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THE EFFECT OF FINANCIAL LITERACY, MOTIVATION, MINIMUM CAPITAL, INCOME, AND RISK ON STUDENT INTEREST IN INVESTING AT CAPITAL MARKET

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ABSTRACT

This study aims to examine the effect of financial literacy, investment motivation, motivation, income, and risk on interest in investing at the capital market. This type of research is descriptive quantitative. The population of this study is Indonesian students with the criteria for an active sample of students domiciled on the island of Java for the 2019-2023 academic year and who are currently/have taken majoring in financial management/entrepreneurship courses. Collecting data in this study using a questionnaire method with 150 respondents online. Data were analyzed using regression analysis through IBM SPSS version 26 software; with data analysis techniques used in this study were classical assumption analysis and multiple linear regression analysis. The results of this study indicate that students' financial literacy, whether they have studied the capital market through formal educational institutions or non-formal education, greatly influences students' interest in investing in the capital market. Furthermore, minimum capital and motivation from themselves and others greatly influence students to invest in the capital market. Income owned by students and knowledge of capital market risks also affects Indonesian students' interest in investing in the capital market. This research also includes a discussion, limitations, recommendations, and conclusions.

Keywords: *Financial Literacy, Motivation, Income, Minimum Capital, Risk, Investment Interest*

INTRODUCTION

The capital market is important in investment activities because it allows investors or individuals with more capital to meet with corporations or companies that lack funds. The capital market can be described as an abstract market because it trades long-term funds, such as funds related to investment activities, with a maturity period of more than one year. Increasing investment knowledge is one of the challenges for securities companies and the government. Students, for example, are young potential investors with a lot of potential in the capital market. Students are expected to begin investing in various sectors with certain considerations to have a stable and better financial situation in the future. The need for students to be guided in learning more about this investment can be improved by providing education from courses ranging from financial management to portfolio theory. Student knowledge investment problems are high understanding, but many are still afraid to try. Inconsistent income is a major factor that reduces students' motivation to invest. Furthermore, a lack of education contributes to students' perceptions of investing activities; students perceive someone who invests as having a high income. Whereas it should be noted that the enforced minimum capital can also be afforded by students with a minimum of 100 lots and a minimum of 5 rupiahs. The feeling of fear of investment risk is also sometimes an obstacle for students to start investing. Most students fear possible failure, for the capital they have invested cannot be returned.

PROBLEM STATEMENT

Since the opening of the Indonesia Stock Exchange, investing in the capital market has been frequently used by investors. This type of investment has become one of the investment alternatives that are easily accessible to the wider community. Investing in the capital market has become crucial among millennials. Their enthusiasm to become investors has enlivened the Indonesian capital market. This can be seen from the number of stock investors that grows from year to year. The number of investors in the Indonesian capital market had nearly seven times increased since 2017 as of December 29, 2021 (Sidik, 2021). The number of Indonesian investors in the capital markets was predicted to be close to 1 million at the start of 2017. The number of Indonesian capital market investors participating with PT Custodian Sentral Efek Indonesia (KSEI), which includes stock, mutual fund, and bond investors, climbed by 22% from 2019 to 3.02 million as of July 2020, according to Indonesia Stock Exchange (IDX) in (Tari, 2020). Meanwhile, as of December 29, 2021, Indonesia has 7.48 million capital market investors and 7.48 million capital market investors in Indonesia. This indicates that public interest in stock investment is quite attractive. It is important to know that, stock investment is also not without risk. However, according to the 2019 National Financial Literacy and Inclusion Survey (SNLIK) findings, financial inclusion is 76.19%, while financial literacy is 38.03%. This shows that, even though financial literacy is crucial in promoting financial inclusion, individual welfare, and consumer protection, Indonesians lack a thorough understanding of the features of financial products and services formal financial service institutions offer. Moreover, compared to the overall number of millennials in Indonesia, only around 3 percent have done investment activities. Thus, in general, millennials in Indonesia still need good education about investment so that the number of millennial investors can grow. Indonesia's Financial Fitness Index also shows that only 14.3 percent of young people try to be "financially healthy." This is largely due to the younger generation's lack of a complete and thorough understanding of wealth and financial management. Bank OCBC NISP's survey results demonstrate that millennials still lack understanding, competence, and trust in financial products and services. This can also be exacerbated by the fact that most Indonesian millennials are uninformed of the quality and financial goods accessible. Based on the several problems described, the authors are interested in determining the variables affecting students' interest in investing in the capital market.

SIGNIFICANT OF STUDY

There are a few major differences between this study and other related research publications, compared to several academics who have developed numerous studies on matters affecting investment intentions. In this context, this research paper considers the relationship between financial literacy, motivation, minimum investment capital, income, and risk involving students' interest in investing. In addition, this study makes it possible for future academics working on related topics to use it as a literature review and source of information. In this regard, this study will increase student awareness about the importance of understanding the capital market for making investments therein, it is necessary to have continuous socialization by the Ministry of Education in coordination with educational institutions to hold several outreach activities that need to be carried out, including holding activities such as seminars and workshops for the general public, outreach through mass media, and related educational institutions to include capital market material in the education curriculum in tertiary institutions.

