



EPISODE WORKBOOK



BEHAVIOURAL INVESTING

with Dr Daniel Crosby, PhD

WRITTEN BY: KATE CAMPBELL

THE AUSTRALIAN FINANCE PODCAST

WELCOME TO THE PODCAST



Dear Listener,

The Australian Finance Podcast is your guide to sorting out your finances, one episode at a time. We aim to bring you bring you actionable information that you can put into practice today, so you can conquer your money goals, invest and set yourself up for success.

You can catch our weekly episodes on Apple Podcasts, Spotify, Castbox and YouTube!

Cheers!

Kate & Owen

EPISODE SUMMARY



Keeping your head in an information age designed to help you lose it is the never-ending task of the **behavioural investor**.

Do we have an episode lined up for you today?!

Straight from the US, **Dr Daniel Crosby** drops some truth bombs about the way your emotions are impacting your financial decisions and the reasons **why you're not achieving your financial goals** (hint: it's not about finding that next hot stock).

Daniel is a psychologist and behavioural finance expert who helps us to understand the intersection of our mind and the financial decisions we make.

Kate & Owen have a great time learning about **practical steps to improve your financial decision making**, helpful ways we can stay informed without jumping at headlines, the shared narrative we all share about money and the **four big psychological investor tendencies**.

Plus, Daniel shares plenty of great resources throughout the show, so be sure to check out the **show notes** to dive in deeper!

KEY EPISODE TAKEAWAYS

Here are Kate & Owen's main takeaways from this episode.

01

Everyone has an angle or bias (conscious or unconscious) when they speak, write or print information, so pay attention and don't consume media passively.

02

First things first, you need to **understand that your behaviour and emotions play a massive role in your financial decision making process.**

We often blame the reason we don't hit our financial goals on factors such as our salary, investment returns and missing out on the next big thing...but in reality, it often comes down to our behaviour (think greed, impatience, fear).

03

Action Tip: An important question to ask yourself is whether you have formulated a particular view yourself after **reading and listening to a variety of sources**, or are you just parroting the views and opinions of one particular person or publication?

04

You need to know the basic language of finance and investing. This doesn't mean doing a PhD, it just means **understanding some basic concepts like the sharemarket, risk, compound interest and diversification.** Luckily for you, we've got plenty of free courses on [Risk Education](#) to help you.

05

Action Tip: Think about who can act as a roadblock between you and a poor decision at the moment when you're feeling scared, greedy, or thinking of doing something rash with your money.

QUESTIONS & REFLECTION TOPICS



01 Identify occasions in the past where your behaviour and emotions have impacted your financial decisions. Think about what you can learn from each of these events.

02 Write down three ways that you're going to become a better consumer of financial media. Refer back to Daniel's suggestions, including evaluating the source, considering the motive and checking the facts for inspiration.

03 What are some actionable ways you can improve your education, environment and find someone to encourage you or hold you back from making emotive decisions?

04 Think about five ways you can minimise the unimportant decisions in your daily life, to leave room for the more important ones?

EPISODE ACTION STEPS & NOTES

To get the most out of each episode, make a list of tasks to complete after listening and any points of interest from the episode. Then come back in a few weeks to revise what you've learnt!

TASK

DUE DATE

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Episode Notes:



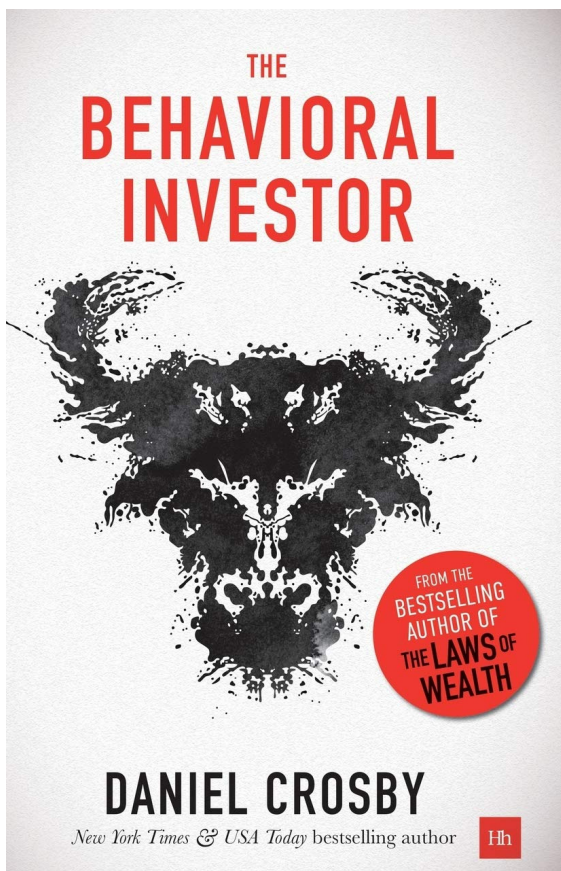
EPISODE RESOURCES

Here are some of the best resources from this episode which are worth exploring and coming back to! These links are clickable as well.

PREVIOUS PODCAST EPISODES

Check out previous episode of the Australian Finance Podcast, including [Setting Your Financial Goals For 2021](#), [How To Make Better Financial Decisions](#) and [When and Where to Get Financial Advice](#).

THE BEHAVIORAL INVESTOR BY DR DANIEL CROSBY



The Behavioral Investor is an in-depth look at how sociology, psychology and neurology all impact **investment decision-making**.

I definitely recommend this book if you're trying to **understand how your behaviour and emotions impact your investments**.

Not only is it written in an interesting and conversational style, but Daniel manages to incorporate some really fascinating studies and stories into his book.

Available on Amazon, BookDepository and Booktopia.



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