

How do Investors React During a Crisis?

A LOOK BACK AT INVESTOR BEHAVIOR FOLLOWING THE LEHMAN BROTHERS COLLAPSE, 3Q 2008

In the immediate aftermath of the Lehman collapse, global investors sold securities in the US and Europe but not in Asia or the Rest of the World. In particular, growth investors and alternative investors were the largest sellers, and passive inflows continued. Investors with longer-term time horizons, as evidenced by their low-turnover style, also remained invested in the market.

Net Buying and Selling Activity During Q3 2008

