The International Journal of Indian Psychology
ISSN 2348-5396 (Online) | ISSN: 2349-3429 (Print)
Volume 14, Issue 3, July- September, 2026
DIP: 18.01.134.20261403, DOI: 10.25215/1403.134
https://www.ijip.in

Research Paper

Financial Stress and Bipolar I Disorder: A Case Study of a Stock Market Investor

Midhunaa S U[1]*, Savitha Kamakshi[2]

ABSTRACT

Stock market is an attractive option for people who want to invest money. However, the fact that stocks can be fluctuating and hard to predict can be very stressful. This can result in substantial financial gains or losses, which creates emotional instability in the stock investors. The deleterious effects of financial stress on psychological well-being can, in some cases, lead to negative impacts on the development or exacerbation of existing mental health disorders. Therefore, the present case study explores the relationship between financial stress and the onset of manic symptoms in a 53-year-old male who is a stock market investor with no previous history and family history of psychiatric illnesses. The subject experienced significant financial loss due to a market crash, followed by a prolonged psychological distress and depressive symptoms. Over time, persistent financial strain, occupational instability, and emotional burden contributed to his emergence of manic symptoms, including elevated mood, grandiosity, reduced need for sleep and increase in his goal directed behavior. The case highlights how financial stress acts as a significant psychosocial trigger, particularly in individuals working in uncertain job environments like stock market. This study emphasizes the importance of financial literacy in the public but especially in individuals involved in financial jobs that contain risks. Adaptive coping strategies and early psychological intervention in individuals exposed to high-risk financial environments. Understanding the interaction between financial stress and mental health can help mental health professionals to develop more effective, context-sensitive interventions.

Keywords: *Stock market, financial stress, mood disorders*

The stock market is a place where investors are allowed to buy and sell stocks to make money. Some of these investors try to make profits by guessing which stocks will go up or down but others play it safe and look for long-term growth by studying how the market and economy are doing. The stock market has all kinds of industries and sectors so it is a way to see how well a country's economy is doing. According to the National Stock Exchange (NSE, 2017) more and more people are trading on the stock market. In 2017-2018, there were 3,771,836 trades. By 2020-2021, that number had jumped to 7,429,579. The stock market has some benefits- an investor can easily sell stocks, spread their investments across types of stocks and they can even own a piece of their favourite

[1]Student, Department of Psychology, Ethiraj College for Women, India
[2]Assistant Professor Department of Psychology, Ethiraj College for Women, Chennai, India
*Corresponding Author

Received: March 26, 2026; Revision Received: August 28, 2026; Accepted: September 03, 2026

companies. This makes the stock market an attractive option for people who want to invest their money. Trading stocks can help the investors increase their money through returns. However, the fact that stocks can be fluctuating and hard to predict can be very stressful. Moreover, excessive involvement in stock market activities might lead to compulsive trading behaviors, similar to gambling addiction, which can then worsen psychological strain (Griffiths, 2013). Conversely, those investors who exhibit patience and maintain diversified portfolios tend to experience greater financial stability and improved overall life satisfaction. Due to their exposure to considerable price fluctuations, which can result in substantial financial gains or losses, stock market investors are more prone to anxiety and depression. The deleterious effects of financial stress on psychological well-being can, in some cases, lead to negative impacts on the development or exacerbation of existing mental health disorders. Financial crises are a major life stressor, and the long-term effects of these stressors often change how individuals are able to regulate their emotions and cope with stress. Frequent exposure to financial difficulties or to extreme workplace demands often results in an overwhelming state of psychological distress, which negatively affects how individuals think, act, and feel overall. Certain stressors can interact with underlying psychological vulnerabilities and lead to the onset of mood disorders. Mood Disorder Type I is defined by having one or more manic episodes—characterized by an increased/abnormal mood, increased energy level, excessive speech, increased thought racing, and decreased amount of sleep (National Institute of Mental Health [NIMH], 2023). Individuals who are experiencing a manic episode may also be characterized by a level of self-confidence that exceeds normal levels for them, increased activity directed toward goals, and problems controlling their thoughts and actions (NIMH, 2023). As an example, stressful life experiences (like financial problems) may serve as triggers for mood episodes in those already at risk for developing mood disorders. Factors such as financial stress combined with the challenge of restoring financial stability can lead to increased effort and energy allocated toward achieving goals as well as excessive planning due to the heightened mental activity of an individual experiencing financial loss. More importantly, these increased levels of goal-directed behavior and excessive planning may evolve into many of the symptoms of manic episodes, including higher levels of activity, racing thoughts and decreased sleeping. In order to better understand relationships between financial stress and mental health, this has become a primary area of focus for mental health providers. There are clinical implications related to examinations of how occupational stressors and financial crises affect our psychology. Investigating these contexts provides an understanding of the contributing factors that have led to the development of mood disturbances. The following case study provided the opportunity to examine the clinical presentation of Bipolar I in an adult male who was involved in stock market investment and had experienced significant financial stress. In this case, the influence of occupational demands and financial stressors appears to have a significant impact on the subject's psychological functioning and may be considered a contributing factor in the development of manic symptoms within this context.

