

Assignment #3 for Managerial Economics, Fall 2015
Due, Wednesday October 14, 2015

1. From the *Notes*, Chapter 2, C.1 (diversification).
2. From the *Notes*, Chapter 2, C.2 (certainty equivalents).
3. From the *Notes*, Chapter 2, C.3 (certainty equivalents).
4. From the *Notes*, Chapter 2, C.4 (warranties and certainty equivalents).
5. From the *Notes*, Chapter 2, C.5 (moral hazard and adverse selection).
6. From the *Notes*, Chapter 2, E.1 (when information is valuable).
7. From the *Notes*, Chapter 2, E.2 (the value of independent observations).
8. From the *Notes*, Chapter 2, E.3 (when more information adds nothing).
9. From the *Notes*, Chapter 2, E.4 (when more information adds something).
10. From the *Notes*, Chapter 2, F.1 (expected profits and risk sensitivity).
11. From the *Notes*, Chapter 2, F.2 (expected profits and the value of information).
12. From the *Notes*, Chapter 2, F.3 (experience goods and quality uncertainty).