

"Behavioral Implications of Investors in Decision Making, A Case of Stock Exchanges of Pakistan."



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Abstract

Behavioral Finance is a relatively new field for study and the researchers overall are working on this topic to get to know what are those variables that affect the investing decisions of the investors but specifically in Pakistan, there is not much work done on this topic. Therefore, this study is undertaken to study the behavior and perceptions of the Pakistani Investors. The second chapter of the report deals with the literature review or the contemporary research in which the researchers have mentioned the findings from 18-20 articles already published on this topic. The third and fourth chapter of the report discusses the industrial and the organizational analysis. Industrial overview focuses on the present situation of the overall stock markets of the world and in the organizational analysis; researchers have mentioned the current situation prevailing in the Pakistani stock exchanges. The fifth chapter of the report identifies the key issues related to the research. All the factors mentioned in the report that seek to affect the decision making of the investors have been explained in detail. The sixth and seventh chapter analyses the questionnaires that were distributed to collect the data. A total of 170 questionnaires were distributed out of which 110 generated appreciable responses. The findings from the report show that all the factors identified like age, marital status, perception of the investor etc affect the decision making of the investor in one way or the other. This research will help brokers and Security Exchange Commission of Pakistan (SECP) to better understand the behavior of investors.

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