LITERATURE REVIEW

BACKGROUND

Interest is a desire or preference for someone to do what they want so that they are fully involved in an activity because they realize its importance. According to (Slameto, 2015), factors influencing student investment interest are as follows: Internal factors, encouragement from within the individual concerned, which consists of physical factors such as knowledge, curiosity, motivation, and needs. External factors, encouragement from outsiders, namely coming from the environment, such as family (parenting), encouragement from other people, the environment, and economic conditions. The indicator of interest in investing used in this study refers to the indicator of interest in investing proposed by combining these two factors, internal factors within the students themselves and external factors obtained from the student's environment.

INTEREST IN INVESTMENT

According to (Pajar, 2017), investment interest is a person's willingness after seeing, comparing, and considering the desired needs and then taking action related to investment. Meanwhile, according to (Alfrita, 2019) investment interest is an interest that arises in a person towards investment so that someone is motivated to do something to learn and practice it. How much time and effort someone puts into learning about a particular type of investment, studying it, and then putting it into practice, is one sign that they are interested in investing. (Rosa Yuliaty et al., 2020). Based on a few of the previous definitions, it can be concluded that the desire is for investment interest, interest, and confidence that appear in a person to invest. This desire also appears in a person with the encouragement of something from the outside, so the stronger the two, the greater the interest that will arise. The stronger a person's desire to invest, the more he will learn everything related to investing to reach the stage of practice.

INDEPENDENT VARIABLES

FINANCIAL LITERACY

Investment knowledge is information or understanding related to making an investment, both the advantages and disadvantages of investing for the purpose of obtaining future profits. The literacy effect applies knowledge and skills to process and manage finances efficiently. This demonstrates that all students tend to be financially literate and interested in investing. Their level of financial literacy influences students' investment interests. It plays a crucial role in determining how to efficiently and effectively prioritize needs based on their financial situation. In general, someone with good investment knowledge tends to be more self-assured, which increases confidence in his investment. As a result, there will be much interest in investing in the capital market. (Darmawan et al., 2019) observed interest in capital market participation in their study on financial literacy. The results of this study show that financial literacy has a beneficial impact on interest in capital market investing. This could imply that a student's investing interest is influenced by their level of financial literacy, as this will enable them to efficiently and effectively prioritize demands based on their financial circumstances.

MINIMUM INVESTMENT CAPITAL

The minimum capital is the initial deposit necessary to open a capital market account for the first time. And the minimal initial deposit for opening a securities account is determined by the securities business. Minimum investment capital is one of the factors that must be considered by someone before deciding to invest. According to (Pajar, 2017), minimum investment capital is considered because there is a calculation of estimated funds for investment; a student's interest in investing increases as the minimum required funds increase.

The Indonesia Stock Exchange (IDX) has published a regulation to alter trading units and price fractions as stated in the Decision Letter Number: Kep00071/BEI/11-2013. The decree changes the trading units of shares in 1 lot, which were originally 500, to 100 shares with a minimum price of Rp. 50 per share. This policy is expected to bring about changes to attract investors in

the capital market. Also, students and students can begin investing in stocks without being concerned about utilizing a significant amount of cash.

MOTIVATION

Motivation is a force from within that is never-ending and fluctuates which can make individuals take actions to achieve their goals and remain interested in these activities. According to Abraham Maslow (H. Maslow, 2017) something that is constant (fixed), never ends, fluctuates and is complex, and it is mostly a universal characteristic of every organism's activity. Investing can be influenced by the circle of friends and neighbors, because interaction can motivate someone to invest. Investment knowledge can be obtained from formal institutions such as universities or informal institutions such as training courses. According to research conducted by (Sari et al.,2021) during the covid-19 pandemic revealed that motivation has a positive effect on student interest in investing.

INCOME

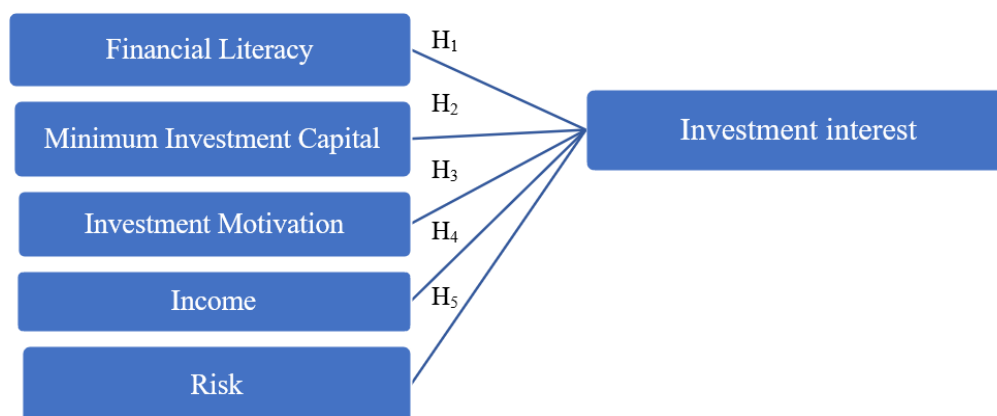
According to (Sari, 2017), a person's income is the amount they receive as payment for their work and performance. Income is the outcome of a person making genuine sacrifices to meet their needs by investing their current sources of income in a variety of investments, such as stocks, bonds, deposits, gold, real estate, and other kinds of investments. The income referred to is the income earned by students, usually obtained from pocket money given by their parents and some from the results of part-time work or side jobs during college (Faidah, 2019). A high income will present a chance for someone to invest since necessities have been fulfilled and money is available to put away for specific purposes, such as one's retirement.

