

## PRESS RELEASE

### Bringing financial education of the public to the forefront

#### The Cyprus Securities and Exchange Commission and the University of Cyprus join forces

**Nicosia, 1 December, 2023** – The Cyprus Securities and Exchange Commission (CySEC), in collaboration with the Faculty of Economics and Management (FEM) of the University of Cyprus, organized a discussion entitled, "**What is Today's Best Investment?**"

The event took place successfully on Wednesday, November 29, in a full hall at the Anastasios G. Leventis Council-Senate building at the University of Cyprus.

The chief objective of the discussion was to educate and inform the public in the field of finance and investments as well as to raise awareness about the importance of financial literacy and financial education.

The main speakers of the discussion were Ms Elena Karkoti, Officer A' in the Department of Strategy, International Relations, and Communications at CySEC, and Professor of Finance Andreas Milidonis at the Department of Accounting and Finance of the Faculty of Economics and Management. The discussion was moderated by Assistant Professor of Economics Philippos Louis at the Department of Economics of the School of Economics and Management.

In their presentations, the speakers presented interesting data regarding the level of financial literacy in Cyprus, as well as the positive effects that financial education can have on young people and, through them, on their family environment. As Prof. Louis emphasized, a key conclusion from the discussion is the differentiation between financial knowledge and financial behaviour. Even when the public has the necessary knowledge, it does not always manage to avoid cognitive biases that influence their decisions.

Ms Karkoti explained how, in today's rapidly evolving technological investment environment, financial literacy is crucial in protecting the investing public, especially the younger generation. She then presented the findings of CySEC's survey on retail investor behaviours and habits, which provide a clearer insight into the aforementioned differentiation between what individual investors know and behave in terms of their investment decisions. Based on the conclusions of the survey, financial education should start early in life, from childhood, to cultivate appropriate attitudes, habits, and behaviours later in life. Ms Karkoti also stressed the importance of lifelong

learning in that it contributes to ensuring financial resilience and well-being for individuals, their families, and the society at large.

CySEC undertakes and implements various initiatives to promote financial education for the public, enriching information and awareness of investors, taking into account the findings of the field of behavioural economics.

According to Prof. Milidonis, financial education offers a first line of defence for citizens so they can avoid potential mistakes regarding their financial decisions and improve their financial well-being.

The University of Cyprus, on its part, has designed relevant courses at both undergraduate and postgraduate levels. Specifically, the Department of Accounting and Finance has introduced an undergraduate course in financial education, while it coordinates a similar course in most private secondary schools and, for the first time on a pilot basis, in a public secondary school.

Additionally, the Department of Economics offers an undergraduate course in behavioural economics. This course is open for all UCY students to attend as an elective course, as of this academic year. In collaboration with the Department of Psychology, the Department also offers a specialized postgraduate program, MSc in Behavioural Economics.

In addition to the above, the results of the discussion encouraged the initiation of a new research initiative between the Cyprus Securities and Exchange Commission and the University of Cyprus, expected to offer valuable data for analysis and further collaboration between the two organizations.

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