

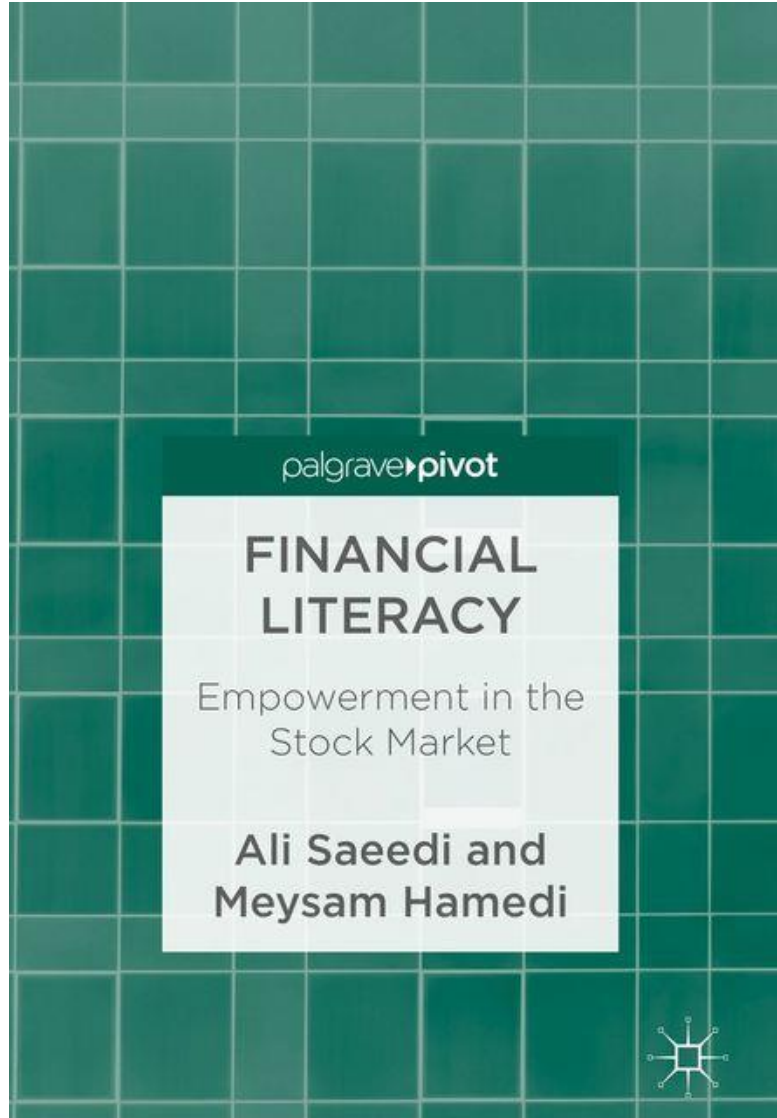


Financial Literacy: Empowerment in the Stock Market

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THE BOOK BIOGRAPHY



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Number of Pages: 165

Number of chapters: 9

FACTS ABOUT THE BOOK



We wrote the book in 3 years

Publishing took around 1 year

the book is the result of our experience and research

The book wholly is about financial literacy improvement

BASIC ISSUES FOR WRITING THE BOOK

Financial Literacy is a simple concept

Its simplicity caused many people try not to understand it

We had to expand the issue in Capital Market

Financial Literacy is mainly considered in personal finance

Many has never considered the concept in capital market

We had to distinct similar expressions

Financial Literacy is wrongly equalized with Financial Education and Capacity Building

We had to relate enhancement of financial literacy to financial behavior

HOW IMPROVE FINANCIAL LITERACY

Is there any written plan to improve financial literacy level?

What is the level of financial literacy among retail investors?

Was there any level assessment? Where they are and what is the next level?

Who are target groups and what are educational programs for each?

Are effectiveness of educational programs assessed?

HOW IMPROVE FINANCIAL LITERACY

What are delivery methods for different target groups?

What are the most effective methods of delivery?

Which topics should be highlighted most in educational programs?

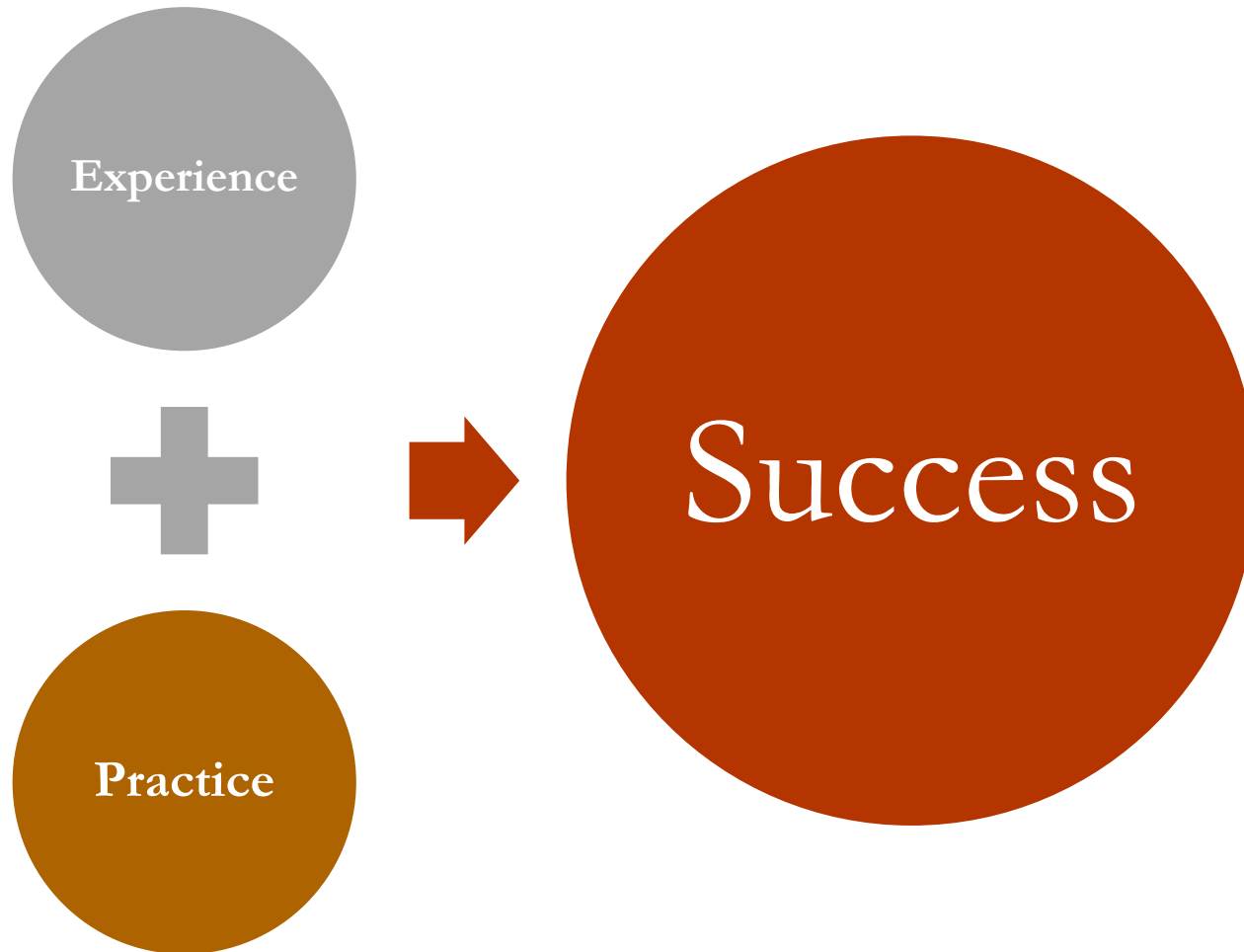
How financial literacy can be transferred into financial behavior?