CASE PRESENTATION

The case involves a 53-year-old male, from an upper middle socio-economic status currently residing in Chennai and is currently admitted in a psychiatric facility. He finished his graduation from a private college. He was working in high-stress share trading (India and overseas) and lived with his wife (college teacher) and adult daughter. There was no family history of psychiatric illness in first generation and second-generation relatives. He was content with his job, social relationship and his overall life. Although he has received larger gains in the market, at the age of 50, he went through a significant financial loss from the stock market investments due to a market crash. Since he was managing funds entrusted by others, it led to intense criticism, blame, and emotional distress during that period. He was diagnosed with Major depressive disorder and received psychiatric treatment for about six months in an institution, where he was prescribed antidepressant medications. He was discharged after six months and continued medication for several months after discharge. He discontinued his trading profession and his wife supported the family. He had difficulty getting other stable profession due to his age and his financial strain continued even after his return home from the hospital thus leading to ongoing financial stress. One year later, he had an epileptic seizure following a motorcycle accident. During the medical evaluation, manic symptoms were observed leading to his hospitalization. During the admission, he exhibited elevated mood, grandiosity, flight of ideas, talkativeness, decreased need for sleep, and increased goal-directed activity. His wife, daughter and elder sister noted uncharacteristic behaviors, including insistence that others listen to his extensive (often-inaccurate) knowledge about the general world, excessive occupational planning, and restlessness causing family strain. He dominated conversations with tangential speech and racing thoughts despite minimal sleep. He has slept very little over the past six months prior to the current admission. He demonstrated an anxious yet expansive mood and exhibited flight of ideas, distractibility, increased goal-directed behavior (especially work-related planning), restlessness, talkativeness, and grandiosity with inflated self-esteem. Grandiose features were noted through exaggerated confidence in general knowledge despite the factual inaccuracies of those facts related to stock market and trading. Financial maximization distortion refers to the exaggerated belief that financial losses will permanently damage one's financial stability and cannot be corrected was noted. He was euphoric at times. Despite disturbed sleep over months, he reported sustained energy and inner restlessness. He was diagnosed with Bipolar I Disorder – Current Episode Manic (without psychotic features) per DSM-5-TR criteria and provided with pharmaceutical treatment for mood stabilization along with inpatient monitoring.

