VIP Cheatsheet: Probability

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Introduction to Probability and Combinatorics

❒ **Sample space** – The set of all possible outcomes of an experiment is known as the sample space of the experiment and is denoted by S.

❒ **Event** – Any subset E of the sample space is known as an event. That is, an event is a set consisting of possible outcomes of the experiment. If the outcome of the experiment is contained in E, then we say that E has occurred.

❒ **Axioms of probability** – For each event E, we denote $P(E)$ as the probability of event E occurring. By noting $E_1,...,E_n$ mutually exclusive events, we have the 3 following axioms:

$$(1)\quad \boxed{0\leqslant P(E)\leqslant 1}\qquad (2)\quad \boxed{P(S)=1}\qquad (3)\quad \boxed{P\left(\bigcup_{i=1}^n E_i\right)=\sum_{i=1}^n P(E_i)}$$

❒ **Permutation** – A permutation is an arrangement of r objects from a pool of n objects, in a given order. The number of such arrangements is given by $P(n,r)$, defined as:

$$\boxed{P(n,r)=\frac{n!}{(n-r)!}}$$

❒ **Combination** – A combination is an arrangement of r objects from a pool of n objects, where the order does not matter. The number of such arrangements is given by $C(n,r)$, defined as:

$$\boxed{C(n,r)=\frac{P(n,r)}{r!}=\frac{n!}{r!(n-r)!}}$$

Remark: we note that for $0\leqslant r\leqslant n$, we have $P(n,r)\geqslant C(n,r)$.

Conditional Probability

❒ **Bayes' rule** – For events A and B such that $P(B)>0$, we have:

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

Remark: we have $P(A\cap B)=P(A)P(B|A)=P(A|B)P(B)$.

❒ **Partition** – Let $\{A_i,i\in[\![1,n]\!]\}$ be such that for all i, $A_i\neq\varnothing$. We say that $\{A_i\}$ is a partition if we have:

$$\boxed{\forall i\neq j, A_i\cap A_j=\emptyset\quad\textrm{and}\quad\bigcup_{i=1}^n A_i=S}$$

Remark: for any event B in the sample space, we have $P(B)=\displaystyle\sum_{i=1}^n P(B|A_i)P(A_i)$.

❒ **Extended form of Bayes' rule** – Let $\{A_i,i\in[\![1,n]\!]\}$ be a partition of the sample space. We have:

$$\boxed{P(A_k|B)=\frac{P(B|A_k)P(A_k)}{\displaystyle\sum_{i=1}^n P(B|A_i)P(A_i)}}$$

❒ **Independence** – Two events A and B are independent if and only if we have:

$$\boxed{P(A\cap B)=P(A)P(B)}$$

Random Variables

❒ **Random variable** – A random variable, often noted X, is a function that maps every element in a sample space to a real line.

❒ **Cumulative distribution function (CDF)** – The cumulative distribution function F, which is monotonically non-decreasing and is such that $\displaystyle\lim_{x\rightarrow-\infty}F(x)=0$ and $\displaystyle\lim_{x\rightarrow+\infty}F(x)=1$, is defined as:

$$\boxed{F(x)=P(X\leqslant x)}$$

Remark: we have $P(a<X\leqslant B)=F(b)-F(a)$.

❒ **Probability density function (PDF)** – The probability density function f is the probability that X takes on values between two adjacent realizations of the random variable.

❒ **Relationships involving the PDF and CDF** – Here are the important properties to know in the discrete (D) and the continuous (C) cases.

Case	CDF F	PDF f	Properties of PDF
(D)	$F(x)=\displaystyle\sum_{x_i\leqslant x}P(X=x_i)$	$f(x_j)=P(X=x_j)$	$0\leqslant f(x_j)\leqslant 1$ and $\displaystyle\sum_j f(x_j)=1$
(C)	$F(x)=\displaystyle\int_{-\infty}^x f(y)dy$	$f(x)=\dfrac{dF}{dx}$	$f(x)\geqslant 0$ and $\displaystyle\int_{-\infty}^{+\infty}f(x)dx=1$

❒ **Variance** – The variance of a random variable, often noted Var(X) or σ^2, is a measure of the spread of its distribution function. It is determined as follows:

$$\boxed{\textrm{Var}(X)=E[(X-E[X])^2]=E[X^2]-E[X]^2}$$

❒ **Standard deviation** – The standard deviation of a random variable, often noted σ, is a measure of the spread of its distribution function which is compatible with the units of the actual random variable. It is determined as follows:

$$\boxed{\sigma=\sqrt{\textrm{Var}(X)}}$$

❒ **Expectation and Moments of the Distribution** – Here are the expressions of the expected value $E[X]$, generalized expected value $E[g(X)]$, k^{th} moment $E[X^k]$ and characteristic function $\psi(\omega)$ for the discrete and continuous cases:

Case	$E[X]$	$E[g(X)]$	$E[X^k]$	$\psi(\omega)$
(D)	$\displaystyle\sum_{i=1}^{n} x_i f(x_i)$	$\displaystyle\sum_{i=1}^{n} g(x_i) f(x_i)$	$\displaystyle\sum_{i=1}^{n} x_i^k f(x_i)$	$\displaystyle\sum_{i=1}^{n} f(x_i) e^{i\omega x_i}$
(C)	$\displaystyle\int_{-\infty}^{+\infty} x f(x) dx$	$\displaystyle\int_{-\infty}^{+\infty} g(x) f(x) dx$	$\displaystyle\int_{-\infty}^{+\infty} x^k f(x) dx$	$\displaystyle\int_{-\infty}^{+\infty} f(x) e^{i\omega x} dx$

Remark: we have $e^{i\omega x} = \cos(\omega x) + i\sin(\omega x)$.