What are roles of regulatory bodies in financial literacy (Cyclical and Counter Cyclical)?

THE OUTLINE OF THE BOOK

- Introduction: Basics of Financial Literacy;
- Chapter 1 Financial Literacy and Financial Behavior;
- Chapter 2 Who Should Be Educated in Financial Literacy?
- Chapter 3 Which Delivery Method, Which Topic?
- Chapter 4 Financial Literacy Level;
- Chapter 5 The Stock Market Atmosphere and Financial Concepts;
- Chapter 6 Regulator Roles in Financial Literacy Improvement;
- Chapter 7 Methods of Education;
- Conclusion: It Is Never Too Late to Learn.

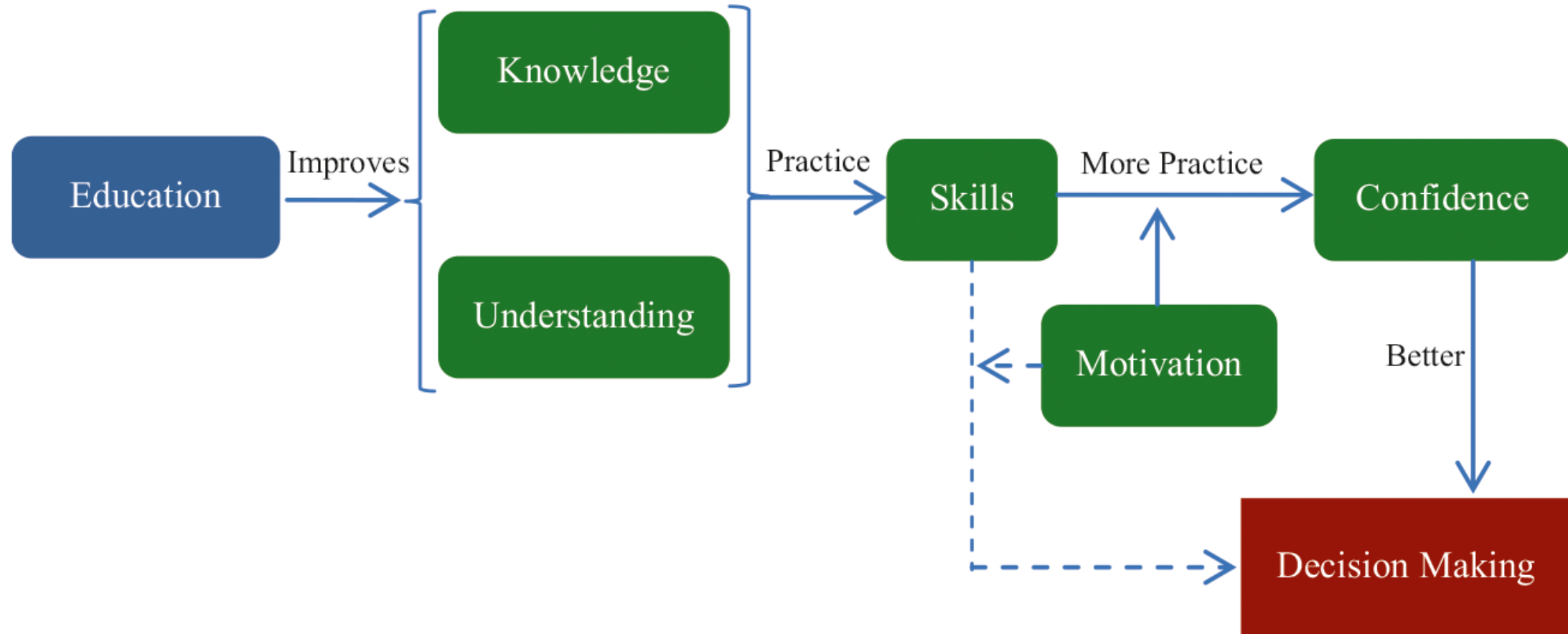
BASICS OF FINANCIAL LITERACY



Success is not the result of specific academic training. Investors come from varied backgrounds. Although many may think that the stock market is a location for investors who have graduated from finance, economics, and business administration degrees, there are many other investors possessing qualifications in engineering, literature, art, history, and even investors with no academic education.

