

Subject Description Form

Subject Code	AMA610
Subject Title	Advanced Probability Theory
Credit Value	3
Level	6
Expected background knowledge	A course in Probability Theory and a course in Advanced Calculus
Objectives	To enable students to have an overview and thorough understanding of the modern probability theory.
Intended Learning Outcomes	Upon completion of the subject, students will be able to: (a) Apply the concepts of probability, conditional probability and conditional expectations. (b) Calculate probabilities, moments and other related quantities based on given distributions. (c) Understand and apply the laws of large numbers and central limit theorems. (d) Understand and apply martingale limit theory. (e) Understand and apply Brownian motion model.
Subject Synopsis/ Indicative Syllabus	Measure theory concepts needed for probability. Expectation, distributions. Laws of large numbers and central limit theorems for independent random variables. Characteristic function methods. Conditional expectations, martingales and martingale convergence theorems. Brownian Motion.
Teaching/Learning Methodology	The subject will be delivered mainly through lectures and tutorials. The teaching and learning approach is mainly problem-solving oriented. The approach aims at the development of solid mathematical techniques and how the techniques can be applied to solving research and real application problems. Students are encouraged to adopt a deep study approach by employing high level cognitive strategies, such as critical and evaluative thinking, relating, integrating and applying theories to practice.

Assessment Methods in Alignment with Intended Learning Outcomes	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)				
			a	b	c	d	e
	1. CA	40	✓	✓	✓	✓	✓
	2. Exam	60	✓	✓	✓	✓	✓
Total	100 %						
	<p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p>The subject focuses on knowledge and understanding of Measure Theory and Probability Theory. The Exam-based assessment is the most appropriate assessment method, including tests and examination. Moreover, assignments are included as a component of continuous assessment so as to keep the students in progress.</p> <p>Continuous Assessment comprises of assignments and a mid-term test. A written examination is held at the end of the semester.</p>						
Student Study Effort Expected	Class contact:						
	▪ Lecture		26Hrs.				
	▪ Tutorial		13Hrs.				
	Other student study effort:						
	▪ Assignment		30Hrs.				
	▪ Self-study		61Hrs.				
	Total student study effort		130Hrs.				
Reading List and References	R. Durrett, Probability: Theory and Examples. Cambridge University Press, 2010; available online at http://www.math.cornell.edu/~durrett/PTE/PTE4_Jan2010.pdf						
	K.L. Chung, A Course in Probability Theory. Academic Press, 2001.						
	S.C. Chow and H. Teicher, Probability Theory: Independence, Interchangeability, Martingales. Springer, 2003.						