

Formula: Predicting Stock Price

$$S_{(t+1)} = S_t * \exp((\mu - (1/2) * \sigma^2) * \Delta_t + \sigma * \sqrt{\Delta_t} * Z)$$

Where:

S_t = Current stock price

μ = Average return (drift)

σ = Volatility (price fluctuations)

Δ_t = Time step (e.g., one day)

Z = Random number from a normal distribution