



Behavioural Finance

The Influence of Psychology on the Behaviour of Investors and the Subsequent Effect on Financial Markets

► Upcoming Sessions

24-28 Jun 2024	Dubai - UAE	\$5,950
14-18 Oct 2024	London - UK	\$5,950
10-14 Feb 2025	Paris - France	\$5,950

► Training Details

TRAINING COURSE OVERVIEW

The decisions we make can have a significant impact on the financial health of your company. In today's economy, investors and business managers are challenged to understand how financial markets reacts to new financial and economic data. Beyond the fundamental analysis of financial statement, market sentiments and psychology of investors are equally as important in the financial decision. Behavioral finance is the study of the influence of psychology on the behavior of financial practitioners. In the course, you will learn about the wide range of decision making biases and information processing errors that influence our financial decision making.

This training course will feature:

- Modern portfolio theory and the idea of the rational investor
- Emotional Finance
- Psychology of Risk and Behavioral Biases
- Behavioral Corporate Finance
- Investor Behavior

TRAINING COURSE OBJECTIVES

By the end of this training course, participants will be able to:

- Define behavioral finance and its implication on financial markets
- Identify the investor psychology and analyze trading biases
- Understand cognitive biases and explore their root causes with real life examples
- List the most common emotional biases and discuss their causes with examples
- Understand loss aversion and other biases that contribute to its effect
- Study the herding bias and other social factors that distort decision-making

DESIGNED FOR

This training course is suitable to a wide range of professionals but will greatly benefit:

- Board level members who wish to develop their understanding of cognitive financial decisions
- Investment Professionals working with Financial sector
- Risk Management directors

- ▶ Financial Analysts
- ▶ Capital Markets officials
- ▶ Professionals seeking to develop their understanding of Behavioral Finance
- ▶ Equity Sales and Portfolio Managers

LEARNING METHODS

This training course will utilise a variety of proven adult learning techniques to ensure maximum understanding, comprehension and retention of the information presented. This includes:

- ▶ Interactive Case Studies from the real world/delegates' company
- ▶ Discussion and Evaluation of the latest international tools & techniques
- ▶ Role play
- ▶ Pre & Post Course Assessments

Participants will also be given a detailed set of handouts and examples in both printed and electronic format

▶ Training Details

Day One: Introduction to Behavioral Finance

- ▶ Conceptual definition of finance : Hard versus Soft Finance
- ▶ Understand the financial system operators: Arbitrageurs, Speculators and Hedgers
- ▶ What is behavioral finance?
- ▶ Traditional portfolio theory – A brief recap
- ▶ The risk profiles of investors: Risk neutral, Risk Takers and Risk Adverse
- ▶ Market sentiment & Stock market crashes

Day Two: Behavioural Finance: Application of Psychology in Financial Decisions

- ▶ Heuristics or Rules of Thumb
- ▶ Neuroeconomics and Neurofinance
- ▶ Emotional Finance: The Role of the Unconscious in Financial Decisions
- ▶ Experimental Finance
- ▶ The Psychology of Risk
- ▶ Psychological Influences on Financial Regulation and Policy

Day Three: Asset Pricing and Behavioural Biases

- ▶ Market Inefficiency
- ▶ Belief- and Preference-Based Models
- ▶ Disposition Effect
- ▶ Overconfidence
- ▶ Familiarity Bias
- ▶ Limited Attention & other behavioral biases

Day Four: Behavioural Corporate Finance

- ▶ Financing Decisions
- ▶ Capital Budgeting and Other Investment Decisions
- ▶ Dividend Policy Decisions
- ▶ Loyalty, Agency Conflicts, and Corporate Governance
- ▶ Initial Public Offerings
- ▶ Mergers and Acquisitions

Day Five: Investor Behaviour

- ▶ Trust Behavior: The Essential Foundation of Financial Markets
- ▶ Individual Investor Trading
- ▶ Cognitive Abilities and Financial Decisions
- ▶ Pension Participant Behavior
- ▶ Institutional Investors
- ▶ Derivative Markets

► The Certificate

Anderson Certificate of Completion will be provided to delegates who attend and complete the course

► INFO & IN-HOUSE SOLUTION

For more information about this course, call or email us at:

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Email: info@anderson.ae

Request for a Tailor-made training and educational experience for your organization now:

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