DETERMINANTS OF PORTFOLIO INVESTMENT BEHAVIOR OF INDIVIDUALS IN THE GAMPAHA DISTRICT

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Abstract

The objective of this study is to examine the Determinants of Portfolio Investment Behavior of Individuals in the Gampaha District. The study accompanies by a Quantitative research approach. A structured questionnaire was used as the method of data collection and the questionnaire consists of four parts as demographic, economic, psychological, and investment behavior information of the respondent and investment behavior information.

The questionnaire included 22 questions with nominal scaled; five-point Likert scaled ranging from strongly disagree to strongly agree. Investment behavior with respect to independent variables was made up of using 120 respondents. The convenience sampling technique is used as a sampling method. It has been considered the Gampaha district as a research area. Collected data were analyzed using SPSS 22.0 analysis. The data were analyzed using descriptive statistics, and multinomial logistic regression analysis.

The results from the study reveal that the determinants of portfolio investment behavior of individuals. Furthermore how the demographic variables, economic variables, and psychological variables affect the portfolio investment behavior of individuals. Hence, it is recommended that the government and concerned investment organization should restructure their investment type programs to different educational and income groups of people.

Keywords: Demographic variables, Economic variables, Psychological variables, portfolio investment behavior, individual investors, multinomial logistic regression

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