Successful investors possess a mixture of knowledge, intelligence, skills, common sense, attention to detail, business savvy, wit, presence, energy, enthusiasm, interpersonal skills, self-confidence, as well as other attributes that are not only are difficult to quantify but vary from one person to the next.

FINANCIAL LITERACY COMPONENTS AND PROCESS

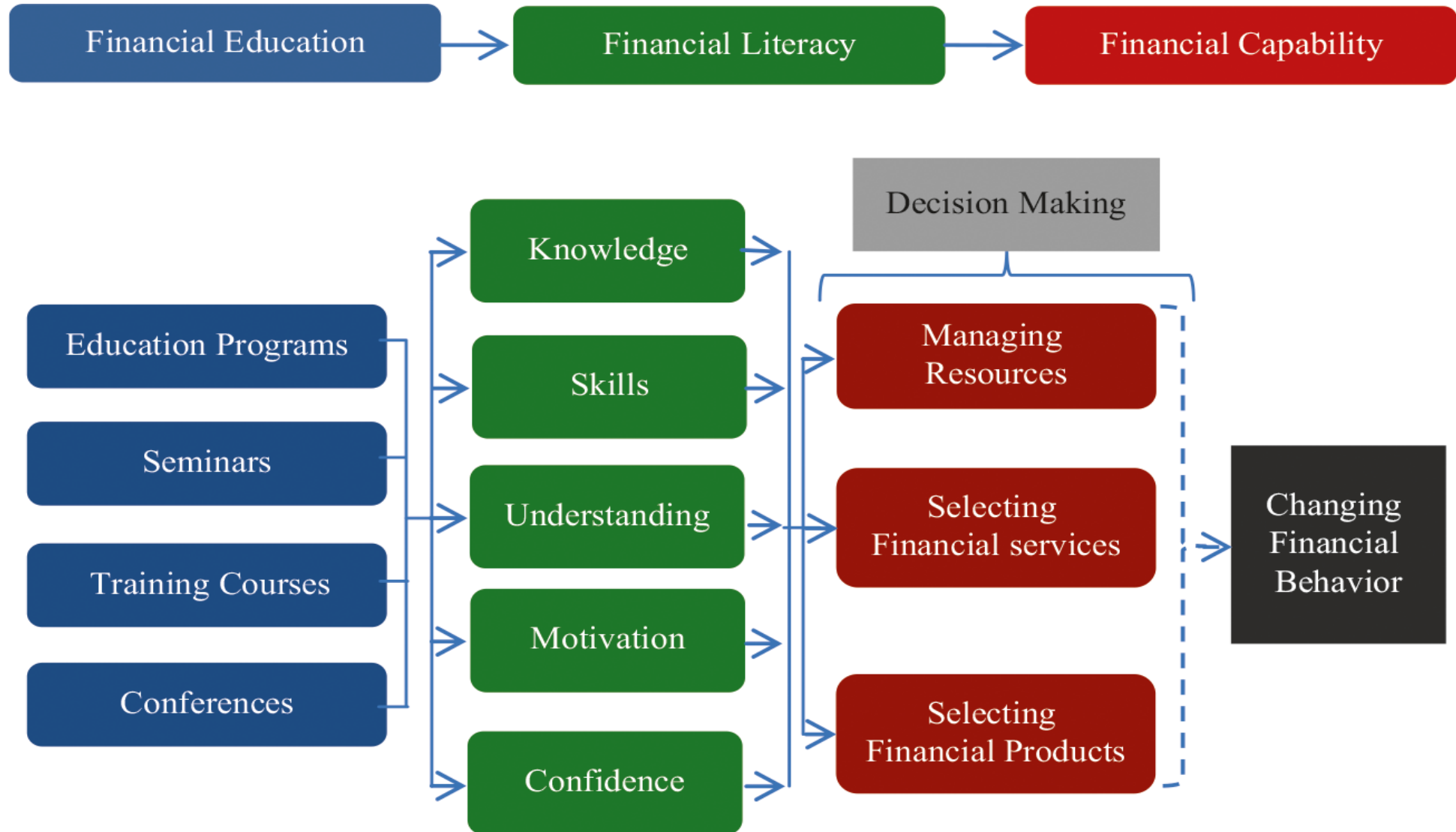


FINANCIAL ORIENTEERING: A NEW EXPRESSION



Financial Literacy is knowledge and skill of using map and compass in a designated route to pass from point A to point B.

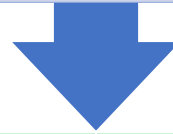
DISTINCTION AMONG SIMILAR CONCEPTS



FINANCIAL BEHAVIOUR

BEHAVIOUR

actions or reactions of a person in response to external or internal stimuli.



FINANCIAL BEHAVIOUR

Financial Behavior describes the actions or reactions (decisions and judgments) of investors during financial planning and the investment management process in response to external or internal stimuli in the stock market.



Cognitive factors (mental processes)

Affective (emotional) issues

BEHAVIOURAL BIASES

BEHAVIOURAL BIASES

- IOSCO has identified 29 key behavioural biases;

