

IMPACT OF AVAILABILITY BIAS AND LOSS AVERSION BIAS ON INVESTMENT DECISION MAKING, MODERATING ROLE OF RISK PERCEPTION

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ABSTRACT

This study investigates an investor perception about investment decision. I used to describe a cognitive heuristic called availability bias. Under loss aversion (prospect theory) can occur in risky and riskless choices. Both biases effect the decision of investor. The investor risk perception as analysis brings logic reason that how investor selects when they faced with multiple option of investment. I used questionnaire based survey method to collect data from randomly selected sample of 207 individuals. Correlation analysis has been used to estimate the models under study. The limitations include. Some recommendations have been made that could help researchers in their future works.

KEYWORDS: Availability Bias, Loss Aversion, Risk Perception, Investment Decision