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RETIREMENT PLANNING DECISIONS: COMPARING INVESTORS PREFERENCE

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Abstract

To prepare for retirement, one must first determine how much money will be needed to maintain one's standard of living once one stops working and relies solely on social security benefits. Then, one must figure out how to grow their investments to make up for any shortfalls that may happen. Putting money aside and being ready for retirement is a must. Three things must be done in order to be ready for retirement. Saving for retirement should begin with a well-thought-out investment plan. The next thing to do is to figure out how much of your salary you're going to put towards spending each year and how you're going to save enough to last your whole life. Third, invest whatever extra money you have so you may make the most of your retirement. We have focused our study on the subject of early retirement planning. When people retire, they want to have saved enough money to cover their expenses for the rest of their expected lives and some extra time to do the things they want to do. People seek assurance that their retirement savings strategy will work in reality, not just in theory, as they approach retirement age. The plethora of online investing firms and self-proclaimed financial experts claiming to hold the key to a comfortable retirement could be too much for some elderly people to handle. Based on the country's demographics, investment choice criteria, and financial literacy, this study seeks to understand how India's investment opportunities are shaped. The research surveyed 100 people, all of whom are either investors or employed in the financial industry. Consideration of the social value of an investment strategy, marital status, or any other social attribute did not play a role in the investment decisions made. A variety of factors establish an investment's desirability. Individuals' financial decisions can be better understood thanks to this study.

Keyword: Retirement, Investments, Finance and strategy

1. INTRODUCTION

Developing nations like India confront an enormous obstacle when trying to secure adequate funding to cover the development projects they have launched. An individual whose objective is to generate a profit through the purchase of equities, debt instruments, real estate, currencies, commodities, or derivatives like put and call options. is a person who, according to Narayana (2012), puts their personal money into a business. Everyone who puts money into anything with the expectation of making a profit out of it is considered an investor. A wide range of activities are available to investors. They invest in the hopes that their money will grow in value over time or, in the case of an annuity, that this growth will persist even after they stop working. People who choose to invest their money do so in the hopes that their money will increase in value. Finding investment possibilities with high return potential sometimes requires investors to do either technical analysis or fundamental study. The overarching goal of most investors is to maximise their return on investment (ROI) while minimising their liability to loss. Assets can be invested in a variety of ways, including equities, bonds, commodities, mutual funds, options, currency exchanges, precious metals, retirement accounts, and property. All of them are covered by some of these groups. Finance professional The practice of allocating capital to diverse financial assets with the expectation of future reward. Unlike speculators, who are willing to accept more risks in the hopes of bigger returns, investors often aim to reduce risk while maximising reward. In contrast, a speculator is ready to take more of a chance. Speculators, on the other hand, should prioritise making a killing while taking on increasing levels of risk (investorword.com). Investors are individuals or groups that put money into a company in the hopes of earning a profit, whether via the purchase of stocks or shares or by bank deposits. Stocks, bonds, and mutual funds are just a few of the many investment options available to people (French bank credit national). Because of the negative return on investment (ROI) this would provide, international investors looking for a return have even more reason to stay away from the pound. This is the Sunday Times schedule for the year 2016.

Financial Literacy

One of the most crucial considerations when planning for retirement is having a good grasp of personal finance (GallegoLosada et al. 2022; Klapper and Lusardi 2020). Among all the things to think about, this is crucial. These studies, along with others that have highlighted the importance of foundational finance knowledge, have shown that it is crucial in developed nations like the US, not only in the financial sector but also in other occupations. People with higher levels of financial literacy were thought to grasp the gravity of retirement planning better. This was because they have the computational skills and the knowledge to appreciate the potential effects of compound interest. This was because they demonstrated competence in saving for retirement, which is an essential need. In order to secure one's financial future in a manner that is independent of pension and social security payments, one must be able to generate income from sources other than these programmes (Palac et al. 2018; Rudzinska-Wojciechowska 2017). This ability grants the bearer a variety of financial means by which they might amass wealth. Some examples of this kind of financial resource include pensions and social security. Pension plans are yet another illustration. Having this knowledge and abilities puts people in a better position to understand and take care of their money, which should show up in their general happiness. Sarigul (2014) found that those who are financially literate are better at managing their income and expenses via the use of various financial tools and instruments. The person's wealth will grow and their financial stability will be enhanced as a result of this. For this reason, it is more crucial than ever before to assess an individual's financial literacy and how it fits into retirement planning (Lusardi 2019). According to Lusardi (2008), everyone should be knowledgeable about basic financial literacy as it is the most basic level of personal financial planning. This is because everyone should try to lay up a strategy for their individual financial situation. The money illusion, compound interest, time worth of money, inflation, and basic math are all part of this. A solid grasp of financial concepts is not only necessary, but also strongly correlates positively with FPR, according to the studies that have been conducted. The results of the several studies were consistent with one another. On the flip side, at the advanced level of financial literacy, you'll learn about stocks, bonds, mutual funds, banks, how interest rates affect assets, and how risk and return are related.

