Appendix

Theorem 1: If two random variables X^* and Y^* obey a joint normal distribution, then $E\,(X^*\,|Y^* = Y) = E(X^*) + \frac{Cov(X^*,Y^*)}{Var(Y^*)}(Y - E(Y^*))$ and $Var\,(X^*\,|Y^* = Y) = Var(X^*) - \frac{[Cov(X^*,Y^*)]^2}{Var(Y^*)}$, where Y is the realization of Y^* (See Hoel 1962).

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