

FINANCIAL CONTAGION AND INVESTORS BEHAVIOR

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ABSTRACT: International capital markets, in general, seem to be volatile markets, influenced by many factors, a phenomenon that affects both developed markets, as well as least developed, with emerging market economies suffering most because of this. It is clear, however, that volatility will remain for as long as it is delayed the adoption of specific measures at national and international financial architecture level, measures that may be necessary to reduce these risks, to limit their impact, and that the question financial market can relapse in a manner as efficiently as possible.

Key words: investor behaviour, financial crisis, rational investor, irational investor, financial contagion

JEL codes: G11, G12, G19