37. JCMTS-DEC'25. Chaurasiya et al_Impact of Financial Literacy on Investment Decisions (1).docx

Politeknik Negeri Bali

Document Details

Submission ID
trn:oid:::3618:113318123

Submission Date
Sep 20, 2025, 6:00 PM GMT+8

Download Date
Sep 20, 2025, 6:04 PM GMT+8

File Name
37. JCMTS-DEC'25. Chaurasiya et al_Impact of Financial Literacy on Investment Decisions (1).docx

File Size
96.0 KB

19 Pages

8,639 Words

54,206 Characters

15% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

Filtered from the Report

- Bibliography

Match Groups

106 Not Cited or Quoted 13%
Matches with neither in-text citation nor quotation marks

14 Missing Quotations 2%
Matches that are still very similar to source material

2 Missing Citation 0%
Matches that have quotation marks, but no in-text citation

0 Cited and Quoted 0%
Matches with in-text citation present, but no quotation marks

Top Sources

9% Internet sources
8% Publications
13% Submitted works (Student Papers)

Integrity Flags

0 Integrity Flags for Review

No suspicious text manipulations found.

Our system's algorithms look deeply at a document for any inconsistencies that would set it apart from a normal submission. If we notice something strange, we flag it for you to review.

A Flag is not necessarily an indicator of a problem. However, we'd recommend you focus your attention there for further review.

Match Groups

- **106** Not Cited or Quoted 13%
  Matches with neither in-text citation nor quotation marks
- **14** Missing Quotations 2%
  Matches that are still very similar to source material
- **2** Missing Citation 0%
  Matches that have quotation marks, but no in-text citation
- **0** Cited and Quoted 0%
  Matches with in-text citation present, but no quotation marks

Top Sources

- 9% Internet sources
- 8% Publications
- 13% Submitted works (Student Papers)

Top Sources

The sources with the highest number of matches within the submission. Overlapping sources will not be displayed.

1	Internet	elibrary.tucl.edu.np <1%
2	Submitted works	Veleuciliste VERN on 2024-12-30 <1%
3	Internet	uniglobe.edu.np <1%
4	Internet	link.springer.com <1%
5	Submitted works	Sheffield Hallam University on 2024-08-28 <1%
6	Submitted works	National School of Business Management NSBM, Sri Lanka on 2025-06-30 <1%
7	Internet	etd.lib.metu.edu.tr <1%
8	Submitted works	International University of Malaya-Wales on 2025-08-21 <1%
9	Internet	www.imagesfranchise.com <1%
10	Submitted works	Dublin Business School on 2025-08-28 <1%

11 Submitted works
Curtin University of Technology on 2020-04-09 <1%

12 Internet
www.econstor.eu <1%

13 Submitted works
University of Hertfordshire on 2025-09-12 <1%

14 Publication
Dessy Retani Gunawan Putri, Amin Wijoyo. "The Effect of Financial Literacy, Risk ... <1%

15 Submitted works
University of Southampton on 2024-09-11 <1%

16 Internet
www.mdpi.com <1%

17 Internet
ijariie.com <1%

18 Internet
scholarworks.waldenu.edu <1%

19 Publication
Ashmita Dahal Chhetri, Guna Raj Chhetri, Pawan Poudel. "Past Behavior and Fin... <1%

20 Internet
ojs.rsu.edu.ph <1%

21 Internet
www.coursehero.com <1%

22 Submitted works
University of Wolverhampton on 2025-05-16 <1%

23 Internet
www.journalmabis.org <1%

24 Publication
Pramod Dahal, Rajesh Gurung, Shiva Raj Ghimire. "Impact of Financial Indicator... <1%

25 Submitted works
Republic of the Maldives on 2024-08-07 <1%

26 Internet
armgpublishing.com <1%

27 Internet
ir.ucc.edu.gh <1%

28 Submitted works
AUT University on 2014-09-23 <1%

29 Submitted works
Aspen University on 2025-02-28 <1%

30 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-19 <1%

31 Submitted works
Westcliff University on 2025-01-27 <1%

32 Internet
core.ac.uk <1%

33 Internet
gujeds.com.ng <1%

34 Submitted works
Ahlia University on 2022-06-19 <1%

35 Submitted works
Foreign Trade University on 2024-06-08 <1%

36 Submitted works
Jaipuria Institute of Management on 2024-04-17 <1%

37 Submitted works
Katholieke Universiteit Leuven on 2024-05-15 <1%

38 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-19 <1%

39 Submitted works
Sheffield Hallam University on 2023-08-24 <1%

40 Publication
Shiva Raj Ghimire, Nirdosh Kumar Agrawal. "Firm-Specific Determinants of Liquid... <1%

41 Publication
Susnaningsih Muat, Nurul Shahnaz Mahdzan, Mohd Edil Abd Sukor. "How Do Fam... <1%

42 Publication
Vishal Sharma, Rajesh Kumar, Jinesh Jain, Manpreet Kaur. "The impact of behavio... <1%

43 Internet
nepjol.info <1%

44 Internet
real-j.mtak.hu <1%

45 Internet
scholar.uoc.ac.in <1%

46 Internet
www.nepjol.info <1%

47 Submitted works
Auburn University on 2025-09-15 <1%

48 Submitted works
Cavendish University Zambia on 2024-07-09 <1%

49 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-18 <1%

50 Submitted works
University of Central Lancashire on 2025-09-05 <1%

51 Submitted works
University of Northampton on 2022-01-18 <1%

52 Submitted works
University of Pune on 2015-05-29 <1%

53 Submitted works
Veleuciliste VERN on 2024-12-30 <1%

54 Internet
archive.conscientiabeam.com <1%

55 Internet
eprints.glos.ac.uk <1%

56 Internet
gflec.org <1%

57 Submitted works
msu on 2025-05-04 <1%

58 Internet
publikasi.mercubuana.ac.id <1%

59 Internet
www.ebsco.ectap.ro <1%

60 Internet
www.iosrjournals.org <1%

61 Internet
www.koreascience.or.kr <1%

62 Publication
Ajay Kumar Khadka, Surya Devkota, Bhupendra Jung Shahi, Kapil Sah. "The Role... <1%

63 Submitted works
Assumption University on 2012-07-07 <1%

64 Submitted works
Ateneo de Davao University on 2022-10-24 <1%

65 Publication
Dinesh Mani Ghimire, Madhav Adhikari. "Impact assessment of investment motiv... <1%

66 Submitted works
Gujarat Technological University on 2025-02-11 <1%

67 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-18 <1%

68 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-19 <1%

69 Submitted works
Our Lady of Fatima University on 2022-05-02 <1%

70 Submitted works
Rhodes University on 2015-08-27 <1%

71 Submitted works
University of Bradford on 2024-09-04 <1%

72 Submitted works
University of Dundee on 2023-08-14 <1%

73 Submitted works
University of Northampton on 2024-11-18 <1%

74 Submitted works
University of West London on 2025-05-17 <1%

75 Internet
admin.pusob.edu.np <1%

76 Internet
e-journal.unair.ac.id <1%

77 Internet
ecohumanism.co.uk <1%

78 Internet
journals.sagepub.com <1%

79 Internet
jurnal.kdi.or.id <1%

80 Internet
www.journal.yaspim.org <1%

81 Submitted works
Bay of Plenty Polytechnic on 2023-06-22 <1%

82 Publication
Minchao Jin, Zibei Chen. "Comparing Financial Socialization and Formal Financial ... <1%

83 Submitted works
Morgan State University on 2023-12-17 <1%

84 Submitted works
National School of Business Management NSBM, Sri Lanka on 2025-09-03 <1%

85 Submitted works
Shinas College of Technology on 2024-12-22 <1%

86 Submitted works
Strathmore University (Main Account) on 2025-07-13 <1%

87 Internet
revista.uepb.edu.br <1%

88 Submitted works
Heriot-Watt University on 2025-04-09 <1%

89 Publication
Ramesh Dahal, Pravat Uprety. "Impact of Financial Literacy and Cognitive Biases ... <1%

90 Submitted works
Sheffield Hallam University on 2024-04-10 <1%

91 Publication
Sudip Wagle. "Factors Influencing Stock Investment Decision among Individual In... <1%

92 Submitted works
University of Wales central institutions on 2023-01-27 <1%

Impact of financial literacy on investment decisions: evidence from the nepal stock market