Background :An Introduction of Investment Management

An essential question arises when one has a basic grasp of retirement planning, and that is: How can one put their money to work using the principles of both traditional and current portfolio investing strategies, while also considering the investor's preferences, across a range of financial instruments? In other words, how can one best invest their money? This inquiry will mainly concentrate on the link between risk-taking and the potential for profit. To rub salt in the wound, we wish to increase people's basic knowledge of investment management, and one of our main objectives is to put this theory into action. One of our primary objectives is to reach this degree of understanding. Within the context of the accounting system, this understanding will be put to use for retirement planning. I think it's important to start by reviewing the basics of investment management. The structure of Investment Scenarios for Retirement may thus be better understood. By doing so, we may learn more about the components of Retirement Investment Scenarios. Along with taking a close look at investment management, this chapter will also provide a new perspective on the contemporary theory that underpins portfolio building. The background provides some historical context and an explanation of the financial instruments that will be utilised to set the setting for the thesis's narrower topic problems. In the background, you could also see a summary of all the financial instruments. Here you may get a historical overview of the topic along with a look at various financial instruments. To rephrase, the backdrop not only provides a historical context, but it also offers a viewpoint on the different financial instruments. Put another way, the background gives a perspective on the past that is pertinent to the current topic of discussion. Ever since 1989, Mr. Smith That one's company and the economy be in good financial standing is crucial to one's happiness and well-being. It is impossible to make sense of data presented in numerical and statistical forms without adopting a quantitative finance perspective. Even while this data lends itself to qualitative analysis, this remains the case. At long last, we have reached the part of the process when we will be applying mathematical concepts to the financial asset market. It is crucial to complete this stage. I think it would be a good place to start by discussing the relationship between value and money. What follows is a discussion of potential elements that affect the valuation of various financial instruments, after which we will conduct our investigation. Mushkin (2006) argues that money does not have any inherent worth; it is only a channel for the purchase and sale of products. This has the effect of making the items being traded the ultimate arbiters of money's worth. The 1995 Ordo The popular American usage of the phrases "Gold Standards" and "Gold Certificates" from 1882 to 1933 is a prime illustration of this phenomena. During this time, these words appeared often. Converting these certificates into gold coins is possible at any point along the trade procedure, regardless of time or place. This finding lends credence to the idea that the quantity of gold held by the government is directly correlated with the money supply. This means that the money's worth is about the same as the amount of gold that's accessible, which has nothing to do with the products that are available or the value that the financial market will establish relative to money. This being the case, how does one define the "financial market"? The purchase and sale of various financial products such as bonds, stocks, and treasury bills takes place in financial markets (Cecchetti, 2008). A possible name for these marketplaces might be "markets for financial instruments." Murchkin in the year 1998 A possible other meaning of the word "financial market" is "venues where securities are traded," which is only one of many possible explanations. Depending on the specifics, these markets may or may not be physically located. The existence of financial markets allows individuals, organisations, and organisations to acquire capital for their different pursuits. The ability of the financial markets to efficiently carry out their tasks are facilitated by this. This has set the stage for the financial markets to efficiently perform their functions.

