

# 6 Slow down when you make financial decisions.

Nobel prize winner Daniel Kahneman identified the brain's two modes of thinking:

- System 1 (Fast) is intuitive and good at making snap decisions using the amygdala. Great for ordering at the bar. Not so great for making investment decisions.
- System 2 (Slow) is for deep analysis and is associated with the rational prefrontal cortex.

Whenever numbers are involved, slow down so your brain has time to **engage the deep thinking required to make smart decisions**. You'll likely make fewer mistakes than you would using intuition.

