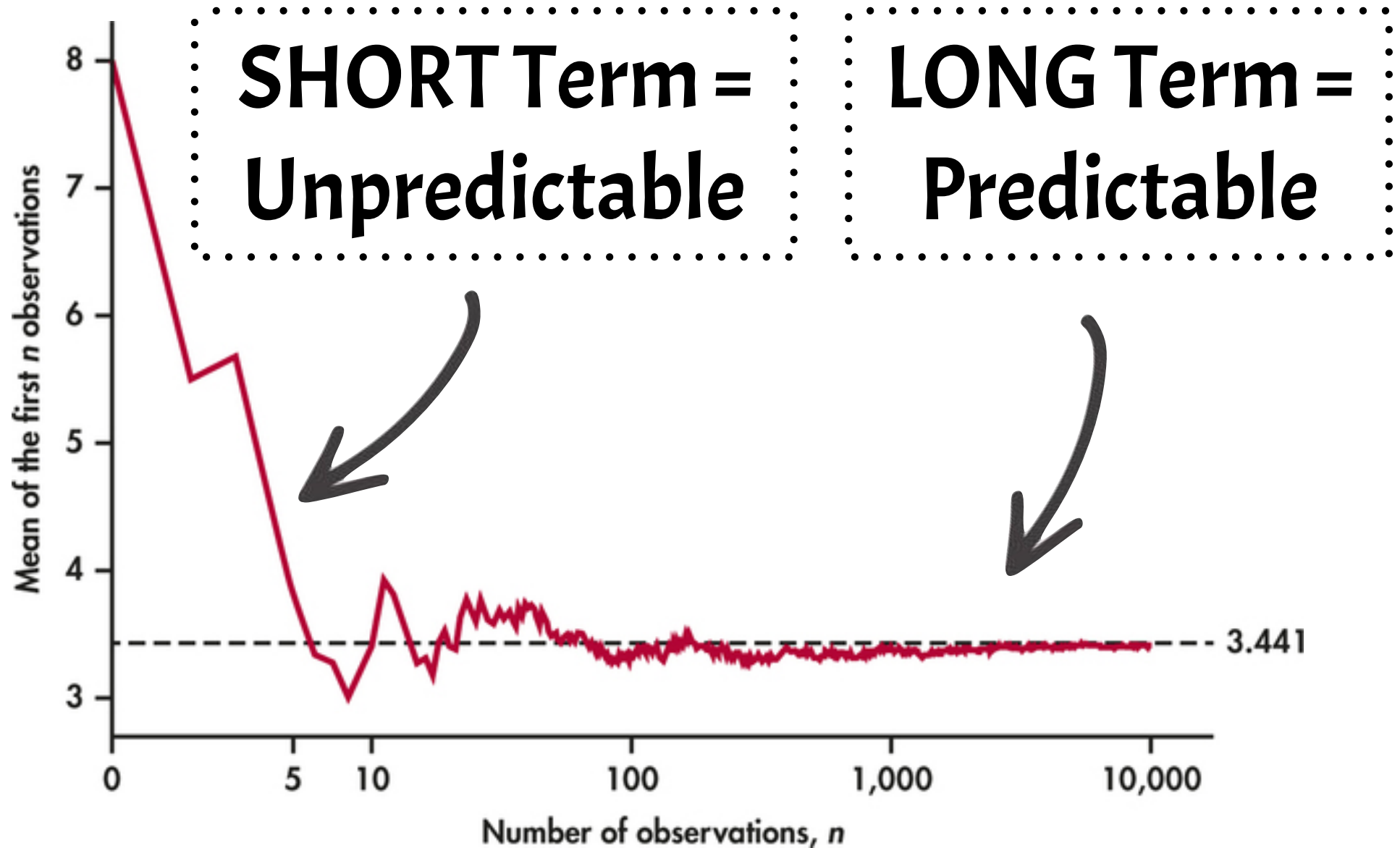


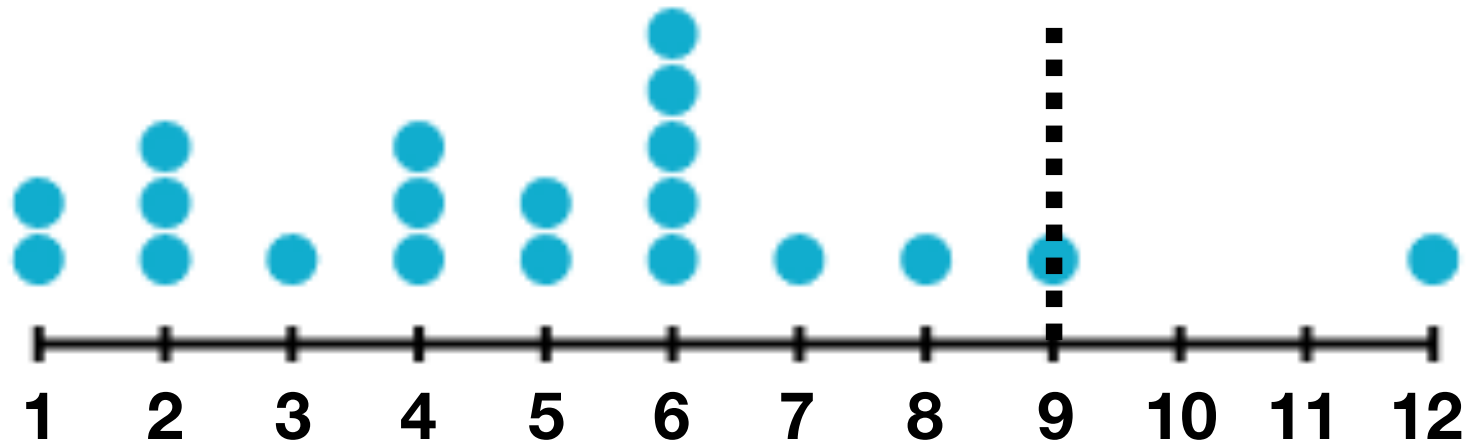
Law of Large Numbers



SIMULATION

AN IMITATION OF CHANCE BEHAVIOR

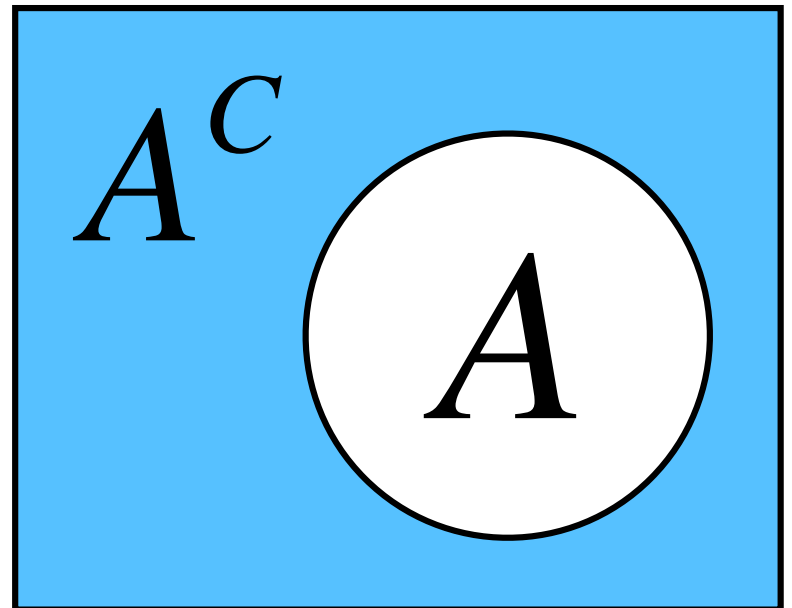
$$P(9 \text{ or more}) = 2/20$$



Complement Rule

$$P(A^c) = 1 - P(A)$$

**Complement of
Event A =**
