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loss aversion (investors perceive a dollar lost and a dollar gained differently than their percentage value),
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4a. Traps

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Yet, as Mauboussin points out, **it is not simply the existence of individual biases that spurs behavioral inefficiencies** on a market. They could be, hypothetically, cancelling each other out.

It is an extreme correlation between opinions among market participants that is dangerous, when the “wisdom of crowds” turns to the “madness of crowds”.