

eavevmode

(i) The tower property implies that Radon–Nikodym density process  $\eta$  is a strictly positive martingale under  $\mathbb{P}$ .

(ii) The random variable  $\eta_t$  is the Radon–Nikodym density of  $\mathbb{Q}$  with respect to  $\mathbb{P}$  on  $(\Omega, \mathcal{F}_t)$ . That is,

$$\eta_t = \left. \frac{d\mathbb{Q}}{d\mathbb{P}} \right|_{\mathcal{F}_t}$$

+endsrc

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