|  |
| --- |
| **ABSTRACT**The traditional structure of finance stresses the theories of modern portfolio theory and the efficient market hypothesis, the evolving field of behavioural finance investigates the psychological and sociological issues that impact the decision-making process. This paper will discuss some general principles of behavioural finance including omission bias, the utility of money, availability heuristic, framing, probability weighting. In conclusion, the paper will provide strategies to assist individuals to resolve these mental mistakes and errors by recommending some important investment strategies. |