HERDING

OVERCONFIDENCE

ANCHORING

FRAMING

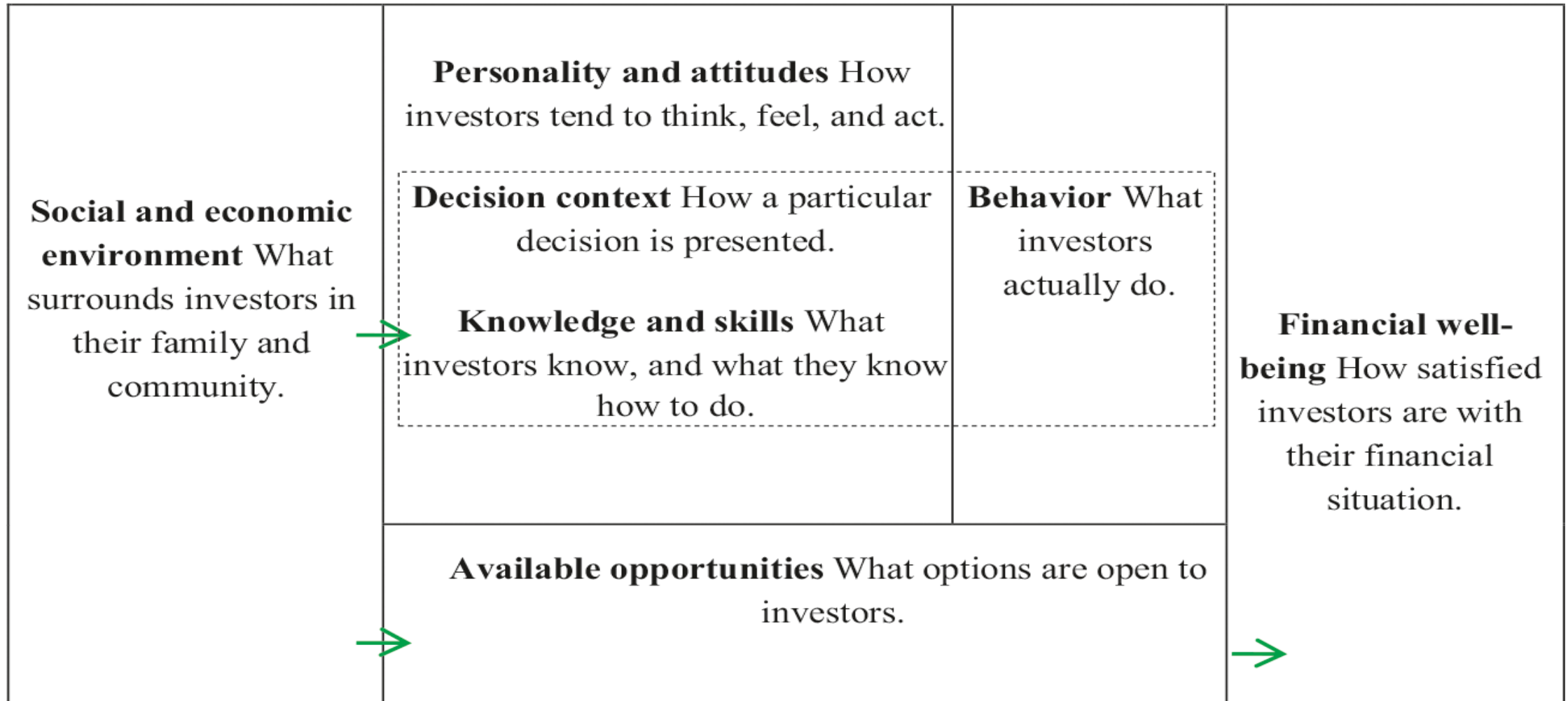
RECANCY

OVEROPTIMISM

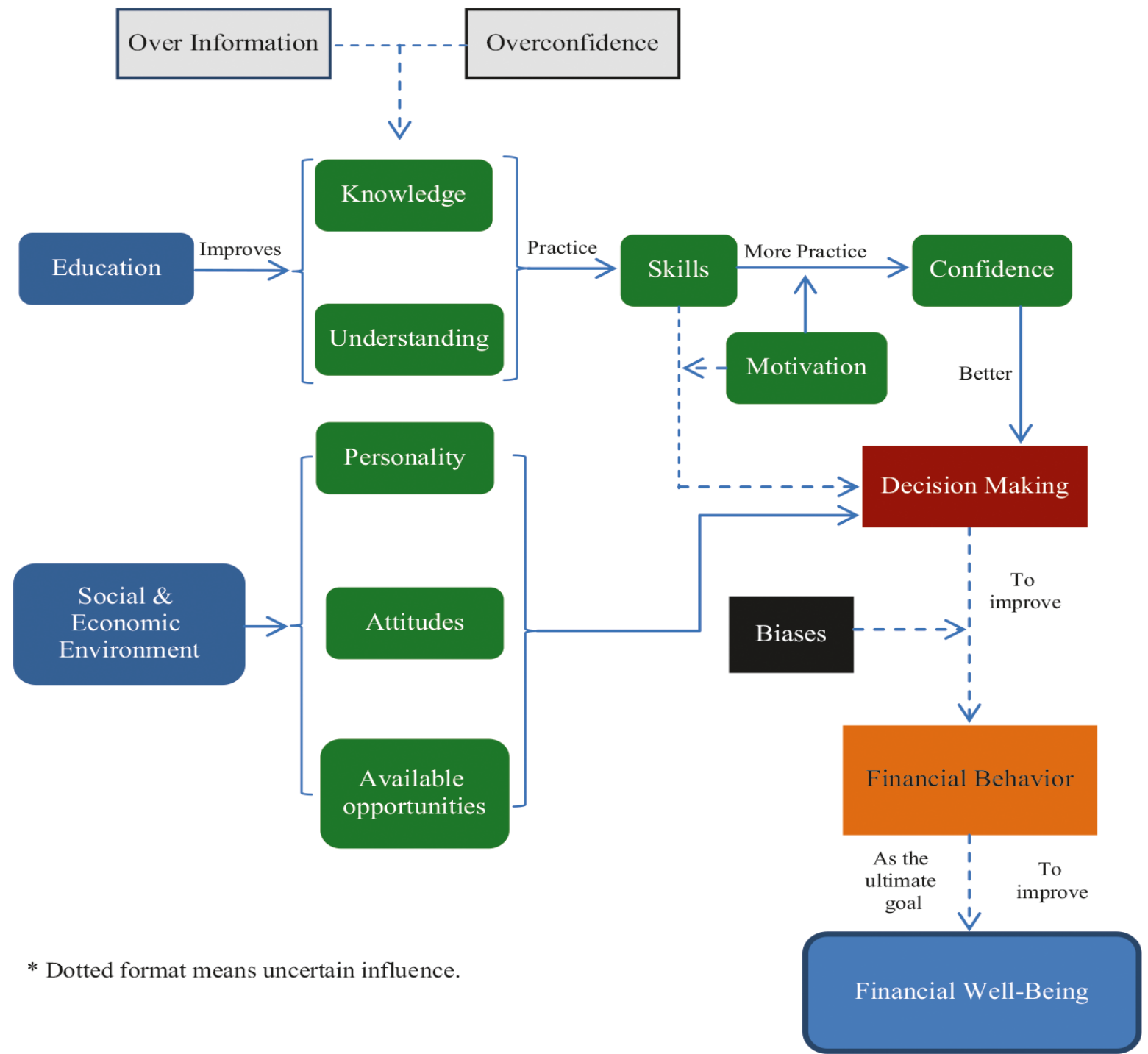
