

Behavioral Bias Self-Assessment Quiz

Identify your susceptibility to common investment biases

1. Your stock drops 20% right after you buy it. What do you do?

Sell immediately to prevent further losses

Hold and wait for it to recover to your purchase price

Review the fundamentals and decide based on current outlook

2. You've made 50% on a stock. Your reaction?

I knew this would happen - I'm good at picking stocks

I got lucky with this one

The market conditions favored this stock

3. When researching a stock you own, you tend to:

Look for news that confirms your decision was right

Actively seek out bearish arguments against it

Read both positive and negative analysis equally

4. A friend tells you about a 'hot' stock that's doubled recently. You:

Buy immediately before you miss out

Research it thoroughly before deciding

Buy a small amount to test the waters

5. You bought a stock at \$100. It's now \$80. When thinking about it, you:

Focus on getting back to \$100 before selling

Evaluate if it's worth \$80 based on current data

Consider your original purchase price in your decision

6. After a market crash, you:

Assume markets will keep falling and sell everything

See it as a buying opportunity based on historical patterns

Wait to see if the decline continues before deciding

7. When your investment thesis proves wrong, you:

Hold the stock hoping to at least break even

Sell and reallocate to better opportunities

Add more to lower your average cost

8. You feel most confident about investments when:

You've done your own analysis and picked the stock

You're invested in diversified index funds

Several experts recommend the same investment