the event of A
not happening



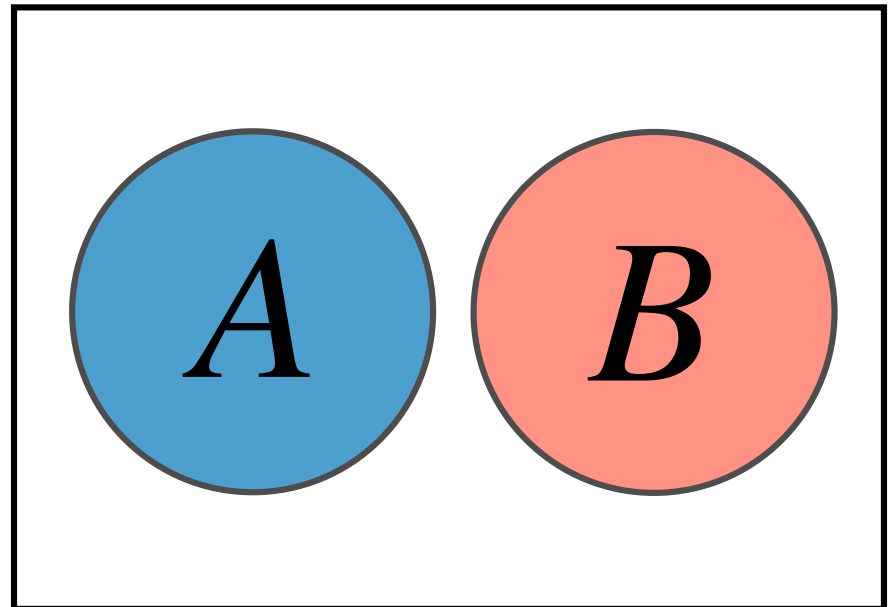
Addition Rule

for mutually exclusive events

$$P(A \cup B) = P(A) + P(B)$$

**Mutually
Exclusive Events**

Events cannot
occur together



General Addition Rule

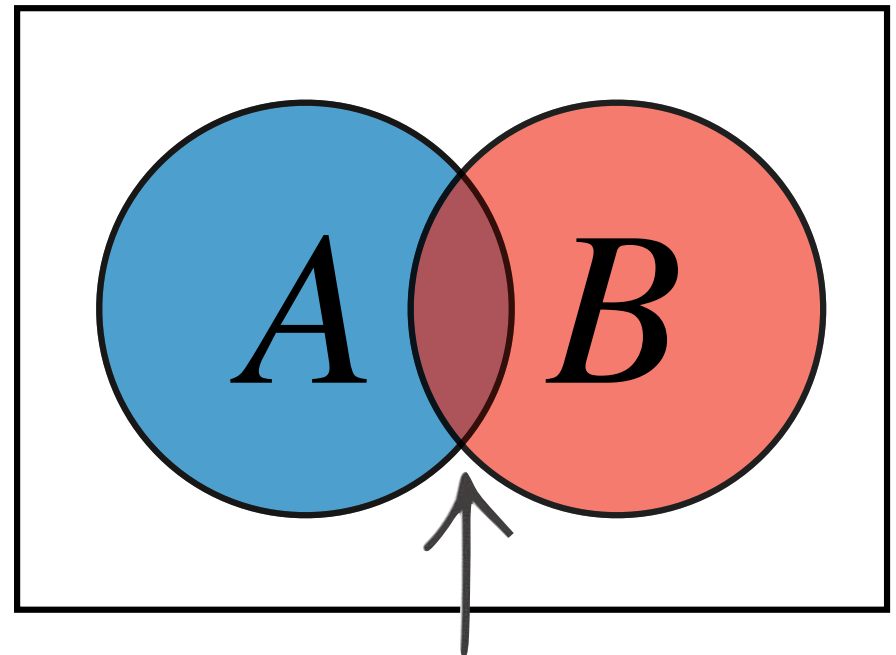
$$P(A \cup B) = P(A) + P(B) - P(A \cap B)$$

UNION

\cup = or

INTERSECTION

\cap = and



Intersection

Multiplication Rule

for independent events

$$P(A \cap B) = P(A) \cdot P(B)$$

Independent Events A & B

$$P(A | B) = P(A) ; P(B | A) = P(B)$$

General Multiplication Rule

$$P(A \cap B) = P(A) \cdot P(B | A)$$

(A and B)