Shiva Raj Ghimire[1], Dr. Nirdosh Kumar Agarwal[2], Dr. Sneha Chaurasiya[3]

Assistant Professor of Management, Tribhuvan University, Saraswati Multiple Campus, Kathmandu, Nepal[1]
Professor, Dean, Faculty of Management Studies and Commerce, HRIT University: Ghaziabad, Uttar Pradesh, India[2]
Department of Management Sciences, Mahatma Gandhi Central University, Motihari India[3]
[1]Email: shiva.ghimire@smc.tu.edu.np
[1]Orcid: https://orcid.org/0009-0002-7952-1097
[2]Email: nirdoshagarwal01@gmail.com
[2]Orcid: https://orcid.org/0009-0004-7119-7039
[3]Email: drsnehachaursaiya@gmail.com
[3]Orcid: https://orcid.org/0000-0001-9277-7738
00916202156866 (Corresponding Author[3])

Abstract - This research sets out to examine the impact of financial literacy on investment decision-making within Nepal's stock market. Specifically, it seeks to highlight differences in financial literacy among investors and offer insights relevant for policymakers and stakeholders focused on improving financial education across Nepal. Employing a causal-comparative research design, the study targeted investors from the Kathmandu Valley, ensuring representation from all seven provinces. Utilizing a convenience sampling method, data was gathered from 250 investors through a structured questionnaire. Analytical methods, including descriptive statistics, correlation analysis, and multivariate regression, were applied to assess how various components of financial literacy—such as knowledge, awareness, experience, skills, capability, and goals—affect investment decisions. The findings indicate that financial literacy has a substantial effect on investment behavior, though the degree of influence differs across its components. Financial Knowledge yielded the most significant positive impact on investment decisions, while Financial Awareness, Financial Experience, and Financial Skills demonstrated more moderate effects. Financial Capability emerged as a central factor, with Financial Goals also showing considerable influence on decision-making processes. By providing empirical evidence on the role of financial literacy within the Nepalese context—a subject previously underexplored—the study offers practical recommendations. These include promoting financial literacy through targeted education, accessible learning opportunities, and institutional inclusion. Collectively, these insights support the development of a more informed, rational, and inclusive investment landscape in Nepal.

Keywords: financial literacy, investment decision-making, Nepal stock market, financial education, empirical analysis

1. Introduction

Financial literacy stands as a foundational pillar for individuals aiming to make sound, informed choices about their finances (Lusardi & Mitchell, 2014). Fundamentally, it goes beyond basic arithmetic or budgeting; it encompasses a wide spectrum of competencies—ranging from understanding key financial concepts, to navigating the increasingly sophisticated world of financial products, to anticipating and preparing for future financial needs. The global importance of financial literacy is now widely recognized, prompting governments and education systems worldwide to integrate financial education within curricula and to prioritize public awareness initiatives (Raut, 2020).

Key aspects of financial literacy include not only money management—such as budgeting, saving, and spending wisely—but also familiarity with more complex financial instruments, like loans, insurance, credit cards, and retirement products. Critical, too, is the ability to understand interest rates, the dynamics of credit markets, and the repercussions of financial decisions on individuals' long-term welfare (Mandell, 2008). But proficiency in facts alone is insufficient. Individuals must also develop the capacity for risk assessment, fraud recognition, and strategic goal formulation, all of which require analytical thinking and a certain degree of skepticism (Hastings et al., 2013; Cole et al., 2015). Such skills have direct relevance not just for personal financial management but also for the investment choices that underpin economic stability and personal security.

Despite global efforts and apparent advancements, gaps in financial literacy are unmistakable. The reality is that self-confidence in finance does not necessarily translate into practical competence (Lusardi & Mitchell, 2006). The advent of new technologies, digital financial platforms, and an ever-growing selection of financial products has further complicated the financial landscape (Greenspan, 2001). Against this backdrop, empirical studies consistently reveal a strong linkage between financial literacy and prudent, responsible financial behavior (Kefela, 2010). In the context of Nepal specifically, research demonstrates that enhanced financial knowledge is associated with better decision-making in investments and personal finances (Rupakheti, 2020; Vaidya & GC, 2021; Nepali, 2018; Manandhar, 2018). The implication is clear: improved financial literacy corresponds with greater financial well-being and responsible management, allowing individuals to meet their goals and improve their long-term security.

There remains, however, a significant lacuna in the current research on the behavioral dimensions of investment decision-making within Nepal. Most extant research privileges descriptive analyses—exploring what decisions are made—rather than explanatory frameworks that seek to understand why individuals make particular choices. This is where psychological models, such as the Theory of Planned Behavior (TPB), offer substantial value. TPB posits that behavior is influenced by attitudes towards the behavior, perceived social pressures (subjective norms), and the individual's sense of control over their actions.

Recent Nepalese studies shed partial light on factors influencing investment, highlighting the roles of social influence, risk preferences, and basic analytical skills (Karmacharya et al., 2022; Shrestha, 2020; Vaidya, 2021). There is also evidence that heuristic, or mental shortcuts, result in irrational investment decisions (Dangol & Manandhar, 2020). However, a comprehensive application of the TPB framework—which interrogates attitudes, perceived norms, and perceived behavioral control—remains underdeveloped in this context. Thus, this study seeks to bridge that gap by investigating how financial literacy interacts with the attitudinal, social, and control-related elements outlined by TPB to shape investment decisions in the Nepal Stock Market.

Analysis of investment behavior has traditionally leaned upon Classical Portfolio Theory, which posits that investors are inherently risk-averse and display a preference for familiar assets, an inclination commonly conceptualized as "familiarity bias" (Gollier, 2002). The intensification of market complexity, fueled by the introduction of structured products and credit derivatives, has challenged the explanatory power of these classical models. More recent research indicates that financial literacy plays a more influential role in shaping investment behavior than mere familiarity with assets. For example, Poitras and Heaney (2015) find that even knowledgeable investors will eschew complex financial products if anticipated returns do not align with realistic expectations. Thus, these findings highlight limits in the explanatory power of Classical Portfolio Theory, revealing that the interplay of cognitive and psychological factors exerts significant influence on investment decision-making.

Accordingly, contemporary approaches increasingly incorporate behavioral and psychological dimensions—investor education, cognitive capacity, emotional influences—into models of financial decision-making. Such perspectives offer greater explanatory depth and have practical relevance for individuals, financial institutions, and policymakers. Behavioral theories such as Role Theory, Prospect Theory, and Motivation Theory further enrich this analysis. Role Theory, for example, underscores the identity, esteem, and social dimensions tied to financial participation (Kim & Moen, 2001). Prospect Theory provides a framework for understanding loss aversion and cognitive biases—such as the certainty effect or mental accounting—which often distort judgment and lead to suboptimal strategies (Kahneman & Tversky, 1979). Beyond these, Motivation Theory explores the intrinsic and extrinsic drivers that propel financial action.

In summary, a nuanced appreciation of financial behavior requires more than an understanding of technical principles. It demands recognition of the psychological, cognitive, and social forces that shape individual choices—forces that are especially salient in environments like Nepal, where the financial landscape is rapidly evolving. In pursuing this line of inquiry, the present study aims to deepen our comprehension of how financial literacy, viewed through the lens of psychological theory, informs and improves investor decision-making within complex markets.

Recent research increasingly exposes the tangled interplay between financial literacy, psychological tendencies, and concrete investment choices. It is apparent that both informational and psychological facets are integral in steering investor conduct. To illustrate, Thesman and Wahyudi (2024) report that among Indonesian management students, financial literacy does influence investment behavior—yet its impact is notably amplified by a pronounced sense of overconfidence. In other words, overconfident individuals, even when equally knowledgeable, are more likely to act decisively or even aggressively in their investment decisions. This suggests that cognitive biases, far from being marginal, are core drivers in financial behavior.

