P (2|-22) = 16 / 30 = 0.53
P (1|-22) = 7 / 30 = 0.23
P (-2|-22) = 4 / 30 = 0.13
P (0|-22) = 2 / 30 = 0.07
P (-1|-22) = 1 / 30 = 0.03

P (2|-22) = 0.53 value tells us that, after observing a sharp increase, it is more likely that the index will stay at that region than go down.

Table 9

WHAT MAY COME AFTER PATTERN 2-2?

Patterns	f
2-20	2
2-2-1	1
2-21	4
2-2-2	10
2-22	3
Total	**20**

P (2|2-2) = 3 / 20 = 0.15
P (1|2-2) = 4 / 20 = 0.20
P (-2|2-2) = 10 / 20 = 0.50
P (0|2-2) = 2 / 20 = 0.10
P (-1|2-2) = 1 / 20 = 0.05

After observing a 2-2 pattern, then the probability of index being at the same -2 interval is 0.50.

4. PATTERNS OF FOUR DAYS There are 625 possible combinations of four daily patterns, and that's why all these different patterns should have probabilities 1 /625 = 0.0016. Examining Table 10, we have found the pattern that has the highest frequency is -2221 and therefore P (-2221) = 6 / 494 = 0.012. Using a level of significance as 5%, again