REPRESENTATIVENESS

FINANCIAL WELL-BEING AND FINANCIAL BEHAVIOUR

- THE CONSUMER FINANCIAL PROTECTION BUREAU

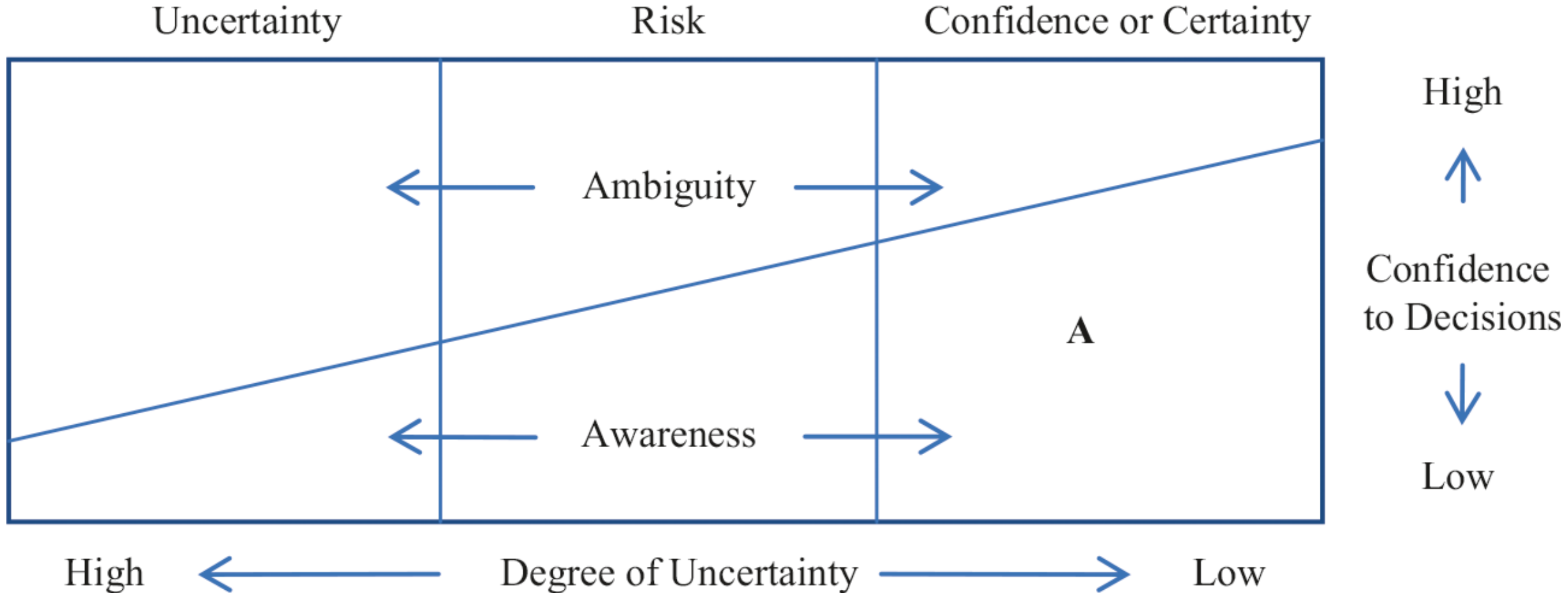