DISCUSSION

For individuals experiencing bipolar disorder, stressful life events can intensify mood fluctuations and can contribute to their emotional distress. Prospect theory by Kahneman and Tversky (1979) suggests that individuals experience losses more severely than gains of the same value, a concept called loss aversion (Kahneman and Tversky, 1979). As a result, financial setbacks in the stock market and related activities may produce such stronger emotional reactions than profits in the same domain. Study by Oishi, Diener, and Schimmack (2012) has found that financial losses and economic fall were related to increased psychological distress and reduced emotional well-being among people. The study showed that negative financial events have the capability to significantly affect people’s mood and reduce life satisfaction. The stress and coping theory (Lazarus & Folkman, 1984) suggests financial setbacks are strong psychological stressors. In the present case, the financial loss experienced by this person has been perceived more intensely than the gains in the past thus leading to the emotional distress and triggering fluctuations in his mood. The present case also highlights cognitive biases influencing financial decisions as emphasised by behavioral finance theory (Kahneman & Tversky, 1979). The client was overconfident in his experience in the stock market, which led him to make impulsive decisions or poorly evaluated investment. Study by Barber and Odean (2001) has found that investors with overconfidence bias often indulge in excessive trading and also poorly evaluated investment decisions, which can negatively affect their financial outcomes (Barber & Odean, 2001). Beck’s cognitive theory (1976) also suggests that individuals experiencing mood disorders may develop negative cognitive patterns and maladaptive interpretations of life events. Financial setbacks experienced by this person reinforced his negative beliefs about personal control, success, or failure, potentially intensifying the emotional distress he experienced and contributing to the persistence of his mood instability. Recent studies have also shown that finances are significantly associated with psychological distress and overall well-being (Sweet et al., 2013). Overall, these theories and psychosocial factors explain the relationship between financial stress, decision-making and mood instability helping to explain the psychological experiences observed in the present case.

Implications

This case highlights the significance of stock market influence and financial stress in mental health and overall life satisfaction. Financial instability and uncertainty in an individual's life can contribute to emotional distress, particularly among individuals who are frequently involved in trading or other speculation involved in financial activity. Thus, implying the importance of financial literacy in the general population since it increases emotional resilience in individuals involved in financial investments.

Educating people on risk management, responsible investment practices and financial - planning can help them make informed choices and reduce the emotional stress aligned with such risky decisions and losses. This can also help an individual deal with market fluctuations and financial uncertainty in a much healthier manner.

The stock market is a representation of a complex psychological environment in which financial decisions and emotional wellbeing are well connected. While some investors have healthier coping mechanisms to deal with losses, others lack such skills, which can lead to significant stress, anxiety and reduced life satisfaction due to financial volatility and cognitive biases influencing decision-making. Understanding such psychological aspects are more important for policy makers, finance professionals and mental health practitioners to design strategies that promote both financial responsibility and psychological well-being. Future research is needed to understand the impact of stock market and investment related business on long-term psychological effects of stock market participation and to develop better suited strategies to support emotional wellbeing and stability and life satisfaction among individuals involved in financial trading.

REFERENCES

Barber, B. M., & Odean, T. (2001). Boys will be boys: Gender, overconfidence, and common stock investment. *The Quarterly Journal of Economics, 116*(1), 261–292.

Beck, A. T. (1976). *Cognitive therapy and the emotional disorders*. International Universities Press.

Griffiths, M. D. (2013). Adolescent gambling and gambling-type games on social networking sites: Issues, concerns, and recommendations. *Aloma: Revista de Psicologia, Ciències de l'Educació i de l'Esport, 31*(2), 31–37.

Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. *Econometrica, 47*(2), 263–291.

Lazarus, R. S., & Folkman, S. (1984). *Stress, appraisal, and coping*. Springer.

National Institute of Mental Health. (2023). *Bipolar disorder*. https://www.nimh.nih.gov/health/topics/bipolar-disorder

National Stock Exchange. (2017). *Annual report 2017–2018*. NSE India.

Oishi, S., Diener, E., & Schimmack, U. (2012). The dynamics of daily events and well-being. *Journal of Personality and Social Psychology, 102*(6), 1230–1245.

Sweet, E., Nandi, A., Adam, E. K., & McDade, T. W. (2013). The high price of debt: Household financial debt and its impact on mental and physical health. *Social Science & Medicine, 91*, 94–100.

Acknowledgment

The author(s) appreciates all those who participated in the study and helped to facilitate the research process.

Conflict of Interest

The author(s) declared no conflict of interest.

How to cite this article: Midhunaa, S.U., & Kamakshi, S. (2026). Financial Stress and Bipolar I Disorder: A Case Study of a Stock Market Investor. *International Journal of Indian Psychology*, *14*(3)*,* 1520-1524. DIP:18.01.134.20261403, DOI:10.25215/1403.134