

THE CNMV PUBLISHES THE GUIDE "PSYCHOLOGY FOR INVESTORS"

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- It describes techniques and recommendations to mitigate cognitive biases and streamline investment processes

The Spanish National Securities Market Commission (CNMV) today published the [*Psychology for Investors*](#) guide which aims to disseminate a series of recommendations for investors based on the findings of behavioural economics.

Behavioural economics explains how markets work and how investors behave by incorporating knowledge from other disciplines such as sociology, anthropology and psychology. The subject has gained special relevance on the occasion of the recent award of the Nobel Prize in Economics to economist Richard H. Thaler.

The Guide provides an introduction to the basic fundamentals of behavioural economics and the investment decision-making process. It then describes in detail the cognitive biases that affect the different phases of this process. In addition, it refers to a series of techniques and recommendations aimed at mitigating these cognitive biases and at making it easier for investors to rationalise their investment process. Finally, and as a summary, the Guide provides a series of general recommendations.

The new Guide expands on and develops the contents published by the CNMV in the investor specifications file entitled: "[Psychological mechanisms involved in investment decision making](#)"

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