Institute for Applied Mathematics
SS 2021
Prof. Dr. Anton Bovier,
Florian Kreten

Sheet 12, "Stochastic Analysis"

To be discussed on July 14, 2021

Problem 1 (Sums of exponentials of random variables)

Let $Z_i, i \in \mathbb{N}$ be i.i.d. random variables such that there exist sequences $c_n > 0, b_n \in \mathbb{R}$:

$$n\mathbb{P}\big[Z_1 > \frac{\ln(c_n) + z}{b_n}\big] \to e^{-z} \qquad \text{as } n \to \infty.$$

Let $X_i^n := \exp\left(\frac{b_n Z_i}{\alpha}\right)$. First, recapitulate that the previous statement implies

$$n\mathbb{P}\big[X_1^n > c_n^{1/\alpha} x\big] \to x^{-\alpha} \qquad \text{as } n \to \infty.$$

Assume that this convergence holds in a strong sense for some $\alpha \in (0, 1)$:

$$\int_{-\infty}^{0} e^z \cdot n\mathbb{P}\big[Z_1 > \frac{\ln(c_n) + z}{b_n}\big]\, dz \to \int_{-\infty}^{0} e^{(1-\alpha)x}\, dx \qquad \text{as } n \to \infty.$$

Theorem 7.23 states that $c_n^{-1/\alpha} \sum_{i=1}^{[t \cdot n]} X_i^n \to V_\alpha(t)$ under the previous assumptions. The proof relies on Thm. 7.14. Finish it by showing that

$$\lim_{\epsilon \to 0} \lim_{n \to \infty} \frac{n}{c_n^{1/\alpha}} \mathbb{E}\big[\mathbb{1}\{X_1^n \le c_n^{1/\alpha} \epsilon\} \cdot X_1^n\big] = 0.$$