Contents

1 Introduction to Lévy Processes 1
1.1 Notation 1
1.2 Poisson Point Processes 3
1.3 The Lévy–Itô Decomposition 5
1.4 Lévy Processes as Markov Processes 7

2 Subordinators 9
2.1 Introduction 9
2.2 Basics 9
2.3 The Renewal Measure 10
2.4 Passage Across a Level 13
2.5 Arc-Sine Laws for Subordinators 15
2.6 Rates of Growth 16
2.7 Killed Subordinators 17

3 Local Times and Excursions 19
3.1 Introduction 19
3.2 Local Time of a Markov Process 19
3.3 The Regular, Instantaneous Case 20
3.4 The Excursion Process 22
3.5 The Case of Holding and Irregular Points 23

4 Ladder Processes and the Wiener–Hopf Factorisation 25
4.1 Introduction 25
4.2 The Random Walk Case 25
4.3 The Reflected and Ladder Processes 27
4.4 Applications 30
4.5 A Stochastic Bound 35

5 Further Wiener–Hopf Developments 41
5.1 Introduction 41
5.2 Extensions of a Result due to Baxter 41
5.3 Les Équations Amicales of Vigon 43
5.4 A First Passage Quintuple Identity 49

6 Creeping and Related Questions 51
6.1 Introduction 51
6.2 Notation and Preliminary Results 52
6.3 The Mean Ladder Height Problem 53
6.4 Creeping 56
6.5 Limit Points of the Supremum Process 59
6.6 Regularity of the Half-Line 61
6.7 Summary: Four Integral Tests 64

7 Spitzer's Condition 65
7.1 Introduction 65
7.2 Proofs 65
7.2.1 The Case $\rho = 0, 1$ 66
7.2.2 A First Proof for the Case $0 < \rho < 1$ 66
7.2.3 A Second Proof for the Case $0 < \rho < 1$ 68
7.3 Further Results 69
7.4 Tailpiece 80

8 Lévy Processes Conditioned to Stay Positive 81
8.1 Introduction 81
8.2 Notation and Preliminaries 81
8.3 Definition and Path Decomposition 83
8.4 The Convergence Result 86
8.5 Pathwise Constructions of $(X, \mathbb{P}^{\uparrow})$ 89
8.5.1 Tanaka's Construction 89
8.5.2 Bertoin's Construction 91

9 Spectrally Negative Lévy Processes 95
9.1 Introduction 95
9.2 Basics 95
9.3 The Random Walk Case 99
9.4 The Scale Function 100
9.5 Further Developments 104
9.6 Exit Problems for the Reflected Process 109
9.7 Addendum 112

10 Small-Time Behaviour 115
10.1 Introduction 115
10.2 Notation and Preliminary Results 115
10.3 Convergence in Probability 117
10.4 Almost Sure Results 126
10.5 Summary of Asymptotic Results 131
10.5.1 Laws of Large Numbers 131
10.5.2 Central Limit Theorems 131
10.5.3 Exit from a Symmetric Interval 132

References 133

Index 139

List of Participants 141

List of Short Lectures 145