

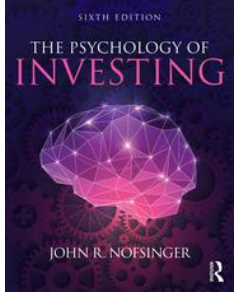


**BEACON HILL**  
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BEACON HILL *Course-in-a-Book™ Series*

*What Advisors Should Know About the Psychology of Investing #193619*

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**Number of CFP® CE credit hours awarded for this course: 7**

Beacon Hill Financial Educators CFP Board sponsor number: **1008**

**Course Description**

The *Psychology of Investing* is the first text of its kind to delve into the fascinating subject of how psychology affects investing. Its unique coverage describes how investors actually behave, the reasons and causes of that behavior, why the behavior hurts their wealth, and what they can do about it. Traditional finance has focused on developing the tools which investors can use to optimize expected return and risk-understanding the psychology of investing will complement the material covered in traditional investments text.

**Course Content**

Course Text: *The Psychology of Investing* by John R. Nofsinger  
 (12 chapters, 212 pgs., ©2018 (Sixth Edition), Routledge.  
 Study Guide: (this document): Course information, learning objectives, outline, glossary.  
 Final exam (online) 35 questions.

**Level of Complexity**

**Overview.** CFP Board: Programs that provide a general review of a subject from a broad perspective or dive into basic knowledge on a specific skill or topic. Best suited for CFP® professionals seeking knowledge in an unfamiliar subject area and with entry level experience.

**Subject Codes**

Certified Financial Planner Board of Standards, Inc.: *Investment Planning and Strategies*.  
 NAPFA: *Investments*.

## Instructions for Taking This Course

- **You must complete this course within one year** of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **Complete the course by** following the learning objectives listed for the course and studying the text.
- **Once you have completed studying the course** and you are confident that the learning objectives have been met, answer the final exam questions (online).

## Instructions for Taking the Online Exam

- **Log in to your secure account at [www.bhfe.com](http://www.bhfe.com). Go to "My Account."**
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a **printed copy** of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and CDFA credit hours, if applicable, are reported on Tuesdays and at the end of the month.

**Have a question?** Call us at 800-588-7039 or email us at [contact@bhfe.com](mailto:contact@bhfe.com).

## Learning Objectives

As a result of studying the text, you should be able to meet the following learning objectives:

- Define prospect theory.
- Recognize how overconfidence is a detriment to investing.
- Define regret of omission.
- Define disposition effect.
- Recognize how risk perceptions play a role in investment strategy.
- Associate how individuals make investment decisions.
- Recognize how emotions effect perceptions of money.
- Recognize how psychological tendencies can effect investment goals.
- Define representativeness error.
- Recognize how biases effect investors' decisions.
- Define the role social interaction plays in investing.
- Recognize the ways in which emotions influence investor behavior.
- Recognize how self-control effects investor behavior.

# *The Psychology of Investing*

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