157-160, 467-474
G/M/1 system, 553–558	expectation of, 36–44
G/M/k queues, 565–567	expectation of sum of random number of,
M/G/1 system, 538–553	108–109
M/G/k queues, 567–568	expectations of functions of, 40-44
multiserver queues, 562-568	exponential, 34, 39
network of queues, 527-537	gamma, 34
Arrival theorem, 534–535	geometric, 29, 37–38
Gibbs sampler analysis, 536–537	hyperexponential random, 300
mean value analysis, 535	hypoexponential, 308
preliminaries, 498–502	independent, 48–49, 322
priority queues, 543–546	independent gamma, 60
random-sized batch arrivals, 541–543	indicator, 23
steady-state probabilities, 500–502	joint density function, 51–52, 61
tandem queues, 528	joint probability distribution of functions of,
tandem/sequential queues, 416	59–61
transition diagram, 523	jointly distributed, 44–61
work in queues, 538	left skip free random walks, 160–166
Queues 227 220 454 455	limit theorems, 77–84
infinite server, 327–329, 454–455	moment generating functions, 62–74
limiting probabilities, 395	noncentral chi-squared, 179
multiserver, 562–568	normal, 34–36, 39–40 Poisson. <i>see</i> Poisson random variables
output process, 344–345	
single-server Poisson arrival, 347–351 Queues, network of, 527–537	simulating binomial, 690 simulating normal, 675–677
closed systems, 532–537	simulating Poisson, 690–691
open systems, 527–532	stochastic processes, 83–85
Quick sort algorithm, 114–117	sum of independent, 65
~	or macpenaem, oo

Dandon vaniables (soutimed)	avnacted evetem lifetime (10, 616
Random variables (continued)	expected system lifetime, 610–616
sum of two independent uniform, 57	reliability of systems of independent
sums of independent binomial, 67	components, 586–590
sums of independent normal, 67–68	structure functions, 580–586
sums of independent Poisson, 57–58, 70	system life as function of component lives,
uniform, 32–33, 39	602–610
variance of binomial, 54	systems with repair, 616–620
variance of compound, 119–120	Renewal arrivals, queueing system with, 449
variance of geometric, 118–119	Renewal, cycle and, 440
Random variables, identity for compound,	Renewal function
166–173	computing, 463–466
binomial compounding distribution, 171	defined, 425
compounding distribution related to negative	estimating, 712–713
binomials, 172–173	Renewal processes
Poisson compounding distribution, 169–170	age of, 452–453
Random variables, simulating continuous,	alternating, 450–451
672–688	average age of, 445–446
beta distribution, 685–686	average excess of, 446–447
chi-squared distribution, 684–685	central limit theorem for, 438–439
exponential distribution, 686–688	defined, 421 excess of, 453–454
gamma distribution, 684	
hazard rate method, 677–680	and interarrival distribution, 459
inverse transformation method, 672–673	Renewal theory and its applications 421, 495
normal distribution, 680–684	Renewal theory and its applications, 421–495
rejection method, 673–677	Reversible chain, time, 403
Von Neumann algorithm, 686–688 Random walk, 237–241	S
left skip free, 160–166	Sample mean, defined, 53
left skip free, 160–166 Markov chains, 194	Sample mean, defined, 53 Sample space
left skip free, 160–166 Markov chains, 194 process, 437	Sample mean, defined, 53 Sample space defined, 1
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609 simulating, 709	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723 Markov chains, another approach, 725–726
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609 simulating, 709 Reliability function, bounds on, 590–602	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723 Markov chains, another approach, 725–726 simulating continuous random variables,
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609 simulating, 709 Reliability function, bounds on, 590–602 method of inclusion and exclusion, 591–599	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723 Markov chains, another approach, 725–726 simulating continuous random variables, 672–688, 680–688
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609 simulating, 709 Reliability function, bounds on, 590–602 method of inclusion and exclusion, 591–599 second method for obtaining bounds,	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723 Markov chains, another approach, 725–726 simulating continuous random variables, 672–688, 680–688 simulating from discrete distributions,
left skip free, 160–166 Markov chains, 194 process, 437 symmetric, 209 Rate of distribution, defined, 299 Rate of renewal process, 429 Rates, instantaneous transition, 384 Records, 93, 367 Recurrent states, positive, 214 Recurring states, 205–207 Regenerative processes, 447–457 alternating renewal processes, 450–451 Rejection method, 673–677 discrete, 728 Relevant system component, 624 Reliability, estimating software, 336–339 Reliability function, 609 simulating, 709 Reliability function, bounds on, 590–602 method of inclusion and exclusion, 591–599	Sample mean, defined, 53 Sample space defined, 1 and events, 1–4 Sample variance, 74 Satisfiability problem, 237–242 Second-order stationary process, 656 Semi-Markov processes, 457–460 Series system, 579, 586, 603, 617, 620 of uniformly distributed components, 611 Shuffling, 279 Signed rank test, 188 Simplex algorithm, 234, 268 Simulation, 667–734 alias method, 691–695 coupling from past, 723–725 determining number of runs, 722–723 Markov chains, another approach, 725–726 simulating continuous random variables, 672–688, 680–688