A wide variety of assets fall under the umbrella term "financial property," which includes financial instruments. To put it simply, a person's financial wealth is their total asset market value. Included in this category are the current money supply, deposits made by cheque, bonds, stocks, and claims resulting from loan agreements. According to Soppe (1995), investment instruments, often known as financial assets, differ from physical assets in the following key respects: Being in possession of goods that can be sold quickly or have market value Possessing tangible things decreases your liquidity since financial assets are significantly more easily converted into cash than physical assets. The ability to quickly and easily convert an asset into cash is what we mean when we talk about liquidity. An asset's liquidity is the ease with which it may be obtained. If you have liquid assets, you can convert them into cash quickly. Trading in most financial assets is a breeze on the many financial marketplaces. This class includes the vast majority of monetary assets. One meaning of the term "divisibility" is the ease with which an asset's components may be purchased or sold individually. An investor cannot legally buy or sell a fraction of a physical item, but they may legally buy or sell a fraction of a financial asset. A financial asset's holding period is the minimum amount of time an investor is required to wait before selling their investment. The holding period is the name given to this duration. Depending on the investment kind, the length of this time frame could vary. Physical assets usually have holding periods that are longer than what is often thought of. Data - Detailed information about monetary assets is not only readily available to anybody interested in doing so, but also has the ability to sway investment decisions due to the abundance of data available on various securities, including stocks and bonds. From 1997 forward, MacKinlay Those with a longer investing horizon tend to like stocks, the most popular kind of financial instrument overall. Many people like to invest in stocks. The stock of a firm represents the ownership position of a shareholder, which is called their equity in the company. Equity, in the context of a company, is short for "equity." One way to invest in debt is through bonds, which allow individuals to lend money to corporations at a fixed interest rate for a given period of time. The duration and interest rate are both meant to be "predetermined" in this context. Since the possibility of inflation and government default are not factors in the valuation of Treasury Bills, they are thought of as risk-free investments. No matter what bond they are corresponding to, T-Bills will always pay the same set yield. There is no way to alter this.

Different Investment Strategies

This highlights the importance of researching and developing a retirement investment planning tool that can handle the complex scenarios that may arise in the actual world. It is expected that this tool can meet the standards mentioned before. Because we know that every investor is different and is at a different point in their retirement planning journey, we need to do the research and build this tool. Consequently, this kind of instrument is required. Every retiree's personal retirement aspirations are at risk because most people base their retirement savings plans on one of these two unsuccessful strategies. First, we'll examine the two approaches that mainstream investment advising businesses, retiree financial planners, and conventional financial planners most frequently use. So, after that, let's get into the idea of what differentiates the work on retirement planning via realistic analysis of investment management situations. After that, we may move on to discussing the idea of what makes this piece of work unique. To get oneself ready for retirement, the two conventional ways are as follows:

1.1 Traditional Investing

Things That Occur More Regularly One strategy that might be used is to have a portfolio that includes bonds that are at the right age for the investor. The conventional wisdom is that one should shift their investment allocation from equities to bonds at a rate directly proportional to their age. Another option is to take one's age and subtract 100; the remaining amount can then be used as the non-bond allocation. This follows the advice made in the general guideline, which is to rotate the portfolio. A growing percentage of an investor's portfolio will be allocated to risk-free assets as they near retirement age and start to feel the consequences of ageing. A decrease in the investor's financial risk is inevitable as the impacts of ageing become more apparent. Before this method for income portfolio management or conventional investing can be used effectively, a few things must be fixed. One of the challenges we are encountering is the increasing expense of living. The Duggan (2008) There are a few other major factors to consider when making preparations for retirement. Both the public policy sphere and the macroeconomic sphere find these traits to be important. This group includes factors like as rising inflation, which affects saving and spending, the demise of defined benefits and the growth of defined contribution, and the manner in which these changes affect retirement preparation. Among the factors that come into play is inflation, which has an effect on both saving and budgeting. Inflation is defined by economists as the general trend of price increases across a broad variety of products and services over a certain time period. Every person's purchasing power declines over time due to inflation, which eats away at the purchasing power of their money. Factors connected to inflation cause this decrease. Since the US home market crash began in 2007, interest rates on returns have been falling. This trend has persisted for the last several years. This makes it hard for retirees to make money. This has made it more challenging for retirees to maintain their standard of living. A dollar's buying power gradually decreases over time due to rising inflation, regardless of how wisely one invests that dollar. The buying power of the dollar gradually decreases as a result of this. "[Jonathan 2004, 2003] However, everyone is different when it comes to how much inflation messes with their capacity to save for the future. Traditional investing also has the potential downside of bond rates and income-producing stock investment returns falling to unacceptable levels. In certain instances, this might happen rather frequently. written by Bansal in 2009 U.S. bond and stock markets witnessed extensive fear during the economic meltdown that began in 2008. The outcome was a Treasury bond market that fell below the inflation rate and to a record low. A generalised state of fear led to this. The fact that different investors are more or less at ease with taking advantage of risk is another factor to think about. Traditional investment plans account for this, so those nearing retirement age will have less money invested in stocks. This makes them more vulnerable to the impacts of a recession should they end themselves unemployed. Nearly half of those aged

55 to 65 had 70% of their assets held in equity, according to a 2007 study by Employee Benefit Research.