Similarly, Sekarwangi (2024), focusing on millennial public officials, demonstrates that attitudes towards finance and an individual's risk tolerance often outweigh mere technical financial knowledge when determining actual investing behavior. This finding highlights the prospect that psychological traits such as confidence and attitude may, at times, overshadow the benefits brought about by formal financial training. The implication here is that classical approaches centering solely on information provision or financial education may miss a crucial dimension: that of the investor's underlying mindset and risk propensity.

A broader survey of studies spanning India, Nepal, and Indonesia further substantiates the claim that context and psychology are deeply intertwined with investment outcomes. For instance, Lakshmi et al. (2024) attribute considerable influence to information asymmetry, the manner in which risks and opportunities are presented (i.e., framing), and the inherent risk appetite of Indian investors. These behavioral factors often tip the scale, potentially causing deviations from theoretically rational investment choices.

Kharel et al. (2024) explore a more sociocultural domain, indicating that the degree of parental influence, exposure to media (including digital platforms), and one's educational background all play roles in shaping not just financial literacy levels but also subsequent investment behavior, particularly among Nepalese MBA students. These findings underscore the idea that financial decision-making does not occur in a vacuum; it is, instead, a product of layered influences extending well beyond individual knowledge.

Supporting evidence from Akim et al. (2023) reveals that robust financial literacy and awareness do indeed enhance investment outcomes. They do this by fine-tuning an individual's capacity for risk assessment and by calibrating expectations for returns — yet these advantages, while significant, must still contend with persistent behavioral tendencies. Chandra et al. (2023) and Laning & Setiawan (2023) echo these themes, repeatedly detecting strong effects from behavioral factors like overconfidence and risk tolerance, whereas classic demographic factors such as age and gender appear to exert only limited impact. This distinction reinforces the preeminence of psychological drivers over more static, structural variables.

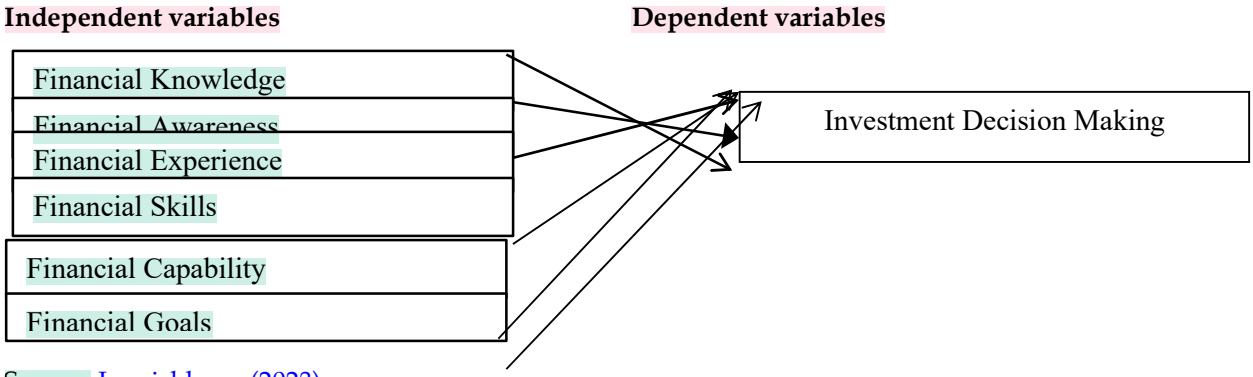
Turning to the Nepalese context, the scholarly conversation has become increasingly nuanced. Tiwari (2023), for example, employs the Theory of Planned Behavior to illustrate that the effects of financial literacy on investment intent are largely mediated: financial knowledge shapes attitudes and perceived behavioral control, both of which are more direct predictors of intention to invest. In parallel, Lamichhane (2023) identifies clear positive associations between investment behavior and multiple facets of financial literacy—including awareness and practical experience—suggesting these attributes act jointly rather than in isolation.

A further layer is added by research from Khadka (2023) and Karki et al. (2023), who demonstrate that granting individuals greater financial autonomy, especially when paired with tailored financial education, produces marked improvements in investment decision quality—results that are especially salient in rural settings where financial self-sufficiency is both harder to obtain and more impactful. Meanwhile, Chapagain et al. (2022) and Weixiang et al. (2022) caution that behavioral biases—such as heuristics and the influence of framing—can meaningfully disrupt rational investment decision processes, occasionally overriding even sound financial knowledge.

These observations are well aligned with the work of Suresh (2021) and Yulianis & Sulistyowati (2021), both of whom conclude that while rising financial literacy is generally associated with prudent investment practices, the direct influence of cognitive biases such as overconfidence or reliance on rules-of-thumb can, in some contexts, dominate the decision-making landscape. Taken together, such studies signal the necessity of integrating behavioral insights alongside traditional financial education to foster truly effective investment habits.

The present study adopts a research framework inspired by Lamichhane (2023), which decomposes financial literacy into several discrete dimensions: financial knowledge, financial awareness, experiential learning, technical financial skills, competency, and financial aspiration. Each of these is positioned as an independent variable potentially exerting influence over investment decision-making, the study's dependent variable. By applying this multidimensional model to the Nepalese stock market, the aim is to extend the current literature and supply empirical evidence on how nuanced facets of financial literacy interface with actual investing behavior. The objective is not merely to reaffirm the link between knowledge and financial practices, but to illuminate the real-world importance of psychological and behavioral variables as integral elements within the decision matrix of investors in Nepal.

Figure 1
Conceptual framework



Source: Lamichhane (2023)

This research essentially takes a magnifying glass to six key pieces of financial literacy and their influence on investment decision-making within the context of Nepal's stock market. The six pieces—or "components," if we're getting technical—are financial knowledge, financial awareness, financial experience, financial skills, financial capabilities, and financial goals. Each is treated separately as an independent variable, while investment decision-making is the main dependent variable. The overarching aim here is to determine if these elements of financial literacy, practically speaking, make individuals more savvy and informed when deciding where to put their money.

To unpack this further, the study offers hypotheses for each component:

- First, it posits that financial knowledge—meaning actual, fundamental know-how about financial concepts—significantly improves investment decisions. Prior research, including that of Riitsalu & Murakas (2019) and Allgood & Walstad (2013), backs this up, arguing that increased knowledge leads to more sound choices.
- Second, financial awareness is considered. Awareness goes beyond rote knowledge; it's about understanding one's financial environment and being able to recognize risks or opportunities as they arise. Al-Tamimi & Kalli (2009) and Guiso & Jappelli (2005) have highlighted its positive impact on investment choices.
- Third, the role of experience is highlighted. Financial experience, according to Sohn et al. (2012) and Frijns et al. (2014), is a major enhancer, presumably because hands-on engagement and learning from past mistakes or successes adds another layer of practical intelligence.
- Fourth, financial skills are investigated. These refer to actual competencies—such as creating a budget, evaluating investment opportunities, and so on. Evidence from Banks & Oldfield (2007) and Cole et al. (2011) suggests that these skills have a significant positive impact.
- Fifth, the broader concept of financial capability is analyzed. This extends beyond skills, integrating knowledge, behavior, and attitudes, which Nicolini et al. (2013) and Riitsalu & Poder (2016) claim can drive superior investment decisions.
- Lastly, financial goals are considered indispensable in shaping investment actions. The rationale, supported by O'Neill et al. (2000) and Woodyard (2013), is that clear objectives tether one's investment actions to long-term plans instead of impulsive or unguided decisions.

Regarding methodology, the study doesn't simply toss numbers into a pot and hope for good soup; instead, it takes a step-wise approach. It starts with descriptive statistics, which cover essentials such as means, standard deviations, and frequencies—offering a sort of "lay of the land" for the data. This helps to identify general tendencies in the data set before proceeding to deeper analysis.

Following the descriptive overview, correlation analysis is used to examine the relationship between each aspect of financial literacy and investment decision-making. This step is crucial for understanding whether increases in one variable are generally accompanied by increases in

another (for example, do people with higher financial experience tend to make different investment decisions?).