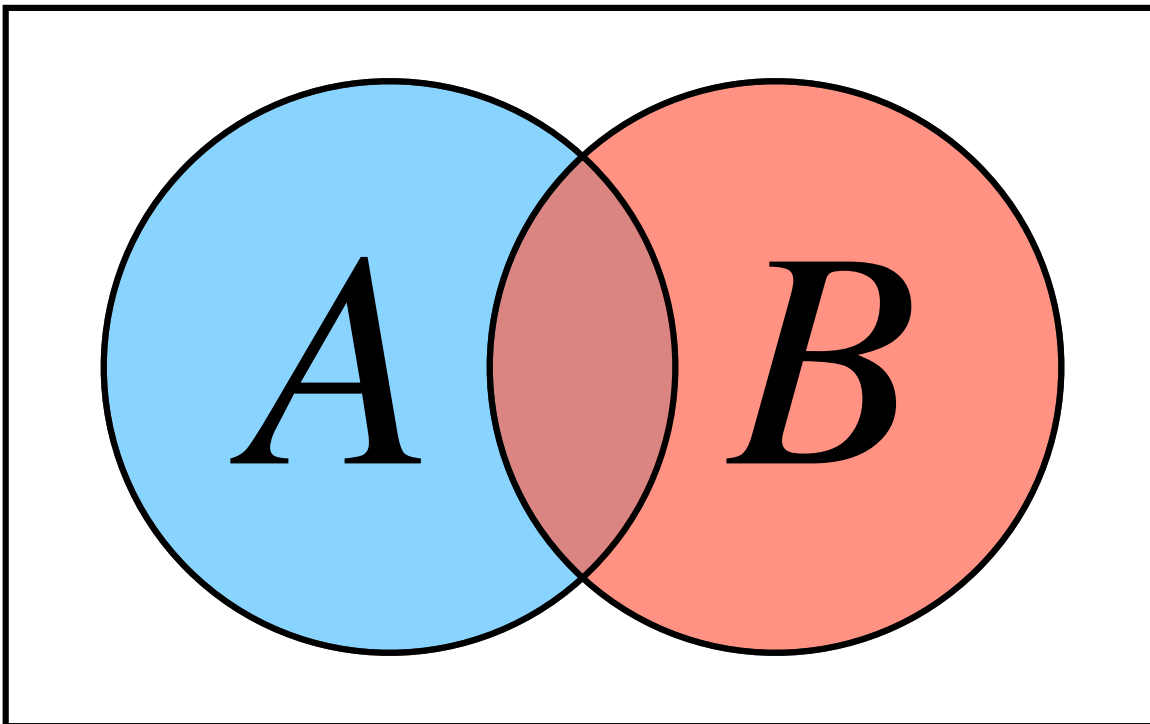
(B given A)

If A & B are INDEPENDENT:

$$P(B | A) = P(B)$$

UNION

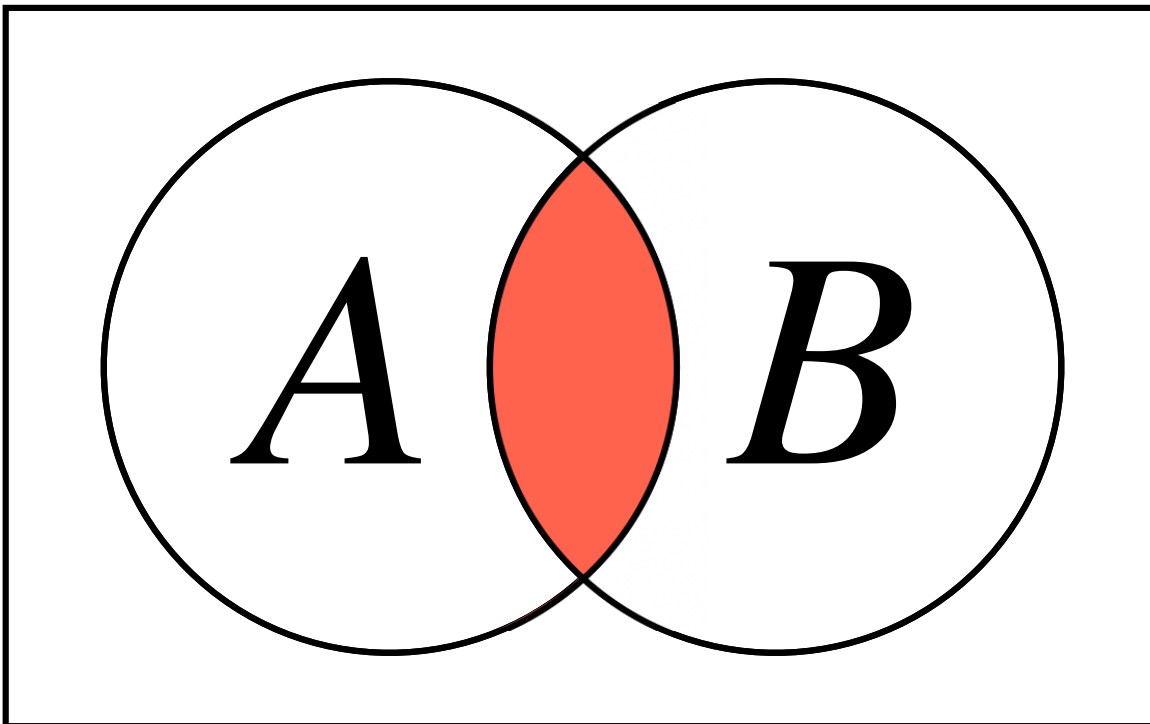
$$P(A \cup B) = P(A \text{ or } B)$$



Event A
OR
Event B
OR
Event A & B

INTERSECTION

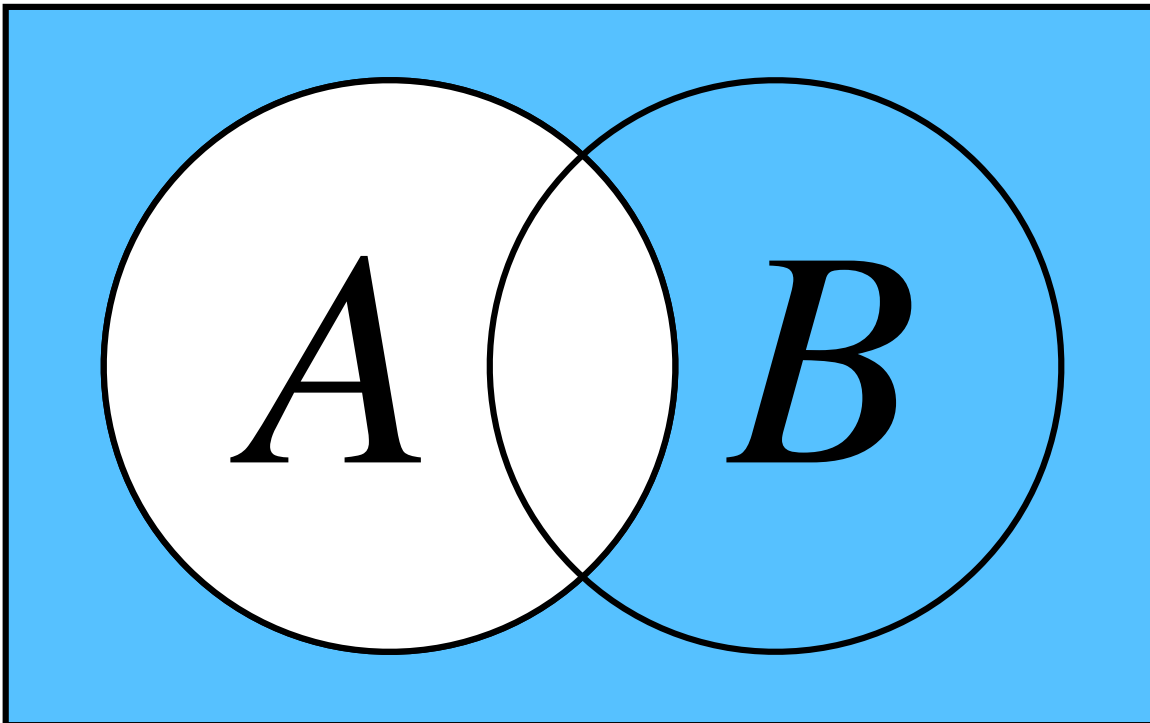