COMPREHENSIVE MODEL FOR FINANCIAL WELL- BEING

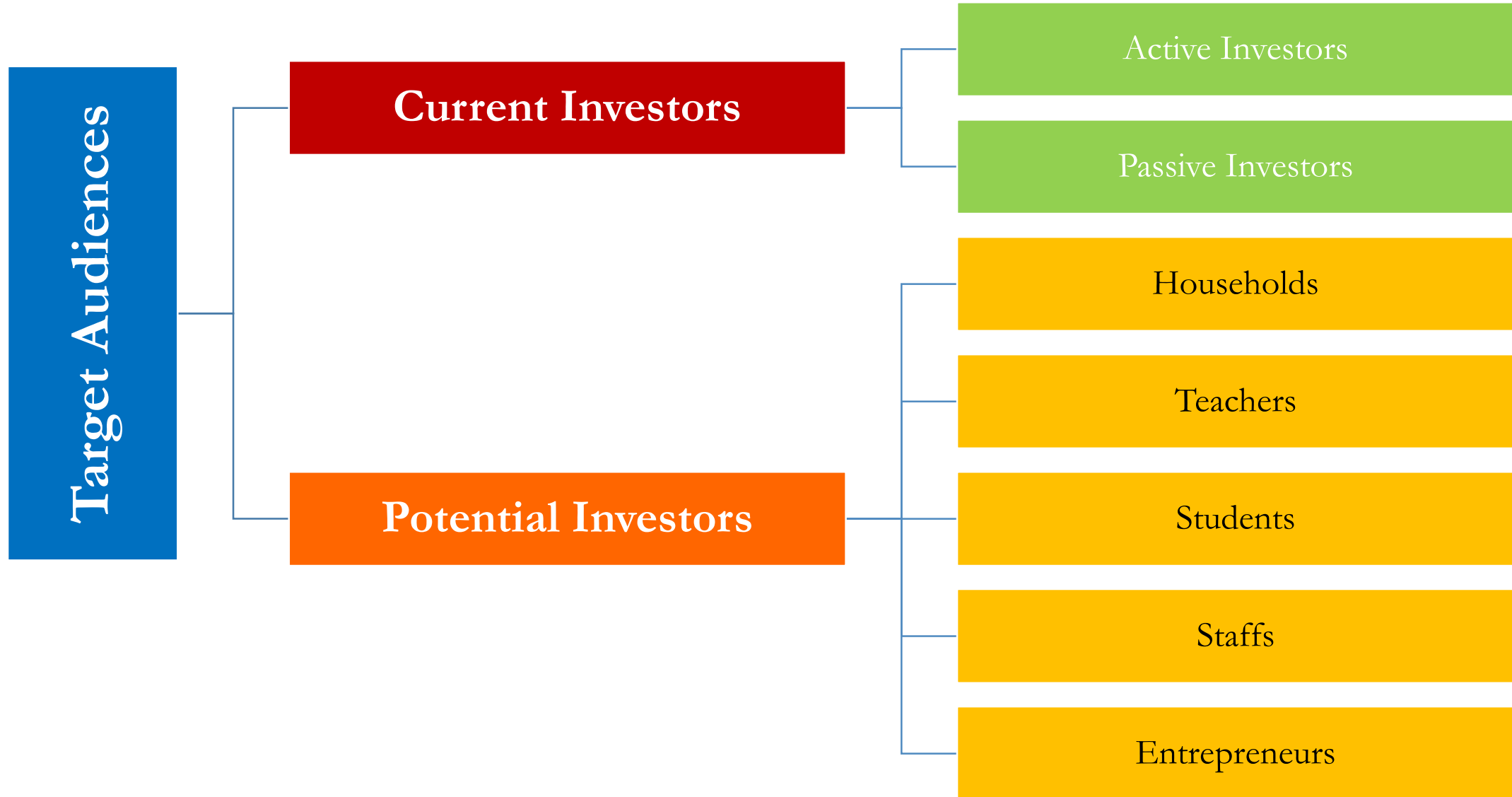


* Dotted format means uncertain influence.