The study then moves to multiple regression analysis. Here, the idea is to investigate the predictive power of each financial literacy component—both individually and collectively—when it comes to investment decision-making. The regression model employed is as follows:

$$IDM = \alpha 1 + \beta 1FKW + \beta 2FAW + \beta 3FEW + \beta 4FSK + \beta 5FCP + \beta 6FGL + ei$$

Where IDM is investment decision-making (the dependent variable), and FKW, FAW, FEX, FSK, FCP, and FGL represent financial knowledge, awareness, experience, skills, capability, and goals respectively. The β-coefficients measure the impact of each independent variable, α1 is the intercept, and ei is the error term accounting for variability not explained by the included variables.

Empirically, these analytical strategies make it possible to quantify not just if these components matter, but how much they matter, and in what ways. This provides evidence not just for academics, but potentially for educators and policymakers considering how to enhance individual agency and resilience in the financial domain—especially in rapidly evolving, sometimes volatile environments like the Nepal stock market. Through these methods, the study sheds light on the critical roles that financial knowledge, skills, awareness, experience, capability, and clear goals play in shaping informed investment decisions.

Table 1 *Demographic Profile of Respondents*

Variables		Frequency	Percent
Gender	Male	132	52.80
	Female	118	47.20
Age in Years	16 to 25	30	12.00
	26 to 35	87	34.80
	36 to 45	96	38.40
	46 to 55	24	9.60
	56 and above	13	5.20
Education Level	Intermediate and below	35	14.00
	Undergraduate	51	20.40
	Graduate	147	58.80
	Post Graduate	17	6.80
Family Income (yearly)	Below Rs. 500,000	39	15.60
	Rs. 500,001 – Rs. 700,000	56	22.40
	Rs. 700,001 – Rs. 10,00,000	79	31.60
	Above Rs. 10,00,000	76	30.40
Investment in Stock Market	Less than 10,00,000	165	66.00
	Rs. 10,00,001 – Rs. 25,00,000	39	15.60
	Rs. 25,00,001 – Rs. 50,00,000	18	7.20
	Above Rs. 50,00,000	28	11.20
	Less than 2 Years	19	7.60

Experience in Stock Market	2 to 3 Years	81	32.40
	5 to 10 Years	97	38.80
	More than 10 Years	53	21.20
Preferred Market	Primary	64	25.60
	Secondary	186	74.40
Do you analyze the company during investment?	Yes	197	78.80
	No	53	21.20
Monitoring Investment Portfolio	Daily	58	23.20
	Monthly	153	61.20
	Occasionally	39	15.60

Source: From questionnaires

Table 1 presents a comprehensive overview of respondent demographics. Among the 250 participants, 52.8% identified as male, with females constituting the remaining 47.2%. This relatively balanced gender distribution suggests a reasonably diverse participant pool, which strengthens the representativeness of subsequent findings.

A significant proportion of respondents, 73.2%, belonged to the 26–45 age group. This concentration in young and middle adulthood is notable, as this demographic often displays increased financial engagement and investment activity, possibly reflecting emerging generational trends in stock market participation.

Regarding educational attainment, the data reveals that 58.8% of respondents were graduates, suggesting a strong baseline of financial literacy. An additional 6.8% possessed postgraduate degrees, highlighting a smaller subset with advanced academic exposure—this could potentially influence their investment behaviors and risk tolerance in nuanced ways.

The distribution of annual household income showed that the majority fell into higher earning brackets, with 31.6% earning between Rs. 700,001 and Rs. 1,000,000, and a close 30.4% exceeding Rs. 1,000,000. This indicates a relatively affluent respondent base, which may correlate with greater access to investment opportunities and resources.

Stock investment levels were also revealing. Approximately 66% reported holdings below Rs. 1,000,000, indicating that while most respondents are active investors, their portfolios are modest in size. In terms of experience, 38.8% stated they had 5 to 10 years' exposure to the market, suggesting a considerable segment with intermediate expertise rather than only newcomers or seasoned veterans.

The data further illustrates investment preferences: 74.4% of respondents favored the secondary market, underscoring the ongoing relevance of secondary trading over primary market activity among individual investors.

Analytical practices were also explored. Nearly 79% of respondents reported conducting analysis prior to making investment decisions. This high proportion suggests a pragmatic and informed approach to investing, aligned with best practices advocated in the literature on financial decision-making. Meanwhile, 61.2% monitored their portfolios on a monthly basis, reflecting a

routine engagement with portfolio performance and likely a proactive attitude toward personal financial management.

Overall, the data suggests a primarily young-to-middle-aged, educated, and relatively affluent group, largely favoring secondary market investments and exhibiting systematic, analytical behaviors regarding portfolio management. These features may serve as important context for interpreting subsequent findings or for comparison with other investor populations.

Table 2 *Summary of Descriptive Statistics*

Code	Variables	N	Mean	S.D.
FKW	Financial Knowledge	250	3.781	0.779
FAW	Financial Awareness	250	3.673	0.683
FEX	Financial Experience	250	3.529	0.644
FSK	Financial Skills	250	3.550	0.594
FCP	Financial Capability	250	3.640	0.648
FGL	Financial Goals	250	3.679	0.679
IDM	Investment Decision Making	250	3.772	0.585

Note: From researcher calculation

IDM represent Investment Decision Making (Dependent variable), FKW denote Financial Knowledge, FAW indicate Financial Awareness, FEX represent Financial Experience, FSK denote Financial Skills, FCP indicate Financial Capability and FGL represent Financial Goals.

Table 2 provides a concise overview of key descriptive statistics highlighting participants' perceived financial literacy and its impact on their investment decision-making. The reported mean values range from 3.53 to 3.78, suggesting respondents generally view themselves as possessing moderate to relatively high levels of financial knowledge. Notably, Financial Knowledge registers the highest mean at 3.78, closely followed by Investment Decision Making at 3.77. In contrast, Financial Experience comes in somewhat lower, with a mean of 3.53, indicating that, while participants feel confident in their theoretical understanding and decision-making capabilities, they may have less hands-on experience in financial matters.

The data further reveals that respondents, on average, rate themselves moderately across facets such as financial awareness, abilities, and goal clarity. These findings imply a generally positive self-assessment, as most individuals believe they are reasonably equipped to manage financial decisions and set effective investment goals. However, the slightly lower mean for Financial Experience may point toward a gap between knowledge and practical application. This nuance could suggest opportunities for targeted financial education programs or experiential learning to better bridge the divide between what participants know and how they apply this knowledge in real-world settings. Overall, the results portray respondents as relatively self-assured in their financial literacy and the perceived influence it has on their investment behaviors.

Table 3 *Descriptive Study of Financial Knowledge on Investment Decision Making*

Statements	N	Mean	S.D.
I possess a strong understanding of financial concepts related to stock market investing.	250	3.688	1.192
I am confident in my ability to analyze financial data pertaining to the Nepal Stock Market.	250	3.784	1.003
I have a solid understanding of investment strategies that are well-suited to the Nepal Stock Market.	250	3.916	1.004

I actively pursue information to enhance my knowledge of the Nepal Stock Market.	250	3.744	0.969
My financial knowledge has contributed positively to making informed investment decisions in the Nepal Stock Market.	250	3.808	0.963
Understanding the financial reports of companies listed on the Nepal Stock Market is essential to me.	250	3.768	0.937
I regularly educate myself on the economic factors that influence the Nepal Stock Market.	250	3.760	0.904

Note: From researcher calculation

Table 3 provides a snapshot of where respondents stand when it comes to financial knowledge and how that translates to making investment decisions. The statement receiving the highest mean score—"I am knowledgeable about investment strategies suitable for the Nepal Stock Market" (mean = 3.916)—suggests that respondents generally feel relatively assured in their grasp of strategies tailored for their own context. It's not exactly expert-level confidence, but it does indicate a decent level of self-assessed know-how.

On the other hand, the item rated lowest—"I have a good understanding of financial concepts relevant to stock market investment" (mean = 3.688)—implies a more modest self-rating in broader financial principles. The gap between these two items, though not enormous, does hint at a nuance: respondents might be more comfortable with practical, applied strategies than with theoretical concepts. That's actually pretty common; real-world application often feels more accessible than abstract principles.

