

# 4 GUT REACTIONS THAT CAN HURT YOUR INVESTMENTS

## ANCHORING BIAS

when we put too much weight on an initial piece of information to make a decision.

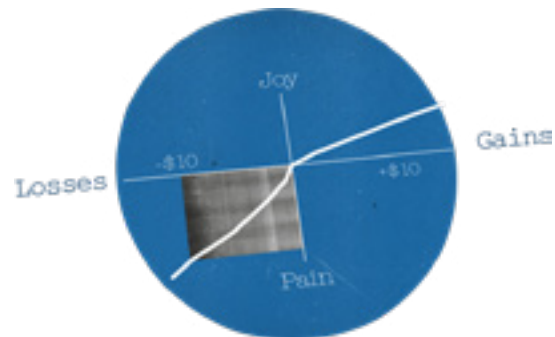
**TIP: Markets are always changing. Don't stay rooted in the past.**



## AVERSION TO LOSS

the fear of losing that can make us act impulsively or prevent us from taking calculated risks in investing.

**TIP: Make sure this doesn't cause you to hold too much cash in your portfolio.**



## OVERCONFIDENCE

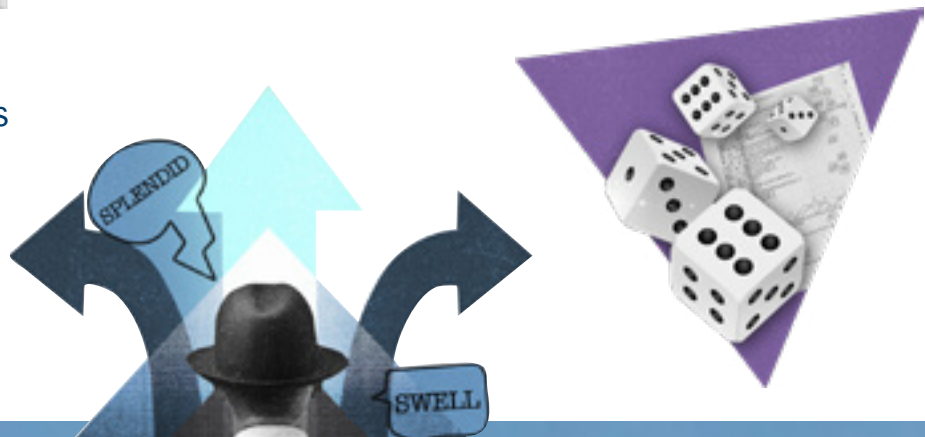
may contribute to excessive rates of trading in the stock market.

**TIP: Ask your advisor how overconfidence can lead to a poorly diversified portfolio.**

## PATTERN-SEEKING BEHAVIOR

makes you believe that you can predict the market's short-term ups and downs.

**TIP: Talk to your advisor about how to set realistic expectations for the market.**



**Talk to your advisor about how you can protect yourself from your own emotions when it comes to investing.**