$$P(A \cap B) = P(A \text{ and } B)$$



Event A
AND
Event B

COMPLEMENT

$$P(A^c) = 1 - P(A)$$

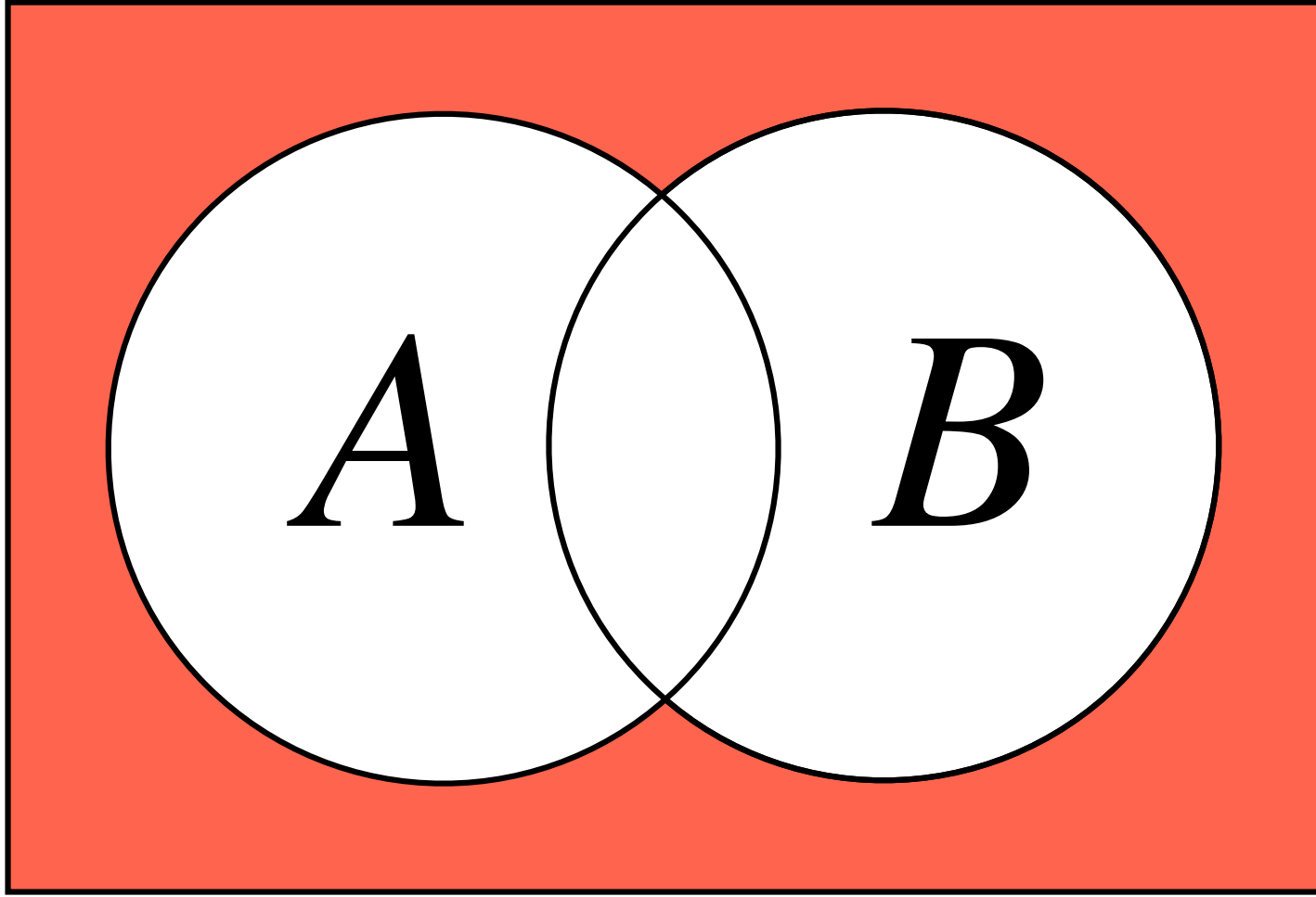


Event of
NOT
A

$$P(A \cup B)^c = P(A^c \cap B^c)$$

.....

