

Homework 2  
ECON 4818  
Professor Martins

1. Show that if  $X$  and  $Y$  are independent random variables and  $E(Y|X) = E(Y)$ .
2. Show that if  $X$  and  $Y$  are random variables and  $E(Y|X) = E(Y)$  then  $Cov(X, Y) = 0$ .
3. From your textbook, solve problem 10, in Appendix B.
4. From your textbook, solve problem 1, in Appendix C.