1.2 Modern Portfolio Strategies

An first investing approach is introduced based on Markowitz's notion. The second approach to investment is the Markowitz model. The foundational idea in financial economics was laid forth by Markowitz in a collection of papers he published between 1952 and 1959. Based on the theory's recommendations for asset allocation and diversification, investors can choose between two investment strategies: one that aims to maximise returns while minimising risk (Markowitz, 1952, 1959, 1991) or one that aims to minimise risk while maximising returns (maximum return/risk ratio). Harry Markowitz was the one responsible for popularising this strategy in the 1990s. Using a predetermined amount of expected return, the idea provides a way to find the optimal Portfolio in terms of risk minimization. This idea states that the best investment portfolios aim to limit risk while preserving a specific rate of return. The hypothesis offers suggestions for which Portfolio would be the best investment. Expected return, which includes a random variable as its foundation, is the weighted average of the ith security following a certain time period. That remains true even if it relies on a random variable. Likewise, the monitoring method is being carried out hourly. essays written by Markowitz between 1952 and 1959 and 1991 When discussing risk from a statistical standpoint, we are referring to a quantifiable quantity that is associated with departures from the anticipated return. Danger is an elusive concept by its own definition. In light of the specifics of the situation, these adjustments can prove to be beneficial or detrimental to the investment. The "mean-variance portfolio theory" is a weighting theory that focuses on a single time frame. The term for this school of thought is the mean-variance portfolio theory, or "MPT." In order to get the most out of a portfolio, the technique tries to strike a balance between its mean and variance. The individual's perfect, tailor-made portfolio will be in line with the frontier if the assets are rebalanced regularly according to the specified requirements.

REVIEW OF LITERATURE

JJ, V., and Joseph, D. T. (2018)., investigated the extent to which working individuals from both the public and commercial sectors were aware of the many financial options available to them in order to ensure a comfortable retirement. The study's overarching objective was to ascertain how well people understand the many investing options accessible to them in order to provide themselves a comfortable retirement. We set out to gauge how well individuals grasp the several investment plans that may be put in place to guarantee a pleasant old age. One hundred people living in and around Chennai were given questionnaires to fill out. In this particular instance, the sampling procedure utilised a straightforward and basic form of random selection. One major take away from the study is that demographic factors do not correlate with investing preferences. Additionally, the Mann Whitney U Test found no association between marital status and overall investment in different types of enterprises. The results of the test allow us to conclude this. According to the results, most people who took part in the poll said they save money on a regular basis.A research was conducted by Thakur, Jain, and Soni (2017) to analyse different people's viewpoints on retirement planning. A total of 1,114 persons were surveyed and provided comments for the study. The ages and professions of the participants were quite diverse. While there are many financial options accessible throughout retirement, our research primarily focuses on preparing for retirement. The results show that over half of all adults are now saving for retirement, and that over half of all adults want to retire within the next twenty years. On the other hand, 50% of respondents are either not saving at all or aren't sure how much they should be putting away for retirement. This is due to their uncertainty on the appropriate amount of money to set aside. Whether asked whether it is critical to save for retirement, the vast majority of respondents offered a positive answer. And this held true irrespective of the respondents' ages, income levels, or occupations. A conclusion was drawn from the study's findings.Participants were restricted to salaried adults in Pune who could keep a regular income at the time of the research by Patil and Nandawar (2014). Forty paid employees participated in the study by filling out a standardised questionnaire, and the results were analysed using these answers. Sixty percent of those who took the study are aware of the many investment opportunities out there, while forty percent don't know about them. Furthermore, it shows that the likelihood of security is the primary concern while investing, followed by the likelihood of lowering tax expenditure. Investors prioritise maintaining a secure and predictable income generation from their assets, according to the study's results. The researcher believes that safety is the most important factor to consider while making financial decisions, thus this is the reason behind it.In order to learn more about how working households in Malaysia save for retirement, Moorthy et al. (2012) performed research in that country. Malaysia was the site of the research. Malaysia served as the site of data collection for this explanatory cross-sectional study. The inquiry took place at a location in Malaysia. As part of the investigation, 300 people were surveyed. The participants' ages ranged from 26 to 55 over the whole trial. The study's results show that when it comes to retirement planning, people of different ages have diverse habits and perspectives. Further, when it comes to retirement planning, the survey found that the sweet spot is between 26 and 35 years old. The study's results show that when it comes to retirement planning, various age groups of working individuals act and think differently. Knowing this ahead of time may give them a leg up, giving them more time to save up for retirement and lessening the likelihood that they will run out of money before they hit the big 5-0. Because there will be plenty of time for them to prepare for an event, this is the case.In 2006, Clark, D'ambrosio, McDermed, and Sawan conducted study to determine the role of education and knowledge in retirement planning. Findings suggest that after attending an informative session, people may reevaluate their retirement intentions and/or the way they save for retirement. This is true irrespective of whether the person is actually retiring or not. For the purpose of the research, the participants were instructed to fill out three separate questionnaires both before and after listening to a financial education presentation. The results of these surveys were examined after they were given.

