投資者及理財教育委員會
Investor and Financial Education Council

<u>Appendix: 2025 Behavioural Science Study on Investor Behaviour in the Virtual Asset Markets</u>

This is a follow-up study of the research based on behavioural science principles first conducted in 2022. Drawing on a survey of 1,000 virtual asset investors conducted during November to December 2025, this study uses the same 13-item heuristic measures to examine how retail investors make decisions in the virtual asset markets, focusing on heuristic-driven judgment and latent “investor archetypes”.

The report can be accessed here:
https://www.ifec.org.hk/sites/web/common/pdf/about-ifec/behavioural-science-study-on-investor-behaviour-2025_static.html

The key findings are as follows:

Commonly used mental shortcuts for investment decision-making
The study found that the five most commonly used heuristics (mental shortcuts) used by virtual asset investors in Hong Kong are (on a 5-point scale):

- Reliance on past investment experience (anchoring bias, average score: 3.86);
- Fear of missing out when prices rise (FOMO, Fear of Missing Out, average score: 3.77);
- A tendency to hold on to losing assets while rushing to sell profitable ones (disposition effect, average score: 3.68);
- Continuing to hold during periods of sustained price declines in the expectation of a market reversal (gambler’s fallacy, average score: 3.66);
- Reliance on guidance from authority figures, experts or opinion leaders (KOLs) (authority bias, average score: 3.63)

Four concentrated virtual asset investor archetypes
The 2025 study identified the following four consolidated behavioural types among retail participants:

- **Socially influenced risk averter (跟風鍚身型) — 34% of respondents:**
    - *Profile:* The largest segment, dominated by young adults aged 18–29 (66%) and recording the highest female participation (43%) in the study.
    - *Behaviour:* They possess shorter trading histories and rely on social proof and peer choices, though they display high risk aversion and pull back after experiencing financial losses.

- **Stubborn loss holder (套住唔走型) — 26% of respondents:**
    - *Profile:* Composed of a higher proportion of mid-career professionals aged 30–39 (38%) compared to other archetypes, many of whom consider themselves experienced market participants.

- *Behaviour:* They are affected by the disposition effect and the gambler's fallacy—refusing to cut paper losses during price drops because they are cognitively convinced a market reversal is overdue.

- **Confident risk-seeking optimist (自信搏殺型) — 22% of respondents:**
  - *Profile:* Representing an affluent, educated male trading demographic, overwhelmingly male (79%), with a sizeable proportion aged 30 and 39 years old (39%).
  - *Behaviour:* They manage diversified portfolios and are prone to overconfidence bias, relying on internal trading intuition and demonstrating a tendency to scale up risky capital exposure following financial gains.

- **FOMO-driven overreactor (唯恐執輸型) — 18% of respondents:**
  - *Profile:* An affluent and active trading demographic, where 28% possess liquid assets of HK$1 million or more.
  - *Behaviour:* Their trading execution is sentiment-driven and volatile, fuelled by fear of missing out (FOMO).