1	T1 11 : 740
stochastic processes, 696–705	Tilted density, 718
variance reduction techniques, 706–722	Time reversibility, 397–405
Skip free random walks, 160–166	Time reversible chain, 403
Snyder's ratio of genetics, 284	Time reversible continuous-time Markov
Software reliability, estimating, 336–339	chains, independent, 404
Sorting, 729	Time reversible equations, 254
Spanning trees, 597 Standard Brownian motion, 623	Times conditional distribution of arrival
Standard Brownian motion, 633 Standard normal distribution, 36	Times, conditional distribution of arrival, 325–336, 700–701
Standard normal distribution, 30 Standard normal distribution function, 81	Transient states, 205–206
Stationary and weakly stationary processes,	mean time spent in, 243–245
654–659	Transition probabilities, computing, 409–411
Stationary increments, 313	Transition probability function, 381–390
Stationary probabilities, 222–225	Transition probability matrix, 192
Stationary processes	Transition rates, instantaneous, 384
harmonic analysis of weakly, 659–661	Tree process, 288
second-order, 656	Truncated chain, 403
stationary and weakly, 654–659	Two state continuous time Markov chain,
weakly, 656	386–389
Stationary processes, Brownian motion and, 631–666	Two-dimensional Poisson process, simulating, 703–705
Stationary transition probabilities, 372	
Stimulation, 667–734	U
Stirling's approximation, 146, 213–214, 236	Uniform priors, 149–153
Stochastic processes, 84–86, 696–705	Uniform random variables, 32–33, 39, 57
Brownian motion, 632	Uniformization, 406–409
conditional distribution of arrival times,	Union of event, 3
700–701	Unit normal distribution, 36
Gaussian processes, 651	
index set of, 84	V
simulating nonhomogenous Poisson process, 697–703	Variance reduction techniques, 706–722
simulating two-dimensional Poisson process,	control variates, 715–717
703–705	importance sampling, 717–722
state of, 84	reduction by conditioning, 710–715
state space of, 84	using antithetic variables, 707–710
Stopping time, 486, 678–679	variance reduction by conditioning, 710–715 Variances
Stratified sampling, 732	of binomial random variables, 54
Strong law for renewal processes, 427–428	of compound random variables, 119–120
Strong law of large numbers, 79–80	computing, 117–121
Structure functions, 580–586	of exponential random variables, 292–293
Suspended animation, series model with,	of geometric random variables, 118–119
620–622	of hypergeometric random variables, 54–57
Symmetric random walk, 209	joint distribution of sample, 71–74
relation to Brownian motion, 631-632	in matching rounds problem, 120–121
	of normal random variables, 43-44
T	of the number of renewals, 465
Taylor series expansion, 83	of Poisson random variables, 64
T-distribution, 180	sample, 74
Thinning algorithm in simulation, 698	of sums of random variables, 50-59
Throughput rate, 533	tables of, 66

Viterbi algorithm, defined, 275 Von Neumann algorithm, 686–688 Von Neumann rejection method, 674

W

Waiting time, 317
Waiting time distributions, interarrival and, 316–319
Wald's equation, 486–489, 558, 560, 679–680 defined, 486
Weak dependence, 69
Weak law of large numbers, 94

Weakly stationary process, 656
Weakly stationary processes
harmonic analysis of, 659–661
stationary and, 654–659
Weibull distribution, 603
White noise, 649–651
Wiener, N., 632, 633
Wiener process, 632
Work in queue, 538

Υ

Yule process, 383, 413