OBJECTIVE OF THE STUDY

1. To Learn more about the factors that play a part in the individual's decision-making process about their investments by conducting research on these factors.
2. To Therefore, it is essential to study the viewpoints of the respondents in order to have a better understanding of the various investment options.

HYPOTHESIS:

- There is not a substantial difference in the individual's educational and job pathways, as well as the possibilities of financial investments, in any important way. Each of these aspects is comparable to one another.
- There is no major link between the numerous forms of investment options and the quantities of income and savings that an individual holds. This is because there is no correlation between the two parameters.

RESEARCH METHODOLOGY

3.1. Data

A total of 100 people who filled out a survey in 2022 make up the study's sample population. Out of a hundred people, sixty are enrolled in programmes to enhance their knowledge of the insurance sector and are currently employed in the profession. These people are doing things right now in the business world. In order to ensure that all participants in the training have an equal opportunity to participate in the survey, sixty people who have already agreed to be part of the study will help administer the survey. Customers of participating banks, who make up the remaining participants, have all indicated their intention to participate in the study.

Participants are assumed to possess knowledge of basic financial items like bonds, mutual funds, foreign currency, bank deposits, and foreign currency because they are either directly involved in the financial industry or have jobs that involve financial transactions. This is due to their involvement in the financial sector. In light of this, it is safe to assume that the research participants had a basic understanding of financial principles.

Variables

The scope of this study include not only the investigation of demographics, but also the investigation of financial literacy, criteria for investment decision making, and preferences for investment vehicles. There are many different aspects that make up demographics, including age, gender, marital status, and educational achievement. Managing one's own money is yet another independent variable that might be considered. In their study on financial literacy, Von Rooij et al. (2011) divided the investigation into two distinct portions. Including both reading and writing as well A total of five (11) questions are used to assess the level of financial knowledge. With every right answer, you gain one more point. On a scale from 1 to 5, with 5 being the average for advanced financial literacy, the basic level receives 2.92. You've earned eleven points.

Sewark and Riley's (2010) 14-item Investment Choice elements Scale classifies the variables that impact investment choices as follows: social criteria, risk, payback, and business facts. For the purpose of factor classification, these are the classes that are employed. By applying component analysis, we cast doubt on the reliability of the scale.

What are some of the many ways that you may distribute the 100,000 Turkish Lira that has been put aside for this research among the numerous investment options that are available to you or your company? will be the variable that we will be relying on. You have access to a broad variety of investment opportunities, including cash investments in other countries, deposits in banks, bonds, stock investments, and mutual funds, among other different types of investments. The options that are available to be selected from are really diverse.

3. DATA ANALYSIS AND INTERPRETATION

Before moving on to the investigation of the hypotheses that were established for the research, it is necessary to conduct tests to determine the validity and reliability of the hypotheses proposed (Table 1).

Table 1.1 Respondent ages

Age	Frequency	Percentage
Less than 25	8	8
25-35	51	51
36 – 45	9	9
46 – 55	17	17
Above 55	15	15
Total	100	100

The responses are shown in Table 1, which reveals that people of different ages plan for retirement but don't make any preparations for it during their lifetimes. The fact that the answers are shown makes this very clear. People in the 25–35 age bracket have contributed the most responses (51% of the total), after the 25–34 age bracket. Thirteen percent of the total responses were from those aged forty-six to fifty-five, while eight percent came from people in other age groups.

