

## The Behaviour Gap



Most investors don't lose money because markets fail. They lose money because **their behaviour** fails.

The book explains how the biggest difference in long-term returns comes from the gap between:

- What we should do with our money

and

- What we actually do.

Instead of focusing on stock tips or complex strategies, Richards shows how emotions, habits, and irrational decisions cause the real damage.

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## Key Ideas

### 1. Your behaviour matters more than the market

You can't control the markets.

You *can* control your reactions.

Panic selling, chasing returns, or acting on news usually destroys long-term wealth.

## **2. Emotions are expensive**

Fear, greed, loyalty, regret—these emotional triggers push investors to make poor decisions.

Become aware of your emotional patterns before taking action.

## **3. Ignore the noise**

Headlines, predictions, and tips create confusion.

No one knows the future.

Sticking to your plan beats reacting to short-term noise.

## **4. Slow and steady wins**

Compounding rewards patience, not speed.

The most successful investors stay invested, keep costs low, and avoid unnecessary activity.

## **5. Financial planning = life planning**

Money is a tool.

Your financial plan should reflect your values, goals, and the life you want—not someone else's idea of success.

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## **Why This Matters**

Most investor underperformance comes from emotional decision-making, not market returns.

If you stay disciplined, avoid knee-jerk reactions, and follow a long-term plan, your chances of success rise significantly.

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## **SIPs: A Practical Way to Beat Behavioural Biases**

A Systematic Investment Plan helps you:

- invest small amounts consistently

- avoid timing mistakes
- stay disciplined during ups and downs
- reduce emotional decision-making
- average purchase cost automatically

SIPs protect you from your own biases and build wealth steadily.

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**Master your behaviour → protect your wealth.**

Markets don't beat investors. Investors beat themselves.

***Mutual Fund investments are subject to market risks, read all scheme related documents carefully.***