

1. Record Nr.	UNINA9910138906903321
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Titolo	Behavioural finance for private banking // Thorsten Hens and Kremena Bachmann
Pubbl/distr/stampa	Chichester [England] ; ; Hoboken, N.J., : John Wiley & Sons, c2008
ISBN	9786613175014 9781283175012 1283175010 9781118467329 1118467329 9780470742075 0470742070
Edizione	[1st ed.]
Descrizione fisica	1 online resource (271 p.)
Collana	The Wiley finance series
Altri autori (Persone)	BachmannKremena
Disciplina	332.1/230688 332.1230688
Soggetti	Private banks Investments - Psychological aspects Finance - Psychological aspects Banks and banking - Customer services Wealth - Management
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references and index.
Nota di contenuto	Behavioural Finance for Private Banking; Contents; List of Figures; List of Tables; Notation; Preface; 1 Introduction; 1.1 The private banking business; 1.2 Current challenges in private banking; 1.3 Improving service quality with behavioural finance; 1.4 Conclusion; 2 Decision Theory; 2.1 Introduction; 2.2 Mean-variance analysis; 2.3 Expected utility theory; 2.4 Prospect theory; 2.5 Prospect theory and the optimal asset allocation; 2.6 A critical view on mean-variance theory; 2.7 A critical view on expected utility axioms 2.8 Comparison of expected utility, prospect theory, and mean-variance analysis 2.9 Conclusion; 3 Behavioural Biases; 3.1 Information selection biases; 3.2 Information processing biases; 3.3 Decision

biases; 3.4 Decision evaluation biases; 3.5 Biases in intertemporal decisions; 3.6 Behavioural biases and speculative bubbles; 3.7 Cultural differences in the behavioural biases; 4 Risk Profiling; 4.1 Dealing with behavioural biases; 4.2 The risk profiler and its benefits; 4.3 Designing a risk profiler: Some general considerations; 4.4 Implemented risk profilers: Case study of the former Bank 4.5 A risk profiler based on the mean-variance analysis 4.6 Integrating behavioural finance in the risk profiler; 4.7 Case study: Comparing risk profiles; 4.8 Conclusion; 5 Product Design; 5.1 Case study: "Ladder Pop"; 5.2 Case study: "DAX Sparbuch"; 5.3 Optimal product design; 5.4 Conclusion; 6 Dynamic Asset Allocation; 6.1 The optimal tactical asset allocation; 6.2 The optimal strategic asset allocation; 6.3 Conclusion; 7 Life Cycle Planning; 7.1 Case study: Widow Kassel; 7.2 Main decisions over time; 7.3 Consumption smoothing; 7.4 The life cycle hypothesis 7.5 The behavioural life cycle hypothesis 7.6 The life cycle asset allocation problem; 7.7 The life cycle asset allocation of an expected utility maximizer; 7.8 The life cycle asset allocation of a behavioural investor; 7.9 Life cycle funds; 7.10 Conclusion; 8 Structured Wealth Management Process; 8.1 The benefits of a structured wealth management process; 8.2 Problems implementing a structured wealth management process; 8.3 Impact of the new process on conflicts of interests; 8.4 Learning by "cycling" through the process; 8.5 Case study: Credit Suisse 8.6 Mental accounting in the wealth management process 8.7 Conclusions; 9 Conclusion and Outlook; 9.1 Recapitulation of the main achievements; 9.2 Outlook of further developments; References; Index

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## Sommario/riassunto

A complete framework for applications of behavioral finance in private banking, Behavioural Finance for Private Banking considers client needs specific to private banking like personal circumstances, objectives, and attitude to risk. This book includes the theoretical foundations of investment decision-making, an introduction to behavioral biases, an explanation of cultural differences in global business, a guide to asset allocation over the life cycle of the investment, and several case studies to illustrate how can be applied. A must-read for anyone in private banking, this book demonstrates

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