Joseph enters a restaurant with his black friend Smokey. A random racist man starts insulting Smokey and even ends up throwing a bottle at him. Joseph stands up for his friend and challenges the racist man to a fight. His objective is obviously to win, however, he wants to do so in the most stylish way possible.

A few seconds after standing up the guy starts reaching into his jacket's right pocket. Joseph immediately tells him that his brass knuckles are not in his jacket's pocket, but instead in his pants' pocket. The process of his reasoning was the following:
1. Quickly notice abrasion marks on his right hand before he reached into his pocket from several meters away
2. Deduce that he is using brass knuckles and is looking for that based on him reaching into his pocket before the fight combined with the abrasion marks on his hand
3. Also spot that he got a few drops of blood on his shirt, but none on his jacket, even though some of the blood is beneath where the jacket rests
4. Realize that the only way he could get blood on his shirt like that is if he didn't have the jacket on when he got bloody
5. Reason that it must be someone else's blood since he looks uninjured and he wouldn't be here anyway if he recently got hurt enough to bleed
6. Further deduce that the blood came from punching someone with brass knuckles during a fight by connecting the blood with the fresh abrasion marks
7. Infer that he most likely put the brass knuckles in his pants pocket since his jacket wasn't on during the fight
8. Final conclusion: The guy is reaching into the wrong pocket, the brass knuckles are in his pants, not the jacket pocket
(All of this within just a few seconds)

Hearing Joseph's statement the man checks his pants pocket and indeed finds his brass knuckles there. Before he could say anything in surprise, Joseph predicts his words: "How did you know about my brass knuckles, you bastard?". This requires precise psychoanalysis, and the process of it was the following:
First we have to clarify the information Joseph worked with. The first thing the man said was ""Hey waiter! Does this place let stinky pigs like that in here? Hah! His smell is making my food taste bad! Get him out of here!"". Once he is told by the waiter that anyone can eat at the restaurant he reacts with ""What?! Pig can eat pig in this restaurant?!". Smokey then stands up to leave but the man throws a bottle at him and lets out a "heh". Joseph forms his analysis from this:
1. Joseph firstly observes his massive entitlement. The man expects things to go his way, challenging anything he doesn't like, causing confrontations even in the public. If Joseph challenged him then he definitely wouldn't back down, in fact he would look forward to beating Joseph. If something isn't the way he wants it to be, or in general his ego is hurt in any way, then he easily gets angry If he hears something that is absurd in his mind then he reacts with an outburst of disbelief, being surprised and questioning it. This is shown in the prediction as the man immediately gets angry and questions Joseph in a confrontational manner.
2. Joseph also notices his extreme hostility and simple-mindedness. He is prone to using insults and aggressive wordings. He doesn't filter himself and blurts out whatever he feels, as he is emotionally impulsive. He is easily caught surprised, and if something surprises him he restates the situation in shock. His vocabulary is limited.

3. Combining everything, Joseph knows that if he predicted his words then he would get angry and react quickly, restate what happened, question how Joseph did it while still belittling him and also including an insult. If we examine the prediction it turned out exactly like that. His reaction is a question coming from surprise and anger. The question includes a restating of what happened, as in how Joseph knew about the brass knuckles in a challenging tone, with of course an insult at the end. Bastard fits as the insult since it's a common word, emotionally charged and a go-to insult for someone trying to assert dominance after feeling humiliated.
(This psychoanalysis happened before the brass knuckles reasoning)

As mentioned previously Joseph wanted to beat the man in the most stylish way possible. By the time he finished his psychoanalysis he already came up with what he was going to do: outsmart and completely embarrass the man. To be precise he wanted to do this by getting the man as angry as possible, provoking him until he lost control and charged at Joseph in fury. Joseph would achieve this by:
1. Telling the man where his brass knuckles was when he got it wrong, igniting his anger
2. Predicting his exact reaction to Joseph figuring out where the brass knuckles was, getting him even angrier
3. Explaining his reasoning on how he knew about the brass knuckles, the final act that would get him to explode
4. As each action got the man angrier and angrier by attacking his ego, when he finally attacks Joseph would counter by getting him to impale his own hands using a hatstand which he found nearby when scanning the environment
(He came up with this and executed it while simultaneously doing the brass knuckles reasoning and smoothly interacting with the man)