A Study of Behavioral Finance Attributes that Influence the Gold ETF Investments of Indian Investors

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In India, gold ETFs were launched mainly with the objective of increasing the liquidity for the better market efficiency. But, though, traditionally, Indians love to buy gold and they want to possess it, even after assuring the benefits of Gold ETF Investments over the other Investment avenues, there is the lack of pooling of funds towards this sector. In fact, they hardly go for ETFs which is just a piece of paper for them. Conventional Economic theories and its survey reports do not clearly explain the reasons behind this phenomenon. The proposal hence is made to explain the behavioral finance attributes that influences Gold ETF Investments in Indian Investors. The researcher made an attempt to find out the demographical composition of samples and to analyze their quantum of investment towards Gold exchange Traded Funds Investment and the data were analyzed using Exploratory Factor Analysis with the help of SPSS.

Keywords: Exchange traded funds, Gold, Investments, E-gold, Behavioral Finance, Equity

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