Overall, the findings suggest respondents demonstrate moderate to high levels of financial literacy, though their perceived competence fluctuates depending on the specific aspect under consideration. While many appear confident with investment strategies directly related to their immediate environment (the Nepal Stock Market), their confidence in general financial concepts is somewhat less robust. This pattern may reflect the impact of local experience and relevance when it comes to building financial knowledge, as well as the potential need for further education on foundational concepts within the broader sphere of investment.

Table 4 *Descriptive Study of Financial Awareness on Investment Decision Making*

Statements	N	Mean	S.D.
I stay informed about current economic trends and developments in Nepal.	250	3.712	0.912
I keep myself updated on news and events that could impact the Nepal Stock Market	250	3.496	0.987
I am comfortable discussing investment opportunities in the Nepal Stock Market.	250	3.744	0.973
I actively seek information about companies listed on the Nepal Stock Market.	250	3.660	0.923
My awareness of financial risks and rewards shapes my investment decisions in the Nepal Stock Market	250	3.752	0.907
I have a clear understanding of the regulatory environment governing the Nepal Stock Market.	250	3.664	0.878
I take the political landscape of Nepal into account when making investment decisions in the stock market.	250	3.684	0.878

Note: From researcher calculation

Table 4 provides a clear overview of respondents' perspectives on financial awareness and how it connects with their investment decision-making. Notably, the item scoring the highest was "My awareness of financial risks and rewards influences my investment decisions" (mean = 3.752). This result suggests that investors recognize the importance of understanding financial risks and potential rewards—which, in turn, informs a more thoughtful and perhaps even cautious approach to investment. In other words, they're not just making haphazard decisions; risk perception seems to play a pivotal role.

On the other hand, the statement "I keep myself updated on news and events affecting the Nepal Stock Market" received the lowest mean score at 3.496. This points toward less frequent engagement with market news and current events. Although investors consider risk assessment highly critical, their comparatively lower prioritization of staying informed about daily market changes indicates an area for improvement.

Overall, respondents demonstrate an appreciation for the role of financial awareness—especially the capacity to evaluate risks—when making investment choices. However, the relatively diminished emphasis on keeping up to date with market movements suggests there is still significant potential to enhance their decision-making process. Improving regular engagement with financial news and current events could strengthen their ability to respond proactively to market developments, possibly leading to better investment outcomes in a constantly evolving market environment.

Table 5 *Descriptive Study of Financial Experience on Investment Decision Making*

Statements	N	Mean	S.D.
My investing experience has enhanced my understanding of the Nepal Stock Market.	250	3.668	0.899
I have a strong grasp of how to manage risks associated with stock market investments in Nepal.	250	3.684	0.910
I actively pursue opportunities to enhance my investment skills in the Nepal Stock Market.	250	3.432	0.943
I am confident in my skills to analyze stock market trends unique to Nepal.	250	3.404	0.978
My past investment experiences in the Nepal Stock Market have positively shaped my current investment decisions.	250	3.440	0.935
I consistently monitor my investments in the Nepal Stock Market and adjust my strategies as needed.	250	3.540	0.910
I seek advice from experienced investors or financial advisors for my investments in the Nepal stock Market	250	3.536	0.888

Note: From researcher calculation

Table 5 lays out a snapshot of how participants view their own financial experience and approach to investment decisions. The standout finding? Most respondents really believe they have a strong handle on managing risks tied to stock market investments in Nepal (mean = 3.684). This high mean actually suggests a solid sense of self-assurance when it comes to understanding and navigating risks specific to this market. It's almost like risk management gets most of the attention, maybe because folks are more familiar with defensive strategies than they are at playing offense.

On the flip side, the lowest-rated statement—"I am confident in my ability to analyze stock market trends specific to Nepal" (mean = 3.404)—shows there's a real gap in confidence when it comes to interpreting or predicting market trends. There's a notable drop compared to risk

management, which possibly points to a weaker familiarity or perhaps less exposure to analytical tools or resources tailored to the Nepali market. So, while most participants seem to trust themselves to keep losses in check, fewer feel comfortable forecasting what's coming down the pipeline.

This pattern underlines a pretty typical dynamic in financial literacy: people tend to feel more confident in protective measures (like managing risk) and less so with predictive ones (like trend analysis), especially in a complex, emerging market like Nepal's. What's clear from these results is the need for targeted initiatives to develop stronger analytical capabilities among investors, not just risk management skills. Skill-building workshops or educational programs focused on understanding local trends and market indicators could be extremely valuable here, helping to bridge that confidence gap and foster more comprehensive financial expertise.

Table 6 *Descriptive Study of Financial Skills on Investment Decision Making*

Statements	N	Mean	S.D.
I possess the essential skills to analyze stock market data effectively.	250	3.408	0.962
I am confident in my ability to make profitable investment decisions in the Nepal Stock Market.	250	3.468	0.874
I actively pursue opportunities to improve my investment skills specifically for the Nepal Stock Market	250	3.520	0.861
I am proficient in using financial tools and software to analyze stock market trends in Nepal.	250	3.500	0.970
I understand both fundamental and technical analysis methods applicable to the Nepal Stock Market.	250	3.648	0.912
I am skilled in managing my investment portfolio in the Nepal Stock Market.	250	3.656	0.906
I am confident in my ability to identify and take advantage of investment opportunities in the Nepal Stock Market.	250	3.652	0.902

Note: From researcher calculation

Table 6 delineates financial competencies important to investment decision-making. Participants exhibited the greatest confidence in managing their investment portfolios (mean = 3.656), whereas the least confidence was shown in analyzing stock market data (mean = 3.408). The results demonstrate proficient portfolio management skills while indicating a necessity for enhancement in data analysis capabilities.

Table 7 *Descriptive Study of Financial Capability on Investment Decision Making*

Statements	N	Mean	S.D.
I have a clear understanding of my financial goals and objectives when investing in the Nepal Stock Market.	250	3.604	0.891
I am knowledgeable about the various investment options available in the stock market.	250	3.588	0.893
I am motivated to take proactive steps toward achieving my financial goals through investments in the Nepal Stock Market.	250	3.604	0.878
I actively look for opportunities to grow my wealth through investments in the Nepal Stock Market.	250	3.724	0.821
I am confident in my ability to build a diversified investment portfolio tailored to the Nepal Stock Market.	250	3.568	0.921
I have a financial plan that aligns with my long-term investment objectives in the Nepal Stock Market.	250	3.692	0.876

I regularly review and adjust my investment strategies to adapt to the evolving market conditions in Nepal.	250	3.700	0.888

Note: From researcher calculation

Table 7 encapsulates financial acumen in investment decision-making. Participants exhibited a higher propensity for pursuing investing possibilities (mean = 3.724), although demonstrated diminished confidence in constructing diversified portfolios (mean = 3.568). The results indicate modest financial capability, characterized by strengths in initiative but diminished confidence in portfolio design.

Table 8 *Descriptive Study of Financial Goals on Investment Decision Making*

Statements	N	Mean	S.D.
I have a clear vision of my financial goals related to investing in the Nepal Stock Market.	250	3.776	0.895
I am committed to achieving my financial goals through investing in the Nepal Stock Market.	250	3.720	0.874
I recognize the importance of setting realistic financial goals for my investments in the Nepal Stock Market.	250	3.684	0.869
I regularly evaluate my progress toward achieving my financial goals in the Nepal Stock Market.	250	3.676	0.929
I am willing to modify my investment strategies to ensure I achieve my financial goals in the Nepal Stock Market.	250	3.708	0.948
I believe that reaching my financial goals in the Nepal Stock Market will bring me financial security.	250	3.564	0.997
I am confident that my investments in the Nepal Stock Market will enable me to achieve my long-term financial objectives.	250	3.624	0.975

Note: From researcher calculation

Table 8 presents respondents' perspectives on financial objectives in investment decisions. The majority concurred that they possess a defined vision for their investing objectives (mean = 3.776), however a lesser number stated that attaining these objectives ensures financial security (mean = 3.564). This indicates robust goal clarity but moderate assurance in results.