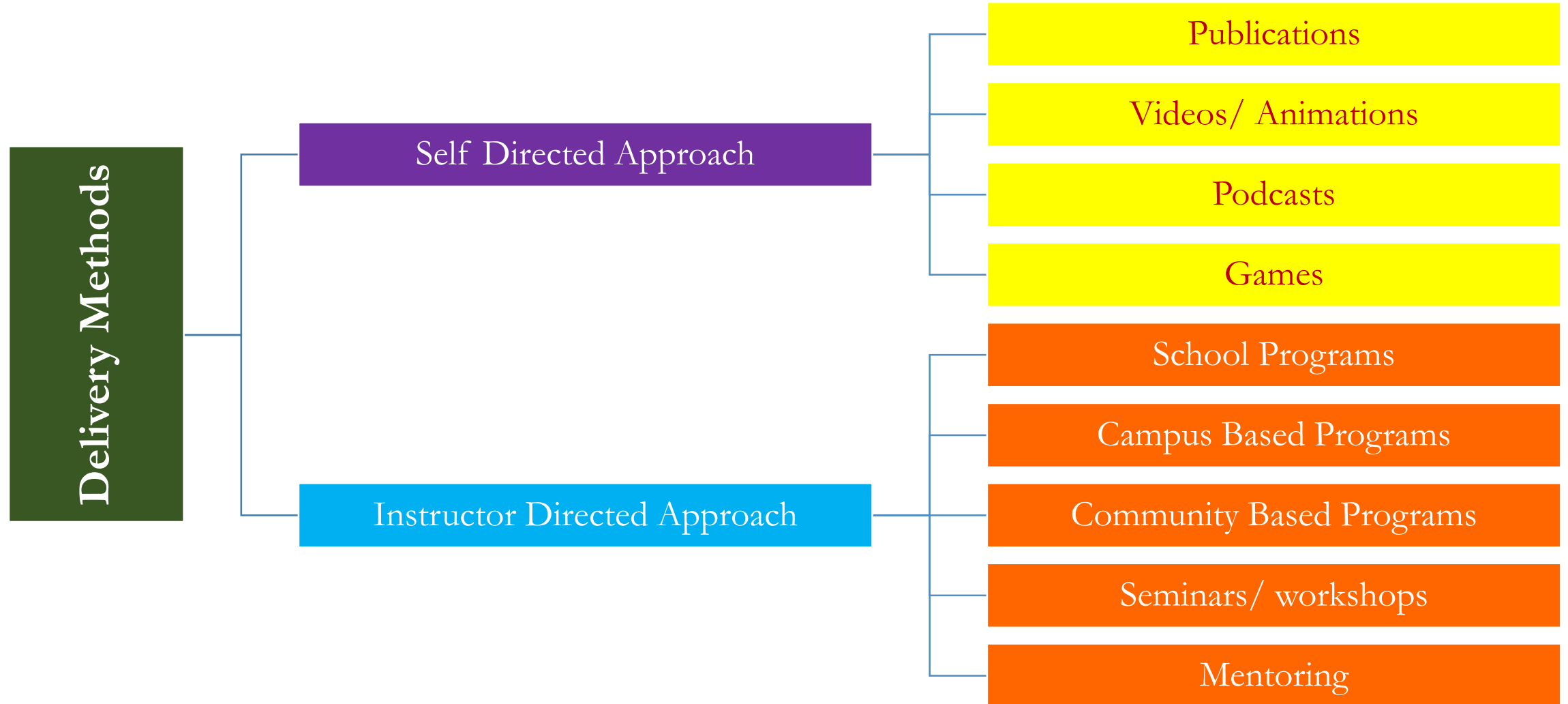
THE ROLE OF FINANCIAL LITERACY IN DECISION MAKING



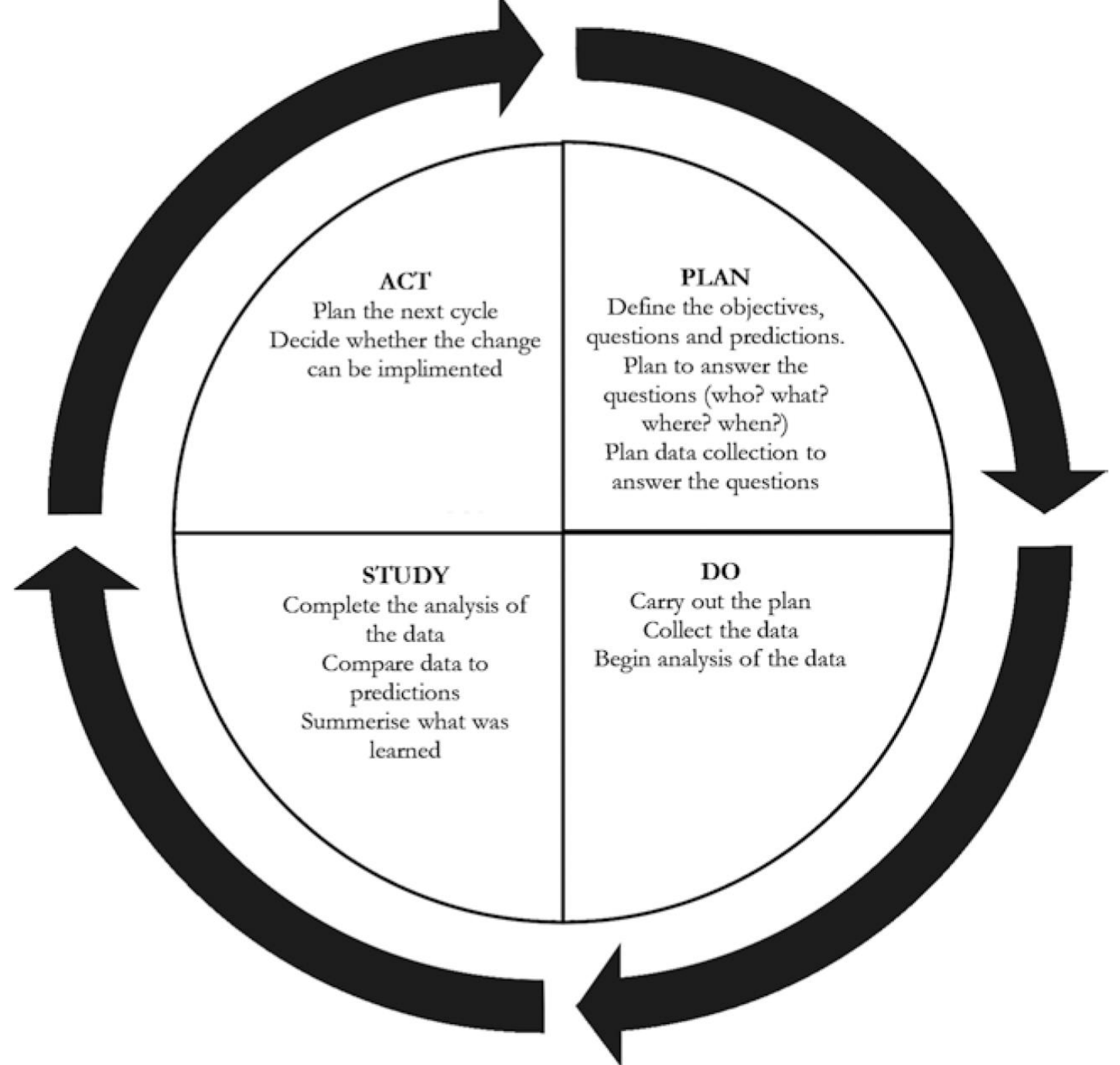
WHO SHOULD BE EDUCATED?



