

Analyzing the two options: how much is each option worth today?

option 1: \$1,000,000 today

assume interest rate of $p\%$ $p > 0$

option 2:

year 0

year 1

year 2

year 3

.....

year n

present value =

50k

+

$\frac{50k}{(1+p)}$

+

$\frac{50k}{(1+p)^2}$

+

$\frac{50k}{(1+p)^3}$

+ ...

+

$\frac{50k}{(1+p)^n}$

$$= 50k \left[1 + \frac{1}{(1+p)} + \frac{1}{(1+p)^2} + \dots + \frac{1}{(1+p)^n} \right]$$

let $r = \frac{1}{1+p}$

$$= 50k \left[1 + r + r^2 + r^3 + \dots + r^n \right]$$

geometric series, $r < 1$

$$= 50k \sum_{i=0}^n r^i$$

summation

lower bound



Analyzing the two options: how much is each option worth today?

$$\sum_{i=0}^n r^i = S = 1 + r + r^2 + \dots + r^{n-1} + r^n$$

$$-rS = -r - r^2 - r^3 + \dots - r^n - r^{n+1}$$

multiply by $-r$
then add two equations

$$S - rS = 1 - r^{n+1}$$

$$S = \frac{1 - r^{n+1}}{1 - r}$$

$$= \sum_{i=0}^n r^i$$

take $\$$ 1M!

let $p = 8\%$
 $n = 100$

option 2: $50k \left[\frac{1 - r^{101}}{1 - r} \right] \approx 675k$

like infinity

$$r = \frac{1}{1 + 0.08} = \frac{1}{1.08}$$

what if n is huge?

$$r^{n+1} \rightarrow 0$$

we have $\frac{1}{1-r}$

< >

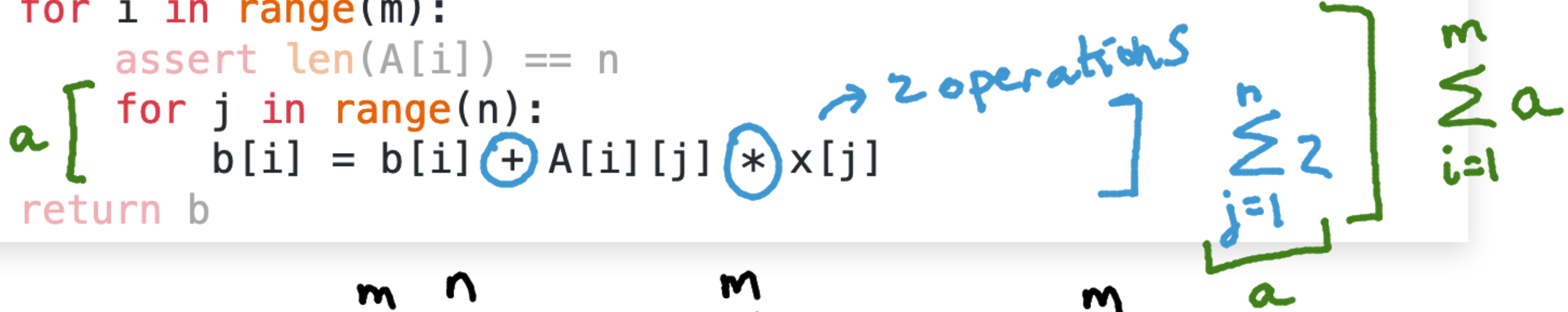
Counting the number of operations in matrix multiplication.

In general, we care about arithmetic (+, -, *, /) and comparison operators (>, <).

```

1 def multiply_matrix_vector(
2     A: list[list[float]], x: list[float]) -> list[float]:
3     """Computes the matrix-vector multiplication A * x = b"""
4     m = len(A) # number of rows, also num. entries in b
5     n = len(x) # number of columns of A, also num. entries in x
6     b = [0 for _ in range(m)] # initialize b to zero
7     for i in range(m):
8         assert len(A[i]) == n
9         for j in range(n):
10            b[i] = b[i] + A[i][j] * x[j]
11    return b
  
```

matrix
m x n vector
n



$$\# \text{operations} = \sum_{i=1}^m \sum_{j=1}^n (z) = \sum_{i=1}^m 2n = 2n \sum_{i=1}^m 1$$

adding 2 n times

= 2mn

when m, n get very big, we might not care about "2"

Counting the number of operations in a graph algorithm.

In general, we care about arithmetic (+, -, *, /) and comparison operators (>, <).

```

1 def count_edges(adj_matrix: list[list[int]]) -> int:
2     """Counts the number of edges in a graph (V, E)
3     given it's adjacency matrix."""
4     n = len(adj_matrix) # this is |V|
5     s = 0
6     for i in range(n):
7         for j in range(i):
8             s = s + adj_matrix[i][j]
9     return s
    
```



Handwritten notes next to the code:

i=0 1

i=1 2

i=3 3

Σ_{j=1}ⁱ 1

#operations

$$\sum_{i=1}^n \sum_{j=1}^i 1$$

1+1+...+1
i times

S ⇒

$$= \sum_{i=1}^n i$$

arithmetic series

$$= 1 + 2 + 3 + \dots + (n-1) + n$$

$$n + (n-1) + (n-2) + \dots + 2 + 1$$

$$(n+1) + (n+1) + (n+1) + \dots + (n+1) + (n+1)$$

$$= n(n+1) = 2S$$

$$S = \frac{n(n+1)}{2}$$

Exercise 1:

hint #2

Compute a closed-form expression for: $\sum_{i=1}^n \sum_{j=1}^n (i + j)$

Hint: $\sum_{i=1}^n i = \frac{n(n+1)}{2}$.

$$= \sum_{i=1}^n \sum_{j=1}^n i + \sum_{i=1}^n \sum_{j=1}^n j$$

(1) (2)

$$\textcircled{1} \quad \sum_{i=1}^n \sum_{j=1}^n i = \sum_{i=1}^n \underbrace{(i + i + i + i + \dots + i)}_{n \text{ times}} = \sum_{i=1}^n n \cdot i = n \sum_{i=1}^n i = \frac{n^2(n+1)}{2}$$

$$\textcircled{2} \quad \sum_{i=1}^n \sum_{j=1}^n j = \sum_{i=1}^n \frac{n(n+1)}{2} = \frac{n(n+1)}{2} \sum_{i=1}^n 1 = \frac{n^2(n+1)}{2}$$

$$\textcircled{1} + \textcircled{2} = n^2(n+1)$$

