

**“Impact of Personality Traits and Personal Factors
on Investment Decisions in Stock Market.”**



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Abstract:

This research study analyzed the effects of personal variables like gender, age and education and big five personality traits (openness, conscientiousness, extroversion, agreeableness and neuroticism) on investment decisions (specifically on risk taking, socially responsible investment and return preference). Most of the findings were in harmony with the research findings of other researchers in finance literature however, few of the results were not significant and were contrary to the previous findings. The findings suggest that personality traits have a relationship with the kind of investments individuals make in the stock market. Different personality traits are associated various facts of investment decisions, for example, agreeableness may explain the risk taking attitude, socially responsible investment and return preference of the individual investors while they make stock purchase decisions. Likewise, gender and marital status also significantly influence the investment decisions specifically the risk taking attitude of the investors. In other words, males tend to engage in investments that require high risk taking as compared to females who tend to be less risk taking in their investment decisions. Finally, individuals who are not married tend to be high risk takers as compared to those who are leading a married life.

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Dedicated to my family

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