

The following table shows the probability distribution of a discrete random variable X .

X	-2	-1	0	1	3
$P(X = x)$	0.3	a	0.2	0.15	b

If X represents the return from a game. Find a and b if the game is **fair**.

We know that $\sum P = 1$	
	$0.3 + a + 0.2 + 0.15 + b = 1$ $a + b = 0.35$
A fair game means that $E(X) = 0$	
	$-2 \times 0.3 + (-1) \times a + 0 \times 0.2 + 1 \times 0.15 + 3 \times b = 0$ $-0.6 - a + 0.15 + 3b = 0$ $-a + 3b = 0.45$
We can solve these two equations simultaneously	
	$a + b = 0.35$ $-a + 3b = 0.45$
	$4b = 0.8$ $b = 0.2$
	$a = 0.15$