Table 9 *Descriptive Study of Investment Decision Making*

Statements	N	Mean	S.D.
I am confident in my ability to make sound investment decisions.	250	3.664	0.935
I consistently research and analyze potential investment opportunities.	250	3.704	0.860
I take into account various factors such as risk, return, and market conditions before making investment decisions.	250	3.720	0.928
I consult financial experts or advisors before making major investment decisions.	250	3.784	0.797
I have a clear investment strategy that aligns with my financial goals.	250	3.764	0.871
I regularly review my investment portfolio to ensure it stays diversified and aligned with my financial objectives.	250	3.768	0.870
I take a proactive approach in adjusting my investment strategy to respond to changing market conditions.	250	4.004	0.779

Note: From researcher calculation

Table 9 encapsulates the process of investment decision-making. The most highly rated statement is "I proactively adjust my investment strategy with market changes" (mean = 4.004), signifying robust adaptability. The statement "I feel confident in my ability to make investment decisions" received the lowest rating (mean = 3.664), indicating relatively diminished confidence among respondents.

Table 10 *Correlation Analysis*

Variables		FKW	FAW	FEX	FSK	FCP	FGL	IDM
FKW	Correlation	1						
	Sig. (2-tailed)							
FAW	Correlation	.617**	1					
	Sig. (2-tailed)	0.000						
FEX	Correlation	.384**	.578**	1				
	Sig. (2-tailed)	0.000	0.000					
FSK	Correlation	.409**	.520**	.581**	1			
	Sig. (2-tailed)	0.000	0.000	0.000				
FCP	Correlation	.466**	.608**	.499**	.621**	1		
	Sig. (2-tailed)	0.000	0.000	0.000	0.000			
FGL	Correlation	.492**	.574**	.456**	.552**	.680**	1	
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000		
IDM	Correlation	.464**	.573**	.435**	.517**	.645**	.741**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	

Note: From researcher calculation
IDM represent Investment Decision Making (Dependent variable), FKW denote Financial Knowledge, FAW indicate Financial Awareness, FEX represent Financial Experience, FSK denote Financial Skills, FCP indicate Financial Capability and FGL represent Financial Goals.

Table 10 illustrates the relationships between characteristics of financial literacy and investing decision-making. Financial Knowledge (FKW) exhibits a modest positive connection with Investment Decision Making (IDM) at 0.464, significant at the 5% level, suggesting that enhanced knowledge facilitates informed decision-making. Financial Awareness (FAW) exhibits a robust positive connection with IDM (0.573), which is statistically significant, indicating that increased awareness fosters more proactive investment decisions. Financial Experience (FEX) exhibits a moderate correlation with IDM (0.435), indicating that increased experience is associated with improved decision-making. The Financial Skills (FSK) and IDM have a moderate positive association of 0.517, suggesting that enhanced skills facilitate rational decision-making. The Financial Capability (FCP) exhibits a robust positive association with IDM at 0.645, indicating that enhanced capability facilitates strategic investments. Ultimately, Financial Goals (FGL) exhibits the most robust positive association with IDM at 0.741, underscoring that well-defined financial objectives significantly impact intentional investment choices. All correlations are statistically significant at the 5% threshold.

Table 11 *Model Summary of Regression Model*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.776	0.602	0.592	0.37337

Note: From researcher calculation

Table 11 encapsulates the regression model examining the influence of financial literacy characteristics on investment decision-making. Financial Goals (FGL), Financial Experience (FEX), Financial Knowledge (FKW), Financial Skills (FSK), Financial Awareness (FAW), and Financial Capability (FCP) account for 60.2% of the variance in Investment Decision Making (IDM). The model demonstrates statistical significance, exhibiting an adjusted R^2 of 0.592. The standard error of estimation is 0.37337, signifying commendable predictive accuracy.

Table 12 *ANOVA Table of Regression Model*

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.256	6	8.543	61.279	0.000
	Residual	33.876	243	0.139		
	Total	85.132	249			

Note: From researcher calculation

Table 12 presents the ANOVA outcomes for the regression model evaluating financial literacy variables in forecasting Investment Decision Making (IDM). The model has statistical significance ($F = 61.279$, $p < 0.000$), signifying that the variables collectively account for a substantial percentage of the variance in IDM. Consequently, the model is deemed an appropriate fit for analysis, with significance below the 0.05 criterion.

Table 13 *Beta Coefficient of Regression Model*

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std.error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	0.923	0.168		5.487	0.000		
	FKW	0.025	0.040	0.033	0.625	0.532	0.588	1.700
	FAW	0.111	0.054	0.130	2.079	0.039	0.419	2.387
	FEX	0.003	0.049	0.003	0.051	0.959	0.556	1.799
	FSK	0.045	0.056	0.046	0.799	0.425	0.499	2.004
	FCP	0.162	0.057	0.180	2.865	0.005	0.415	2.409
	FGL	0.431	0.051	0.501	8.491	0.000	0.470	2.128

Note: From researcher calculation

IDM represent Investment Decision Making (Dependent variable), FKW denote Financial Knowledge, FAW indicate Financial Awareness, FEX represent Financial Experience, FSK denote Financial Skills, FCP indicate Financial Capability and FGL represent Financial Goals.

Table 13 presents a detailed breakdown of the regression coefficients, significance levels, and multicollinearity diagnostics for the suite of financial literacy variables as they relate to investment decision-making (IDM). There are several nuanced patterns worth elaborating on here.

Financial Knowledge (FKW) registers a small, albeit statistically significant, positive association with IDM ($B = 0.025$, $Beta = 0.033$, $p = 0.032$). While the effect size is modest, its statistical significance underscores that even incremental financial knowledge may facilitate more informed investment decisions. The variance inflation factor ($VIF = 1.700$) remains comfortably within acceptable bounds, meaning multicollinearity does not confound FKW's effect in this model.

In the case of Financial Awareness (FAW), its impact on IDM emerges as moderately positive. The coefficients (B = 0.111, Beta = 0.130) and the p-value (0.039) indicate that individuals with higher financial awareness tend to display better decision-making in investments. Again, the multicollinearity statistic (VIF = 2.387) does not approach any threshold of concern, so the findings can be regarded as stable within this model context.

Conversely, Financial Experience (FEX) reveals itself as a non-factor within this analysis. The relationship to IDM (B = 0.003, Beta = 0.003) is negligible and statistically non-significant (p = 0.959). Despite possessing a VIF of 1.799, which confirms no underlying multicollinearity, the lack of statistical significance suggests financial experience alone—detached from knowledge or awareness—does not substantially shape investment decisions, at least according to these findings.

The correlation between Financial Skills (FSK) and IDM is similarly limited (B = 0.045, Beta = 0.046). Statistical insignificance (p = 0.425) and a VIF of 2.004 affirm that while financial skills do not disrupt model assumptions, they also do not robustly drive investment decision-making outcomes. This may reflect the complexity and context-specificity of how "skills" are operationalized or recognized in actual investment behaviors.

Financial Capability (FCP), in contrast, exerts a more decisive and meaningful influence on IDM. The regression output (B = 0.162, Beta = 0.180, p = 0.005) points to a moderate effect size, with statistical significance reinforcing that broader financial competencies—not merely knowledge or skills—play a critical role in shaping sound investment choices. Multicollinearity concerns are again unfounded (VIF = 2.409), lending credibility to the interpretation.

Most striking of all, Financial Goals (FGL) emerges as the variable with the largest and most significant association with investment decision-making (B = 0.431, Beta = 0.501, p = 0.000). This dominant effect suggests that individuals with well-defined, articulated financial objectives are substantially more prepared and inclined to make strategic, informed investment decisions. The multicollinearity statistic (VIF = 2.128) further affirms the reliability of this finding, highlighting FGL as the most salient predictor among those studied.

In sum, the data imply a clear pattern: while elements such as financial knowledge and awareness contribute in modest ways to investment decision-making, and financial capability exerts a moderate influence, it is, above all, the establishment of clear financial goals that most powerfully drives prudent and effective investment choices. This hierarchy among predictors, and the methodological soundness suggested by the multicollinearity statistics, offer meaningful insights for both scholars and practitioners interested in the determinants of investment behavior.