❒ **Revisiting the k^{th} moment** – The k^{th} moment can also be computed with the characteristic function as follows:

$$\boxed{E[X^k] = \frac{1}{i^k}\left[\frac{\partial^k \psi}{\partial \omega^k}\right]_{\omega=0}}$$

❒ **Transformation of random variables** – Let the variables X and Y be linked by some function. By noting f_X and f_Y the distribution function of X and Y respectively, we have:

$$\boxed{f_Y(y) = f_X(x)\left|\frac{dx}{dy}\right|}$$

❒ **Leibniz integral rule** – Let g be a function of x and potentially c, and a,b boundaries that may depend on c. We have:

$$\boxed{\frac{\partial}{\partial c}\left(\int_a^b g(x)dx\right) = \frac{\partial b}{\partial c}\cdot g(b) - \frac{\partial a}{\partial c}\cdot g(a) + \int_a^b \frac{\partial g}{\partial c}(x)dx}$$

❒ **Chebyshev's inequality** – Let X be a random variable with expected value μ and standard deviation σ. For $k,\sigma > 0$, we have the following inequality:

$$\boxed{P(|X-\mu| \geqslant k\sigma) \leqslant \frac{1}{k^2}}$$

Jointly Distributed Random Variables

❒ **Conditional density** – The conditional density of X with respect to Y, often noted $f_{X|Y}$, is defined as follows:

$$\boxed{f_{X|Y}(x) = \frac{f_{XY}(x,y)}{f_Y(y)}}$$

❒ **Independence** – Two random variables X and Y are said to be independent if we have:

$$\boxed{f_{XY}(x,y) = f_X(x) f_Y(y)}$$

❒ **Marginal density and cumulative distribution** – From the joint density probability function f_{XY}, we have:

Case	Marginal density	Cumulative function
(D)	$\displaystyle f_X(x_i) = \sum_j f_{XY}(x_i,y_j)$	$\displaystyle F_{XY}(x,y) = \sum_{x_i \leqslant x}\sum_{y_j \leqslant y} f_{XY}(x_i,y_j)$
(C)	$\displaystyle f_X(x) = \int_{-\infty}^{+\infty} f_{XY}(x,y)dy$	$\displaystyle F_{XY}(x,y) = \int_{-\infty}^{x}\int_{-\infty}^{y} f_{XY}(x',y')dx'dy'$

❒ **Distribution of a sum of independent random variables** – Let $Y = X_1 + ... + X_n$ with $X_1, ..., X_n$ independent. We have:

$$\boxed{\psi_Y(\omega) = \prod_{k=1}^{n} \psi_{X_k}(\omega)}$$

❒ **Covariance** – We define the covariance of two random variables X and Y, that we note σ_{XY}^2 or more commonly $\mathrm{Cov}(X,Y)$, as follows:

$$\boxed{\mathrm{Cov}(X,Y) \triangleq \sigma_{XY}^2 = E[(X-\mu_X)(Y-\mu_Y)] = E[XY] - \mu_X\mu_Y}$$

❒ **Correlation** – By noting σ_X, σ_Y the standard deviations of X and Y, we define the correlation between the random variables X and Y, noted ρ_{XY}, as follows:

$$\boxed{\rho_{XY} = \frac{\sigma_{XY}^2}{\sigma_X \sigma_Y}}$$

Remarks: For any X,Y, we have $\rho_{XY} \in [-1,1]$. If X and Y are independent, then $\rho_{XY} = 0$.

❒ **Main distributions** – Here are the main distributions to have in mind:

Type	Distribution	PDF	$\psi(\omega)$	$E[X]$	$\mathrm{Var}(X)$
(D)	$X \sim \mathcal{B}(n,p)$ Binomial	$P(X=x) = \binom{n}{x} p^x q^{n-x}$, $x \in [\![0,n]\!]$	$(pe^{i\omega} + q)^n$	np	npq
	$X \sim \mathrm{Po}(\mu)$ Poisson	$P(X=x) = \frac{\mu^x}{x!} e^{-\mu}$, $x \in \mathbb{N}$	$e^{\mu(e^{i\omega}-1)}$	μ	μ
(C)	$X \sim \mathcal{U}(a,b)$ Uniform	$f(x) = \frac{1}{b-a}$, $x \in [a,b]$	$\frac{e^{i\omega b} - e^{i\omega a}}{(b-a)i\omega}$	$\frac{a+b}{2}$	$\frac{(b-a)^2}{12}$
	$X \sim \mathcal{N}(\mu,\sigma)$ Gaussian	$f(x) = \frac{1}{\sqrt{2\pi}\sigma} e^{-\frac{1}{2}\left(\frac{x-\mu}{\sigma}\right)^2}$, $x \in \mathbb{R}$	$e^{i\omega\mu - \frac{1}{2}\omega^2\sigma^2}$	μ	σ^2
	$X \sim \mathrm{Exp}(\lambda)$ Exponential	$f(x) = \lambda e^{-\lambda x}$, $x \in \mathbb{R}_+$	$\frac{1}{1-\frac{i\omega}{\lambda}}$	$\frac{1}{\lambda}$	$\frac{1}{\lambda^2}$