Table 2 Respondent Gender

Gender	Frequency	Percentage
Male	52	52
Female	48	48
Total	100	100

Some 52 men and 48 women filled out the poll. A total of fifty-two men filled out the survey. This data is displayed in Table 2, which can be accessed at this link.

Table 3 Respondent Marital Status

Marital Status	Frequency	Percentage
Unmarried	45	45
Married	52	52
Divorced	2	2
Widowed	1	1
Total	100	100

This data is shown in Table 3, which describes the survey respondents' marital status. Among the population, 45% are single, 52% are married, and 1% have experienced either a divorce or a widowhood. Just 45% of the population has never been married, compared to the 55% who are married.

Table 4 Respondent education

Education Status	Frequency	Percentage
Up to SLC	10	10
Up to the postsecondary level	13	13
bachelor	44	44
master	33	33
Total	100	100

Table 4 reveals that of the individuals who took part in the survey, 44% of them possessed a bachelor's degree or higher, and 33% of them possessed a master's degree or higher.

Table 5: Examining the Factors and What They Actually Are

% of Variance	Corp Data	Risk	Society	Repay
	32.349	12.705	12.133	11.903
S01		0.753		
S02				0.864
S03				0.801
S04	0.682			
S05		0.697		
S06		0.792		
S07	0.744			
S08	0.798			
S09	0.847			
S10	0.861			
S11	0.803			
S12	0.796			
S13			0.872	
S14			0.895	
Cranach's Alpha	0.907	0.636	0.746	0.668

According to Pasewark and Riley (2010), the investigation's findings are supported by the factor analysis's findings. However, when the first variable is taken out of the equation, Cronbach's alpha values are rather low. This is due to the fact that very few searches really reflect data from the organisation. So, it was the presence of the companies that caused this to occur. In terms of the business data, risk, society, and payback variables, our reliability values (0.779) are comparable to those given by Pasewark and Riley (2010) (0.644, 0.787, 0.609, and 0.609, respectively). There is a striking similarity between our dependability scores. We can say this with confidence since our reliability values match those of Pasewark and Riley (2010).

The findings of the validity and reliability tests are examined by correlation analysis when they are completed. When foreign money is taken out of the equation, all of the investment vehicles become unrelated. In a negative way, currency affects the value of all investment opportunities. The early 2000s and the 1990s were profitable years for currency investments. This trend continued right up until the turn of the century. You can easily understand why items denominated in foreign currency may be a suitable investment choice when you consider this appealing aspect of such products along with the ease of purchasing and selling significant amounts of foreign currency at exchange offices. To be more precise, this is the situation for those who do not now possess the necessary funds. Foreign investment is negatively correlated with both basic and advanced financial literacy, as seen in the correlation table. Anyone from complete investment newbies to seasoned pros may confirm this. When money is put into projects elsewhere, it is the reality.

A higher proportion of women than males prefer to store their wealth in bank accounts; this much is true. A person's level of knowledge positively affects the variety of bond items they opt to purchase.In order to find the investment product factors, a stepwise regression analysis is used for every potential investment choice. Finding out what goes into investment goods is why this study is being conducted. That is why the dependent variable with the highest degree of correlation with all the other variables is always the one used to start regression analysis.

Others foreign exchange

The analytical method of stepwise regression is applied in the realm of currency trading. When it comes to alternatives involving foreign currencies, there is a connection between risk criteria, advanced financial knowledge, and basic financial literacy. This link is seen in the following phrase.All three models that examine the relationship between risk, advanced, and basic financial literacy and foreign currency choice are statistically significant at the 0.000 level. Also, when the quality of the model improves, the explanatory power, as indicated by modified R2, increases.

Once a financial literacy measure was included in the model, this variable lost its significance at the 0.05 level. There is a link between financial literacy and currency trading, and regression research proves it. Using both basic and advanced literacy skills, one may get a greater grasp of this matter (0.430). The results match up with what has been found in the literature. In terms of financial literacy, those who have a solid grasp of the basics usually feel at ease with them. The reliability of financial industry competences is also receiving more attention. Consequently, both basic and advanced financial literacy are necessary for sound investing decisions, and the information gleaned from both sets of skills is invaluable. Foreign currency is an attractive investment option for those with extensive financial expertise and a low risk tolerance. If an investor wants to lower their risk but doesn't know much about finance, they need a solution for investing in foreign currencies.