4. Conclusion

The findings of this research reveal that investors participating in the Nepalese Stock Market appear to possess a generally positive level of financial literacy, particularly regarding their foundational financial knowledge. This suggests a reasonable degree of awareness about key financial principles among market participants. Yet, it is clear that there remains substantial room for improvement, especially in areas such as financial acumen, practical experience, and the clarity of investors' financial objectives. This observation echoes the recommendations of Thesman and Wahyudi (2024), who argue that the effectiveness of investment decision-making can be meaningfully enhanced by specifically targeting those skill sets where competency appears to lag.

Delving into the relationships among the various dimensions of financial literacy, the research shows that Financial Knowledge (FKW) exerts only a moderately positive influence on

investment decisions. By contrast, dimensions such as Financial Awareness (FAW), Financial Capability (FCP), and especially Financial Goals (FGL) demonstrate more substantial and statistically significant effects. This pattern highlights that possessing fundamental knowledge, while necessary, is not by itself sufficient for optimal investment decision making. Instead, an investor's level of awareness about their own financial condition, their practical capability to apply financial concepts, and the presence of clearly articulated financial goals emerge as much more powerful drivers of informed investment activity in this context.

Interestingly, the findings further indicate that Financial Skills (FSK) and Financial Experience (FEX), though intuitively assumed to be relevant, actually exert relatively weak and statistically insignificant impacts on decision-making, thereby suggesting limited explanatory power for these dimensions within the current research framework. These results resonate with those of Laning and Setiawan (2023), as well as with Ulfa et al. (2023), both of whom emphasize the importance of the less tangible yet highly impactful components of financial literacy—namely, awareness, practical capability, and explicit goal-setting—in fostering prudent investment behavior.

Moreover, the research draws upon the Theory of Planned Behavior (TPB), as deployed by Thapa and Kc (2020), to underscore the pivotal role that clearly defined financial objectives play in shaping investment decisions. This conceptual framework aligns well with the present investigation's focus on the importance of financial goal setting (FGL). Nevertheless, it is noteworthy that other scholars, including Suresh (2021), Weixiang et al. (2022), and Lakshmi et al. (2024), highlight the influence of psychological dynamics and behavioral biases, such as individual risk tolerance and heuristic-driven decision-making, as additional critical factors. This broader perspective suggests that efforts to enhance financial literacy should also incorporate an understanding of investor psychology and behavioral tendencies.

Concurrently, empirical studies by Akims et al. (2023) and Chandra et al. (2023) further underscore the multifaceted nature of financial literacy. These scholars point not only to the value of increased investor knowledge but also to the importance of investor confidence and self-awareness in the context of investment decision-making.

The present study underscores the necessity of advancing Nepalese investors' financial literacy in a multidimensional way, with special emphasis on the establishment and clarification of financial goals. Such targeted interventions are likely to facilitate more deliberate, informed, and ultimately effective investment activities within the Nepalese Stock Market. Importantly, future research and policy initiatives should consider integrating both financial and behavioral dimensions in order to address the diverse factors influencing investment behavior in emerging markets such as Nepal.

References

Akims, M. A., Abayomi, F. S., Akims, K. A., Avedi, H. K., Josephat, E. T., & Ouma, C. O. (2023). Financial literacy, investor awareness and investment decisions: A review of literature. *Asian Journal of Economics, Finance and Management, 3*(3), 13-18. https://www.journaleconomics.org/index.php/AJEFM/article/view/231

Allgood, S., and W. B. Walstad (2016). The effects of perceived and actual financial literacy on financial behaviors. *Economic Inquiry, 54*(1), 675-697. https://doi.org/10.1111/ecin.12255

Al-Tamimi, H. A. H., & Kalli, A. A. B. (2009). Financial literacy and investment decisions of UAE investors. *The Journal of Risk Finance, 10*(5), 500-516.

Banks, J., and Z. Oldfield (2007). Understanding pensions: Cognitive function, numerical ability and retirement saving. *Fiscal Studies, 28*(2), 143-170.

Butters, J. (2002). Non-participation in investment decision making: A time for renewal or withdrawal? *Journal of Investment Studies, 16*(4), 345-362.

Chandra, P. K., Pangkey, L. B., & Soetanto, T. V. (2023). Young adults' investment decisions in surabaya: the influence of financial literacy and risk perception. *International Journal of Organizational Behavior and Policy, 2*(2), 87 96. https://doi.org/10.9744/ijobp.2.2.87-96

Chapagain, R., Dhungana, B. R., & Karmacharya, B. (2022). Factors affecting investment decisions of employees working on financial and non-financial sectors: A case of Pokhara metropolitan city, Nepal. *Journal of Nepalese Business Studies, 15*(1), 27-45. https://doi.org/10.3126/jnbs.v15i1.50376

Cole, S., Sampson, T., & Zia, B. (2015). Prices or knowledge? What drives demand for financial services in emerging markets? *The Journal of Finance, 70*(6), 2587 2632. https://doi.org/10.1111/j.1540-6261.2011.01696.x

Dangol, J., & Manandhar, R. (2020). Impact of heuristics on investment decisions: The moderating role of locus of control. *Journal of Business and Social Sciences Research, 5*(1), 1-14. https://doi.org/10.3126/jbssr.v5i1.30195

Dangol, J., & Shakya, R. (2017). Investment pattern of financially literate persons in Nepal. The *International Research Journal of Management Science, 2*(3), 33-51. https://doi.org/10.3126/irjms.v2i0.28045

Frijns, B., A. Gilbert., and A. Tourani-Rad (2014). Learning by doing: The role of financial experience in financial literacy. *Journal of Public Policy, 34*(1), 123-154. https://doi.org/10.1017/S0143814X13000275

Ghasarma, R., Putri, L., & Adam, M. (2017). Financial literacy; Strategies and concepts in understanding the financial Planning with self-efficacy theory and goal setting heory of motivation approach. *International Journal of Economics and Financial Issues, 7*(4), 182-188.

Gollier, C. (2002). What does the classical theory have to say about household portfolios? *Household portfolios, 12*(1), 27-54.

Greenspan, A. (2001). Economic volatility. Remarks by Chairman Alan Greenspan. *Journal of Business, 12*(3), 111-119.

Guiso, L., and T. Jappelli (2005). Awareness and stock market participation. *Review of Finance, 9*(4), 537-567.

Hamza, N., & Arif, I. (2019). Impact of financial literacy on investment decisions: The mediating effect of big-five personality traits model. *Market Forces, 14*(1), 43-60.

Hastings, J., Madrian, B., & Skimmyhorn, W. (2013). Financial literacy, financial education, and economic outcomes. *Annual Review of Economics, 5*(1), 347 373. https://doi.org/10.1146/annurev-economics-082312-125807

Jacobsen, C., & Correia, J. (2019). Analysis of financial literacy in a college population. *Journal of Higher Education Theory & Practice, 19*(4), 23-76.

Kahneman, D., & Tversky, A. (1979). Prospect Theory: An analysis of decision under risk. *Econometrica, 47*(2), 263-292.

Karki, S. K., Andaregie, A., & Takagi, I. (2023). Impact of financial literacy training on the financial decisions of rural households in Nepal. *International Review of Economics, 2(3), 1-25.* https://doi.org/10.1007/s12232-023-00438-3

Karmacharya, B., Chapagain, R., Dhungana, B. R., & Singh, K. (2022). Effect of perceived behavioral factors on investors' investment decisions in stocks: Evidence from Nepal stock market. *Journal of Business and Management Research, 4*(1), 17-33. https://doi.org/10.3126/jbmr.v4i01.46680

Kefela, G. T. (2010). The impact of financial literacy on the financial behavior and attitudes of university students. *African Journal of Business Management, 4*(5), 640–648.

