

Chapter 1

Random Processes: Markov Times	1
1.1 Background material from the theory of probability	1
1.2 Markov times	5
1.3 Martingales and semimartingales	15
1.4 Markov processes	18
Notes to Chapter 1	24

Chapter 2

Optimal Stopping of Markov Sequences	25
2.1 Statement of the problem of optimal stopping	25
2.2 Optimal stopping rules in the classes $\mathfrak{M}(n)$ and $\mathfrak{M}(m; n)$	28
2.3 An optimal selection problem	35
2.4 Excessive functions and smallest excessive majorants	39
2.5 The excessive characterization of the payoff and ϵ -optimal stopping rules (under the condition A^-)	50
2.6 Examples	57
2.7 The structure and methods of finding a payoff for a function $g \in B(a^-)$	64
2.8 Regular functions: the structure of the payoff and ϵ -optimal stopping rules (under the condition A^+)	68
2.9 Regular characterization of the payoff (the general case)	75
2.10 Convergence of the payoffs $s_n(x)$ and the optimal times τ_n^* as $n \rightarrow \infty$	76
2.11 Solutions of recursive equations $f(x) = \max\{g(x), Tf(x)\}$	79
2.12 Criteria for the truncation of optimal stopping rules	86

Contents

2.13	Randomized and sufficient classes of stopping times	90
2.14	Optimal stopping of a Markov sequence allowing for the cost of observation	93
2.15	Reduction of the optimal stopping problem for arbitrary random sequences to the corresponding problem for Markov processes	100
	Notes to Chapter 2	111
Chapter 3		
Optimal Stopping of Markov Processes		113
3.1	The statement of the problem and main definitions	113
3.2	Regular and excessive functions: excessive majorants	115
3.3	Excessive characterization of the payoff and ϵ -optimal stopping times (under the condition A^-)	124
3.4	Regular characterization of the payoff and ϵ -optimal stopping times (under the condition A^+)	129
3.5	Regular characterization of the payoff (the general case)	138
3.6	The construction of regular majorants	142
3.7	$\epsilon(x)$ -optimal Markov times	153
3.8	Equations for the payoff and generalized Stefan problem: the conditions for "smooth pasting"	157
	Notes to Chapter 3	162
Chapter 4		
Some Applications to Problems of Mathematical Statistics		163
4.1	The sequential testing of two simple hypotheses (discrete time)	163
4.2	Sequential testing of two simple hypotheses on the mean of a Wiener process	180
4.3	The problem of disruption (discrete time)	193
4.4	The problem of disruption for a Wiener process	200
	Notes to Chapter 4	207
Bibliography		208
Index		215