**Behavioral Finance Questions**

1. Tom is a graduate student.

The percentage of graduate students who are in engineering is 5%

The percentage of graduate students who are in business is 25%

The percentage of graduate students who are in law is 25%

The percentage of graduate students who are in medicine is 15%

The percentage of graduate students who are in humanities is 30%

Tom is a male; he is systematic, good at math, very logical, organized, and detailed.

What do you think Tom probably studies?

2. Consider the following choices: A vs. B and C vs. D

A: Win $1 million with certainty

B: 10% chance to win $5 million, 89% chance to win $1 million, and 1% chance to win nothing

C: 10% chance to win $5 million, 90% chance to win nothing

D: 11% chance to win $1 million, 89% chance to win nothing

Which would you choose in each case?

3. Suppose that you are paid $1000 to participate in an experiment and are asked to choose between A and B:

1. You win $500 with certainty
2. You have a 50% chance to win $1000, and a 50% chance to win nothing

Which do you choose?

Suppose that you are paid $2000 to participate in an experiment and are asked to choose between A and B:

1. You lose $500 with certainty
2. You have a 50% chance of losing $1000, and a 50% chance to lose nothing

Which do you choose?

4. Imagine that you face the following pair of concurrent decisions. Think of making your choices in the morning, with the outcome of the first decision being determined in the afternoon, and the outcome of the second decision being determined in the evening. Imagine that the current time is morning. First examine both choices, and then then make your decisions.

First decision:

1. You win $2,400 with certainty
2. You have a 25% chance of winning $10,000 and 75% chance of winning nothing.

Second decision:

1. You lose $7,500 with certainty
2. You have a 75% chance to lose $10,000 and a 25% chance to lose nothing.

Which do you choose?

5. For each of the following questions, select a range of values around which you are 90% certain that the correct answer lies (i.e. establish a 90% confidence interval around the answer that you think is correct for each question).

1. How many member countries are there in the United Nations?
2. What is the height of Mt. Everest in feet?
3. What is the distance from the Earth to the Sun in miles?
4. How many cars are there in the world?
5. How many medical doctors are there in the United States?
6. How long does it take a spaceship to travel to Mars?
7. How many babies, on average, are born in the world each day?
8. How many bones are there in the human body?
9. How many hair follicles are there on the average human head?
10. How many regular season games have the N. O. Saints won in their history?