

**MINISTRY OF EDUCATION OF THE REPUBLIC OF BELARUS
STATE EDUCATIONAL INSTITUTION
"SCHOOL OF BUSINESS OF BELARUSIAN STATE UNIVERSITY"**

Master's Thesis

**THE INFLUENCE OF PSYCHOLOGICAL FACTORS ON INDIVIDUAL
INVESTORS' BEHAVIOR ON THE FINANCIAL MARKET**

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GENERAL CHARACTERISTIC OF THE WORK

Master's thesis: 56 p., 4 figures, 12 tables, 26 sources.

INVESTMENT, BEHAVIORAL FINANCE, INVESTMENT BEHAVIOR, INDIVIDUAL INVESTORS, COGNITIVE BIAS, HERD BEHAVIOR, FEEDBACK LOOP

The aim of the study: According to the paradigm of modern financial theory, there are many unsolved mysteries in the financial market. There are two basic ideas for scholars to explore. On the one hand, some scholars try to introduce new fundamental factors into the analysis paradigm of classical financial theory to explore the unsolved mystery of the market; on the other hand, some scholars believe that there is a big difference between the rational behavior hypothesis and the actual behavior of investors, and study from the perspective of investors' behavior and psychological characteristics to explain the mystery of the market. No matter which direction, the actual investment behavior and psychology of investors are important research topics.

This paper follows the research paradigm of behavioral finance. It takes investor psychology as the starting point, studies individual investor's behavior deviation and its psychological influence on behavior itself, and explores the psychological factors influencing investor behavior. It is an attempt to improve the investment level of investors through research in order to help investors understand themselves and their investment behavior better; and also, through the improvement of the investment level of the participants of the financial market, to improve the effectiveness and stability of the financial market as a place of financing.

Object of the research: Investors, securities companies and financial markets (securities, asset-backed securities, derivatives).

Subject of the research: Research and Analysis on the investment anomalies in today's financial market and the investment behavior that deviates from the prediction.

Research methods: comparative analysis, graphic method.

Realm of the possible practical application: The results of this paper can be applied to all investment activities in the financial market. It can help investors to implement investment behavior more professionally in the financial market, and make investors understand the different situations that they and others may face in different investment environments, so as to help investors expand profits and reduce losses as much as possible.

The author of the paper confirms that the computational and analytical material provided in the thesis reflects the state of the process under investigation correctly

and objectively, and all theoretical, methodological and methodical provisions and concepts are referenced to their authors.