Table 6 Correlation

	For. Cur.	Bank Depo.	Bond	Stock	Mutual Fund	Gender	Age	Edu.	Mar.Sta	C. Data	Risk	Repay	Society	Basic Fin. Lit	Adv. Fin. Lit
For. Cur.	**1**	**-.54****	**-.38****	**-.42****	**-.37****	**.07**	**-.05**	**-.21**	**-.11**	**.13**	**.42****	**-.16**	**.07**	**-.29***	**-.38****
Bank Depo		**1**	**-.05**	**-.16**	**-.08**	**.25***	**-.04**	**-.04**	**.07**	**-.27***	**-.08**	**-.17**	**-.08**	**-.11**	**.03**

.															
Bond			**1**	**-.17**	**.00**	**.21**	**.06**	**.30***	**.04**	**.00**	**-.26***	**-.00**	**.10**	**.13**	**-.03**
Stock				**1**	**-.03**	**-.46****	**.06**	**.04**	**-.04**	**-.01**	**-.30***	**.30***	**-.10**	**.35****	**.46****
Mutual Fund					**1**	**-.14**	**.02**	**.13**	**.15**	**.14**	**-.08**	**.21**	**-.00**	**.19**	**.21**
Gender						**1**	**-.19***	**-.09**	**.26****	**-.09**	**-.19***	**-.18**	**.07**	**-.26****	**-.32****
Age							**1**	**.22***	**-.45****	**.00**	**.23***	**.07**	**.00**	**.14**	**.22***
Edu.								**1**	**-.05**	**-.11**	**-.04**	**.14**	**.02**	**.11**	**.17**
Marital Status									**1**	**.08**	**-.14**	**.10**	**.15**	**-.23***	**-.06**
C Data										**1**	**.17**	**.25****	**.23***	**.09**	**.15**
Risk											**1**	**.20***	**.12**	**-.08**	**-.15**
Repay												**1**	**.01**	**.18**	**.17**
Society													**1**	**.01**	**-.16**
Basic Fin. Lit.														**1**	**.43****
Adv. Fin.															**1**

Lit.															

****Correlation is significant at the 0.01 level (2-tailed)**

*** Correlation is significant at the 0.05 level (2-tailed)**

Table 7: Currency Instrument Stepwise Regression

Model	Variables	Stand. Coefficients β	Sig.	Adj. R2	Sig.
1	Risk Criterion	0.420	0.000	0.164	0.000
2	Risk Criterion	0.375	0.001	0.264	0.000
	Advanced. Fin. Lit.	-0.333	0.002		
3	Risk Criterion	0.361	0.001	0.276	0.000
	Advanced. Fin. Lit.	-0.285	0.011		
	Basic Fin. Lit.	-0.157	0.153		

Investing

In terms of alternative bank deposit investment, gender (0.246*) and corporate data (0.274*) are two elements that have an influence on the decision-making process. When individuals are making decisions about the organization's finances, the corporate data criteria are a representation of how they take into consideration the accomplishments that the organisation has historically achieved.

Table 8: Bank Deposit Regression Results

Model	Variables	Stand. Coefficients β	Sig.	Adj. R2	Sig.
1	Corporate Data	-.274	.022	0.061	0.022
2	Corporate Data	-.254	.031	0.098	0.012
	Gender	.224	.056		

Here we may see examples of each of these models. A person's gender has a 0.10% relevance level. There is an inverse relationship between corporate data and bank deposits. Smaller financial institutions sometimes provide higher interest rates than larger ones, which is a result of the former's less solid financial foundation. Deposits up to fifty thousand dollars (or 100,000 rupees) are insured by India's Savings Deposit Insurance Fund. Even though tiny banks don't have the spectacular firm statistics of bigger banks, account holders can nevertheless ask for better interest rates. In India, females are more inclined to open a bank account and deposit funds than men. Having a solid grasp of money matters will shed light on this. Table 2 shows that there is a link between gender and both basic and advanced financial literacy levels, which is statistically significant and negative. Bank deposits are popular among women investors because they are easy to understand and do not provide unexpected returns; this is because women often have less financial knowledge than men.

Bonds

Education and risk are two factors that impact bond investing.