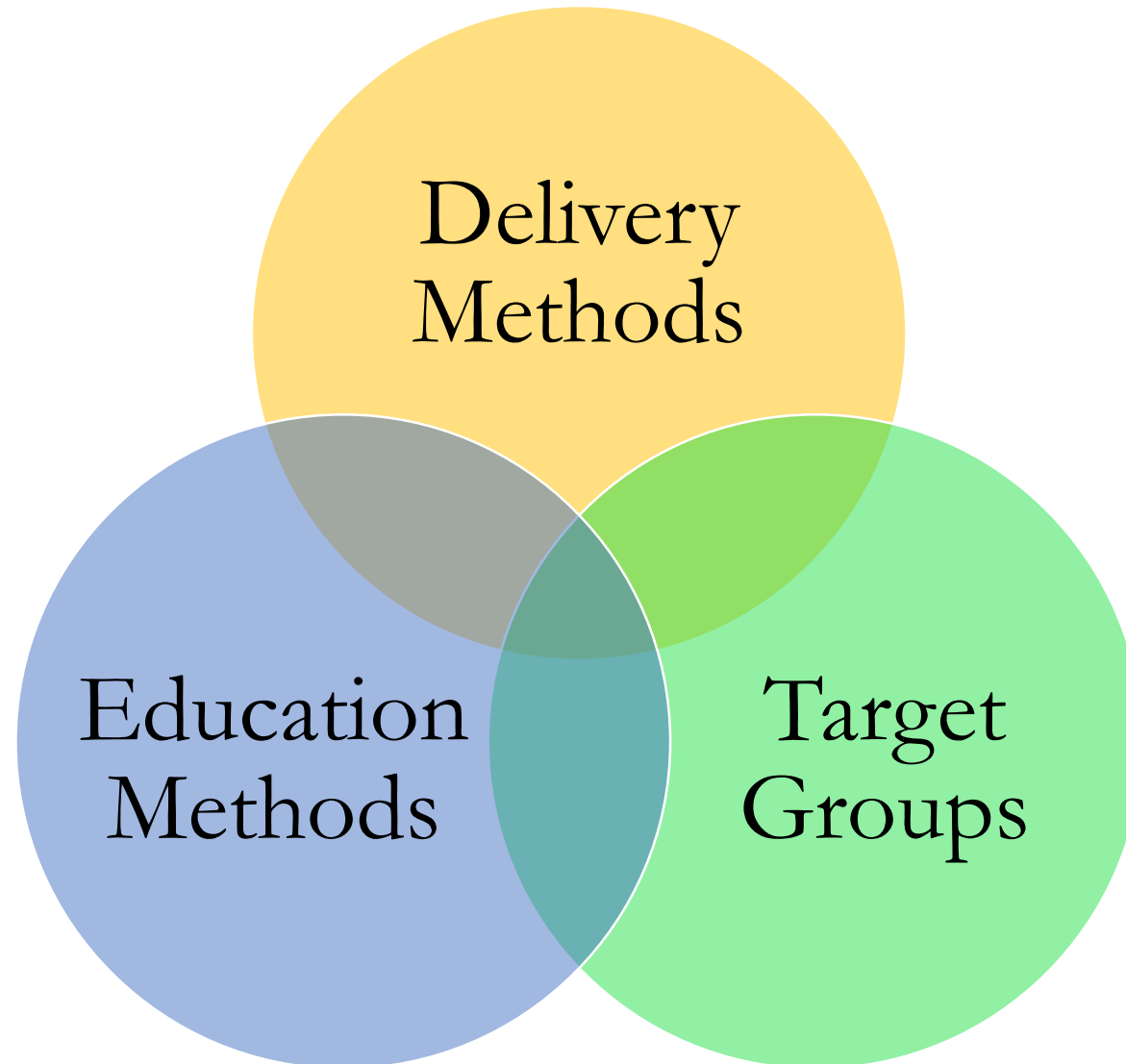
DELIVERY METHODS

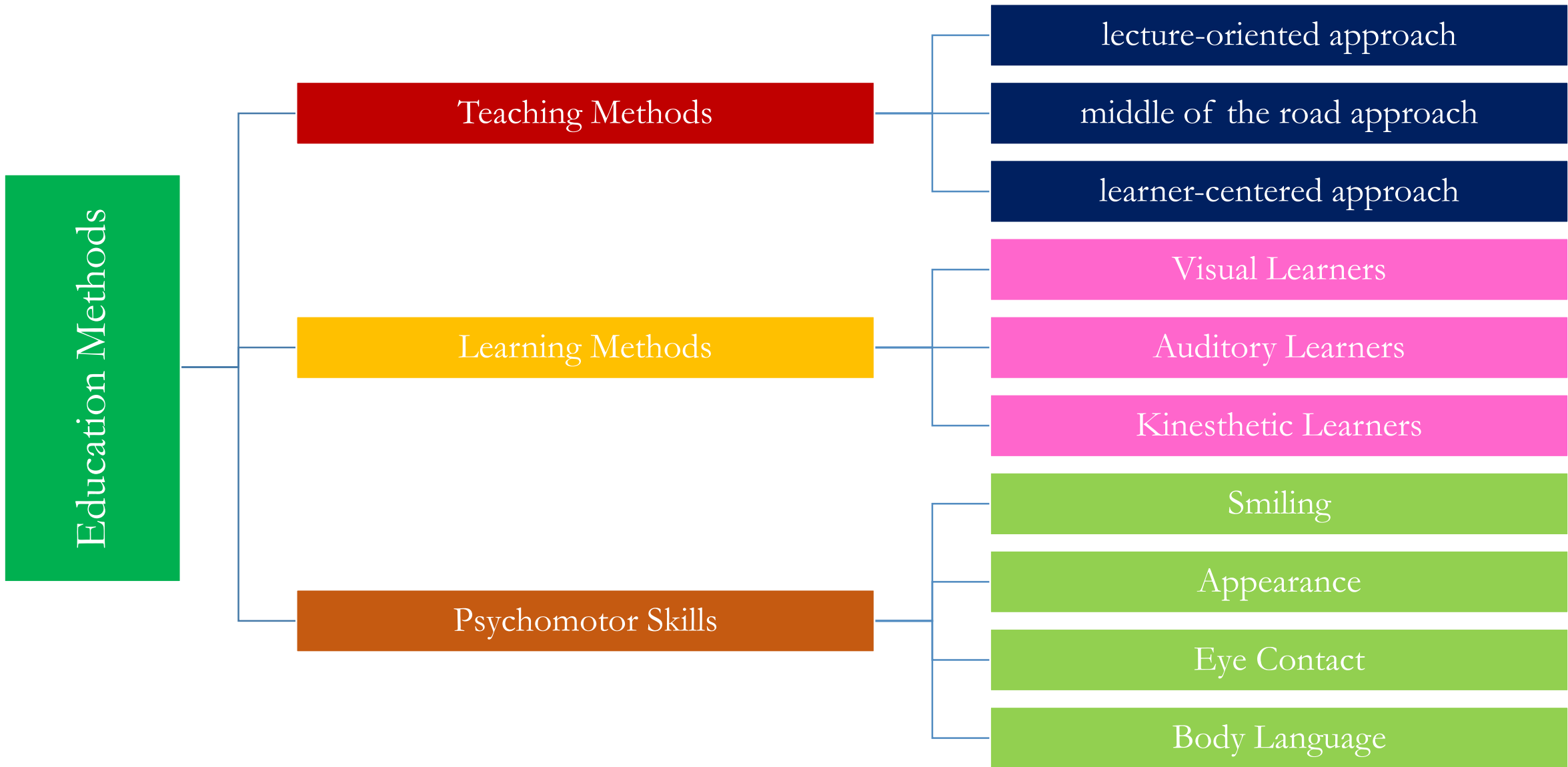


The Role of Regulators



The IMPORTANCE OF EDUCATION METHOD





Conclusion



The book identifies basic financial concepts

The book introduces methods have been used for level assessment

The book contains “practices around the world”

**THANKS FOR YOUR
ATTENTION**