AN ANALYSIS OF FACTORS THAT INFLUENCE STOCK INVESTMENT DECISION MAKING OF INVESTORS IN BATAM CITY WHICH IS MODERATED BY LOCUS OF CONTROL

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ABSTRACT

The conducted study aims to seek the factors within an investor which can influence the stock investment decision in Batam city with locus of control as a moderating variable. There are four variables used in this study, which consist representative bias, availability bias, anchoring and adjustment bias, and overconfidence bias.

Primary data collected from online and offline through distributed questionnaire targeted to whom are investors in Batam city. Total respondents in this study are 292 investors which are cleared from outlier. The collected data examined through SPSS version 25.

After analysing the data, it can be concluded that variables of representative bias, availability bias, anchoring and adjustment bias, and overconfidence bias can affect significantly positive towards investment decision making. While, the variable independent that is moderated by locus of control doesn’t show the result of significant effect and it is not founded the capability of moderator variable to strengthen the relationship between variable independent and variable dependent.

Keywords: Stock Investor, Investment Decision Making, Heuristics Bias, Financial Behavior, Locus of Control.