VENN

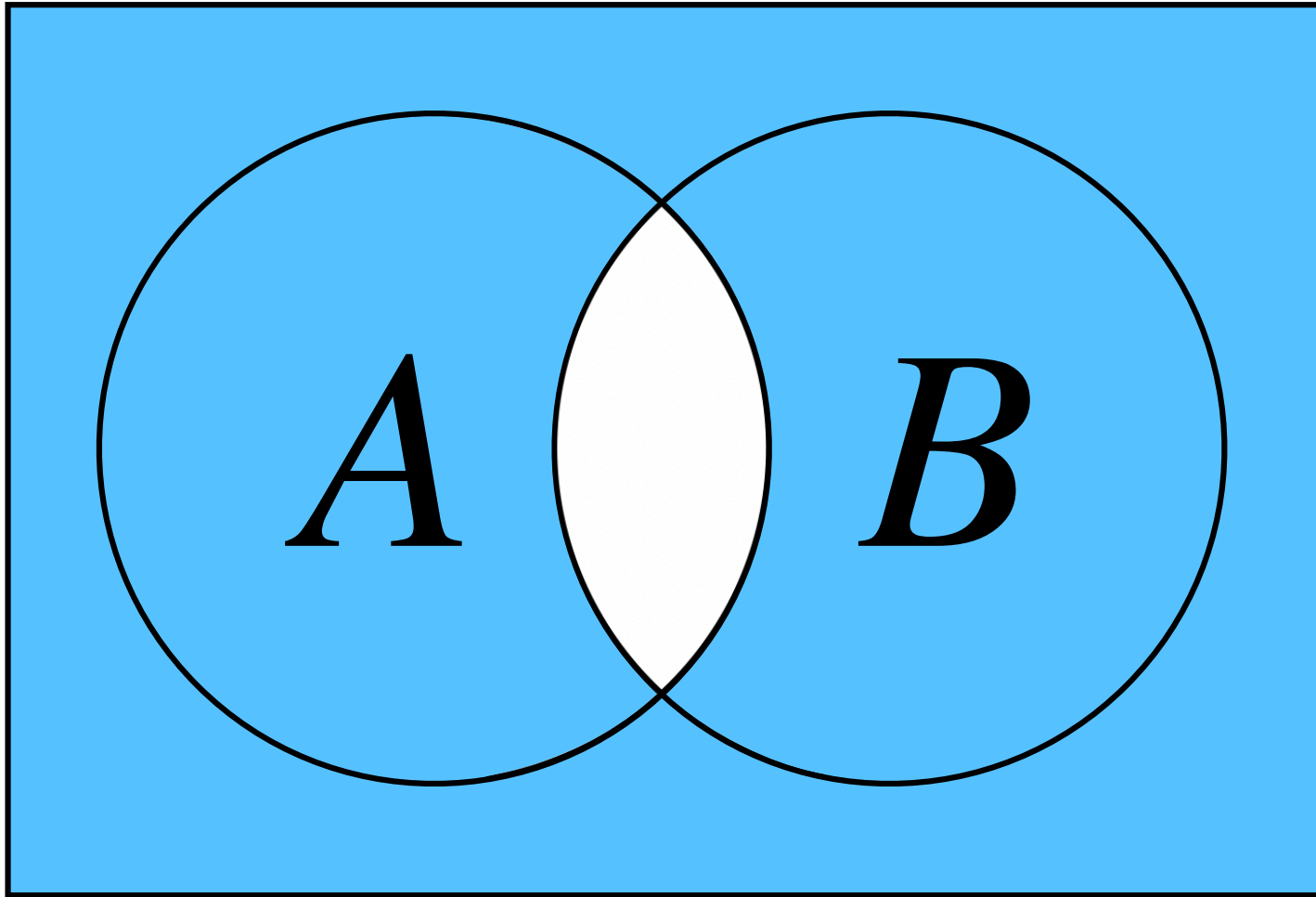


DIAGRAM

$$P(A \cap B)^c = P(A^c \cup B^c)$$

.....

VENN



DIAGRAM

CONDITIONAL

PROBABILITY

$$P(A | B) = \frac{P(A \cap B)}{P(B)}$$

Event A **GIVEN** Event B