Table 9: Bond Regression Analysis

Model	Variables	Stand. Coefficients β	Sig.	Adj. R^2	Sig.
1	Education	.299	.012	0.076	0.012
2	Education	.261	.027	0.107	0.008
	Risk Criterion	-.213	.070		

Within a margin of error of 0.05, both models are significant. A more satisfactory explanation was offered by the second model. At a significance threshold of 0.05, education is significant

(0.10): this is the case. In direct proportion to the amount of education, there is an increase in the demand for bonds. It is the most significant discovery that the appetite for risk among investors has an effect on the decisions that are made about bond investments. When reading about finance, bonds are often considered to be a risk-free investment. This is the reason why investors who wish to significantly reduce their exposure to risk pick bonds as their investment vehicle. There is a possibility that one of the contributing factors is the fact that the Indian population is not very familiar with bond products and has not had any past experiences with bond instruments. due to the fact that the preceding high inflation had a negative impact on the returns on bonds. Individuals who have had this experience or who have heard this information could consider bonds to be investments that are high in risk.

Stock

The decision-making process regarding stocks is impacted by a variety of elements, including gender, financial literacy, payback criterion, risk criteria, and risk criteria. There is a significant association between basic and advanced financial literacy (0.430), and at this point, basic is considered to be part of advanced. In order to do stepwise regression, it is important to have knowledge of finance.

Table 10: A stepwise regression analysis of stock preferences

Model	Variables	Stand. Coefficients β	Sig.	Adj. R^2	Sig.
1	Gender	-.464	.000	0.203	0.000
2	Gender	-.347	.002	0.291	0.000
	Advanced Financial Literacy	.332	.003		
3	Gender	-.326	.003	0.310	0.000
	Advanced Financial Literacy	.298	.008		
	Repay Criterion	.176	.092		
4	Gender	-.339	.001	0.381	0.000
4	Advanced Financial Literacy	.250	.020		
4	Repay Criterion	.201	.045		
4	Risk Criterion	-.280	.005		

Each and every model is significant at the 0.000 level, and the possibility of explaining anything grows as a result. In all, these are all of the final coefficients for the model.There is a correlation between gender and the act of investing in stocks. Stocks are a popular investment among men. A deeper comprehension of finance results in an increased number of stock selections. Both risk and reward play a role in the success or failure of stock investments.

MF (mutual fund)

This research does not include any considerations that are associated with mutual funds. It is not possible to do regression. It is probable that people in India do not regard mutual funds to be a realistic alternative to other investing options. When 2019 rolled around, the market for mutual funds was estimated to be worth $17 billion, while the market for equities was estimated to be worth $658 billion.

4. CONCLUSION

This study aims to examine demographic determinants, investment selection criteria (risk, payback, corporate data, and social benefit), and financial literacy as they pertain to investment decisions. Making changes to the investment's various components. Currency, savings, bonds, stocks, and mutual funds are all options for investors. Having a preference for one currency over another is correlated negatively with a variety of investment choices. India receives frequent financial aid from other countries. Contributions range from fifty dollars to one hundred dollars each. It is a prevalent misconception that trading foreign currency is simple and certain to bring you a profit. People with less disposable income are less likely to be interested in trying new things, simply because they have less money to put away. The results of this poll showed that respondents preferred low-risk demand and financial understanding when it came to foreign currencies. Investors with a high level of expertise or comfort with uncertainty should seek out other options. When looking at company statistics and investments in bank deposits, there is a link between the sexes. Women, not men, are more likely to buy this goods. To avoid dealing with a deluge of client records, we favour smaller institutions. Smaller banks are expected to provide savings accounts with higher interest rates and government insurance. It is possible that these banks can assist you. A person's ability to buy bonds is influenced by their degree of education. Those who have finished more conventional educational courses are the target audience. Product selection is influenced by factors such as risk demand. When considering this product, risk-averse investors should be aware that bonds in India have historically produced negative real returns due to inflation. This is because bonds have generated negative real returns. It is used exclusively by persons with a formal education since those without cannot grasp it.

There are several factors that might impact the selection of a stock product, including return, risk, gender, and level of financial knowledge. Female investors find bonds more appealing than stocks. Having a strong handle on one's finances allows one to make more informed decisions while selecting stock products, thanks to higher return expectations and stricter risk tolerance. This investigation's findings reveal that the study did not yield any surprising findings about the selection of mutual funds. The product in question is rather unpopular. Social benefit is an unusual feature to include when researching investing possibilities. Like other investigations, this one has a narrow focus. Take the sample size into serious consideration; it will determine the relevance of the study's results.

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