

3 Use framing to reorient your perception.

Framing is a cognitive bias that influences how we respond to choices and events based on how they are presented to us.



For example, if you learned that your portfolio was down 3% for the year, you might be unhappy. But if you realised that your portfolio was up 18% over the last two years, you might feel differently. That's the power of framing.

When you're dealing with unpredictable markets, take the opportunity to **reframe the situation**. Instead of stressing yourself on market fluctuations, ask yourself: "Am I making progress toward my financial goals?"