

Problem Set #2
(Due Thursday, February 12 at beginning of lecture)

Economics 310

Spring 2009

1. A box contains 6 numbered tickets: 43, 46, 50, 50, 52, 59.
 - (a) Find the expected value and standard deviation of the tickets in the box.
 - (b) Suppose we draw tickets from the box with replacement. What are the expected value and standard deviation for the sum of one hundred draws?
 - (c) For this part, assume that the number on every ticket is increased by 12 (that is, $43 + 12, \dots$). Find the expected value and standard deviation of the tickets in the box. Compare the result with that of a).
 - (d) For this part, assume that the number on every ticket is made to be 100 times bigger (that is, now we have $43 \times 100, \dots$). Find the expected value and standard deviation of the tickets in the box. Compare the result with that of a) and b).
2. VS Chap. 3, Exercise 2
3. VS Chap. 3, Exercise 5
4. VS Chap. 3, Exercise 6
5. VS Chap. 3, Exercise 7