Identification of Influential Factors towards the Investment Decisions: with Special Reference to Individual Investors of CSE

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Individual investors consider various factors to make their investment decisions. The main objective of this study is to identify the most influential factors towards the individual investors' decisions at CSE. The study was carried out with the sample of fifty respondents representing individual investors in Colombo & Gampaha district. Structured, questionnaire was used to collect data and data was analyzed using descriptive statistical, regression analysis and factor analysis techniques. According to the findings, subjective factors such as reputation of the company and quality of product are more influential than other factors. Among economic factors, capital appreciation was the highly influential factor. Stock Marketability is the mostly influential factor among speculative factors and reputation of the firms is the mainly influential subjective factor. Company ethics are the most substantial factor in cultural factors. Further, it was noted that the companies more focus on capital appreciation in their short term decision making.

Keywords: Economic factors, Speculative factors, Cultural factors, Investment decision.