



Anchoring

Relating to the familiar experiences, even when inappropriate

Diversification

Seeking to reduce risk, but simply using different sources

Optimism

Belief that good things happen to me and bad things happen to others

Mental Accounting

Taking undue risk in one area and avoiding rational risk in another

Media Response

Tendency to react to news without reasonable examination

Regret

Treating errors of commission more seriously than errors of omission

Narrow Framing

Making decisions without considering all implications

Loss Aversion

Expecting to find high returns with low risk

Herding

Copying the behavior of others even in the face of unfavorable outcomes

2021 Investor Behavior