Data Analysis Insights: Behavioural Finance Task - Insights

Individual with Highest GBP Assets**:** Person ID 134 (£542.86, Risk Tolerance: 0.555)

Risk tolerance is primarily psychological, not financial:

- Confidence: Strong positive correlation (r = 0.924)

- Composure: Moderate positive correlation (r = 0.478)

- Wealth: No significant correlation (counterintuitive finding)

Wealth Distribution Characteristics

- Distribution: Right-skewed (expected)

- Central tendency: £200-£600 range for most participants

- Implication: Traditional wealth concentration patterns observed

Risk tolerance shows no correlation with currency preference:

- Currency selection driven by factors beyond individual risk appetite

- Risk tolerance operates independently of portfolio currency composition

- The data set is synthetic

Implications

The lack of correlation between risk tolerance and wealth suggests that financial risk