Midterm Exam

2 hrs, 4 problems
open notes
closed books
1) Generating a rv
    \( F \) acceptance
    \( \rightarrow \) rejection
    Composition

* 2) Simulate a stock process
    GBM, Poisson process
    (Merton process) stationary or non-stationary
    estimating option prices or other expected values/PRK.
3) Variance reduction

4) Small theoretical algorithms:
   use pseudo-code
Practice midterm will be posted by Friday night (Sols will follow)