

For example, we may derive conditional probabilities in the Table 11, using data in Table 10 again.

Table 11

WHAT MAY COME AFTER PATTERN 222?

| Patterns | f |
|--------------|-----------|
| 2220 | 5 |
| 222-1 | 3 |
| 2221 | 3 |
| 222-2 | 3 |
| 2222 | 5 |
| Total | 19 |

5. PATTERNS OF FIVE DAYS If five daily patterns have equal probabilities, they all should have probabilities nearly $1/3125 = 0.00032$. Testing this hypothesis, at the significance level 5%, we could not find any significant difference between 0.005's (this is the relative frequencies of maximum frequency 2, and $2 / 395 = 0.005$) and 0.00032. Up till five daily patterns, we have found that some patterns significantly are more probable than the others. But after the pattern length reaches five days, there isn't any significant difference between the patterns. Table 12 shows us the fragmentation of the frequencies. As frequencies distributed for the patterns fragment, this result can be interpreted as the market stops sending meaningful pattern kind of information after four days.

6. THE EFFECT OF A BEGINNING POINT Are the patterns can be affected by the beginning point of a time series? We also have tested if there is a significant difference for the pattern numbers between years. At the 5% significance level, applying nonparametric Friedman ANOVA test for 8 variables, we could not find a significant difference between the symbols. These symbol numbers can be seen on Table 13. This means that we have nearly the same number of symbols every year.