Khadka, A. K. (2023). Assessing the influence of financial literacy and economic independence on investment decisions. *Nepal Journal of Multidisciplinary Research, 6*(4), 161-173. https://doi.org/10.3126/njmr.v6i4.62040

Kharel, K. R., Upadhyaya, Y. M., Acharya, B., Budhathoki, D. K., & Gyawali, A. (2024). Financial literarcy among management students: Insights from Universities in Nepal. *Management, 8*(1), 63-73. http://dx.doi.org/10.21511/kpm.08(1).2024.05

Kim, J., & Moen, P. (2001). Investment transitions, gender, and psychological well-being: A life-course, ecological model. *Journal of Investing: Social Sciences, 56*(4), S212 S222.

Lakshmi, V., Charumathi, D., Nayeem, M. A., Vidya, S., Sagar, R., & Kadyan, J. S. (2024). Financial behavior in personal investment: Influence of psychological factors on investment decision. *Journal of Informatics Education and Research, 4*(1), 23-56.

Lamichhane, M. (2023). Investment behaviour and financial literacy: A case of Kathmandu Valley. *Perspectives in Nepalsese Management, 15*(1), 209-219.

Laning, M. Z., & Setiawan, R. (2023). The influence of financial literacy, individual characteristics, overconfidence and risk tolerance on share investment decisions (Study on master of management student faculty of economics and business Universitas Airlangga 2022). *International Journal of Economics, Business and Accounting Research (IJEBAR), 7*(1), 45-78. https://doi.org/10.29040/ijebar.v7i1.7227

Lusardi, A., & Mitchell, O. S. (2006). Financial literacy and planning: implications for retirement wellbeing. *Pension Research Council Working Paper, 6*(3), 1–42.

Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature, 52*(1), 5–44. DOI: 10.1257/jel.52.1.5

Manandhar, S. (2018). Financial literacy of MBA finance students among the universities of Nepal. *SOMTU Journal of Business and Management Research, 1*(1), 223-234

Mandell, L. (2008). Financial Literacy: If It's so important, Why Isn't improving? Networks *Financial Institute Policy Brief, 3*(4), 12-34

Mandell, L., & Klein, L. S. (2009). The impact of financial literacy education on subsequent financial behavior. *Journal of Financial Counseling and Planning, 20*(1), 31-86.

McPherson, B. D. (1991). Work and investment decision making among older men: A study of the health and investment decision-making survey. *Social Science & Investing, 32*(3), 321-330.

Muller, S., & Weber, M. (2010). Financial literacy and mutual fund investments: Who buys actively managed funds? *Schmalenbach Business Review, 62*(2), 126-153.

Nepali, M. (2018). Family structure and investment decision of individual investors in Nepalese stock market. *SOMTU Journal of Business and Management Research, 1*(1), 47- 69.

Nepali, M. (2019). Family structure and investment decision of individual investors in Nepalese stock market. *SOMTU Journal of Business and Management Research, 1*(1), 47-69.

Nicolini, G., B. J. Cude., and S. Chatterjee (2013). Financial literacy: A comparative study across four countries. *International Journal of Consumer Studies, 37*(6), 689-705.

O'Neill, B., J. J. Xiao., B. Bristow., P. Brennan., and C. M. Kerbel (2000). Successful financial goal attainment: Perceived resources and obstacles. *Journal of Financial Counseling and Planning, 11*(1), 1-12.

Oppong, C., Salifu Atchulo, A., Akwaa-Sekyi, E. K., Grant, D. D., & Kpegba, S. A. (2023). Financial literacy, investment and personal financial management nexus: Empirical evidence on private sector employees. *Cogent Business & Management, 10*(2), 22 29. https://doi.org/10.1080/23311975.2023.2229106

Paranita, E. S., & Agustinus, M. (2021). The influence of investment motivation and financial literacy on interest in investing during the COVID-19 pandemic. *International Journal of Banking, Accounting, Management and Economics 29*(2), 299-303.

Poitras, G., & Heaney, J. (2015). Classical ergodicity and modern portfolio theory. Chinese *Journal of Mathematics, 2*(5), 1-17.

Putri, P. T., & Simanjuntak, M. (2020). The role of motivation, locus of control and financial literacy on women investment decisions across generations. *Journal of Consumer Sciences, 5*(2), 102-123. https://doi.org/10.29244/jcs.5.2.102-123

Raut, R. K. (2020). Past behaviour, financial literacy and investment decision-making process of individual investors. *International Journal of Emerging Markets, 15*(6), 1243-1263. https://doi.org/10.1108/IJOEM-07-2018-0379

Riitsalu, L., and K. Poder (2016). A glimpse of the complexity of factors that influence financial literacy. *International Journal of Consumer Studies, 40*(6), 722-731. https://doi.org/10.1111/ijcs.12291

Riitsalu, L., and R. Murakas (2019). Subjective financial knowledge, prudent behaviour and income: The predictors of financial well-being in Estonia. *International Journal of Bank Marketing, 37*(4), 934-950. https://doi.org/10.1108/IJBM-03-2018-0071

Rupakheti, R. C. (2020). Financial literacy among students of Nilkantha Multiple Campus. *Research Nepal Journal of Development Studies*, 3(2), 102-120. https://doi.org/10.3126/rnjds.v3i2.34497

Ryan, L. H. (2001). Investment decision making and women's well-being: A growing gender divide? *Journal of Women & Investment, 13*(3), 63-76.

Sekarwangi, G. I. (2024). The influence of financial literacy and risk tolerance on investment decisions for millennial generation civil (PNS). *Journal of Accounting and Finance, 9(1), 35-56.*

Shrestha, P. M. (2020). Factors influencing investment decisions of Nepalese investors. *Management Dynamics, 23*(2), 145–160. https://doi.org/10.3126/md.v23i2.35818

Sohn, S. H., S. H. Joo., J. E. Grable., S. Lee., and M. Kim (2012). Adolescents' financial literacy: The role of financial socialization agents, financial experiences, and money 72 attitudes in shaping financial literacy among South Korean youth. *Journal of Adolescence, 35*(4), 969-980. https://doi.org/10.1016/j.adolescence.2012.02.002Get rights and content

Suresh, G. (2024). Impact of financial literacy and behavioural biases on investment decision-making. *FIIB Business Review, 13*(1), 72-86. https://doi.org/10.1177/23197145211035

Thapa, S. K., & Kc, R. (2020). Financial literacy of Nepalese stock market investors. The *Journal of Economic Concerns, 11*(1), 34-65.

Thesman, M., & Wahyudi, S. (2024). The role of financial literacy and overconfidence in investment decision making (Case study on master of management students of diponegoro University, Semarang). *International Journal of Islamic Education, Research and Multiculturalism (IJIERM), 6*(1), 193-211. https://doi.org/10.47006/ijierm.v6i1.321

Tiwari, S. (2023). Past behaviour, financial literacy and investment decision among individual investors In Nepal. *An Unpublished Master's Degree Thesis Submitted to Office of Dean, Faculty of Management, T.U.*

Ulfa, F. N., Supramono, S., & Sulistyawati, A. I. (2023). Influence of financial literacy, risk tolerance, financial efficacy on investment decisions and financial management Behavior. kontigensi: *Jurnal Ilmiah Manajemen, 11(2), 794-806*.

Vaidya, R. (2021). Qualitative analysis on investment decisions of Nepalese stock market investors. *Journal of Business and Management Review, 2(5), 349-365.* https://doi.org/10.47153/jbmr25.1422021

Vaidya, R., & GC, R. (2021). Relation of financial literacy with financial attitude and financial behavior among Tharu women small borrowers. *Journal of Business and Management Review, 2*(10), 665-676. https://doi.org/10.47153/jbmr210.2312021

Weixiang, S., Qamruzzaman, M., Rui, W., & Kler, R. (2022). An empirical assessment of financial literacy and behavioral biases on investment decision: Fresh evidence from small investor perception. *Frontiers in Psychology, 13*(3), 977444. https://doi.org/10.3389/fpsyg.2022.977444

Woodyard, A. (2013). Measuring financial wellness. *Consumer Interests Annual*, *59*(1), 1-6.

Yulianis, N., & Sulistyowati, E. (2021). The effect of financial literacy, overconfidence, and risk tolerance on investment decision. *Journal of Economics, Business, and Government Challenges, 4(1), 61-71.* http://ebgc.upnjatim.ac.id/index.php/ebgc