RISK

Investment risk is the potential loss resulting from deviations from the expected and actual rates of return. Two elements that are attached to any capital or funds invested are the results (return) and risk (Situmeang et al.,2017). Investment risk is the potential loss resulting from deviations from the expected and actual rates of return. Market risk is a condition that a firm encounters as a result of shifts in market conditions and circumstances that are not beyond the organizations' control (Saskia, 2022). Research from (Hikmah, 2020) and (Malik, 2017) states that risk perception positively affects investment intentions because someone who will use or choose an investment will certainly consider or perceive the risks of losses and profits he will receive later.

RESEARCH FRAMEWORK AND HYPOTHESIS DEVELOPMENT

Figure 2.1 Research Framework



According to the findings of the research, the results obtained for each factor show its relationship with investment interest as follows:

H1: Financial literacy and Indonesian students' desire in participating in the stock market are significantly correlated.

H2: Minimum Capital and Indonesian students' interest in investing in the stock market are significantly correlated.

H3: The motivation of Indonesian students and their interest in participating in the stock market are significantly correlated.

H4: Income has a major impact on Indonesian students' desire to participate in the stock market.

H5: Risk has a considerable impact on Indonesian students' desire to participate in the capital market.

RESEARCH METHODOLOGY

POPULATION & SAMPLE

The population of this study is Indonesian students with the criteria for an active sample of students domiciled on the island of Java for the 2019-2023 academic year and who are currently/have taken majoring in financial management/entrepreneurship courses. According to (Sugiyono, 2017) the minimum number of perspective samples is ten times the total number of variables being researched (independent + dependent). This study has six independent variables and one dependent variable, which must have a minimum of 60 respondents. For more accurate data, this study uses 150 respondents recorded via Google form with terms and conditions that apply according to the population.

COLLECTION OF DATA

Data collection has a procedure where researchers will distribute online questionnaires in the form of Google Forms and are disseminated by researchers directly either face-to-face or digitally through WhatsApp groups and other social media. This questionnaire consists of six sections used to collect data. Section 1 is a socio-demographic respondent, section 2 is a measure of investment interest, section 3 is a measure of financial literacy, section 4 is a measure of motivation, section 5 is a measure of minimum capital, section 6 is a measure of income, and section 7 is a measure of risk. The author uses a general interval scale (5 Likert scale), with response categories such as: strongly disagree, disagree, neutral, agree, and strongly agree. The Likert scale is used to gauge someone's or a group's attitudes, viewpoints, and perceptions of social phenomena. In this study, social phenomena known as research variables have been formally identified through the use of research.

RESEARCH DESIGN AND INSTRUMENT

This type of study is descriptive-based quantitative research due to using questionnaires and surveys to gather primary data and quantitative research in general. Multiple linear regression tests performed using SPSS 26 provided the data processing results. This questionnaire is distributed exclusively to students pursuing formal or informal education focusing on investing in the stock market. The goal of this study's design is to gain comprehensive and in-depth knowledge about a subject as much as possible. Moreover, to ascertain the degree to which the independent factors of this study affect students' interest in investing at the capital market.

DATA ANALYSIS STRATEGIES

Data testing used in this study includes validity, reliability, descriptive statistical analysis, Pearson correlation analysis, and multiple linear hypothesis tests. Regression models are based on functional or causal relationships of independent variables with dependent variables (Ghozali, 2013). Multiple linear regression analysis was tested using the SPSS version 26 program. The multiple linear regression analysis model used to test the hypothesis is as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e_i$$

Explanation:

Y = Investment Interest

β_0 = Intercept of the regression function

X_1 = Financial Literacy

X_2 = Motivation
 X_3 = Minimum Capital
 X_4 = Income
 X_5 = Risk & Return
 e = is a source of concern

DESCRIPTIVE STATISTICS

Table 4.1 Respondents profile

| Profile | Characteristics | Frequency | Percentage (%) |
|------------------|-------------------------------|-----------|----------------|
| Gender | Male | 67 | 44.7 |
| | Female | 83 | 55.3 |
| Age | 19 years old | 2 | 1.3 |
| | 20 years old | 17 | 11.3 |
| | 21 years old | 39 | 26.0 |
| | 22 years old | 80 | 53.3 |
| | 23 years old | 12 | 8.0 |
| Income per Month | <Rp. 1.500.000 | 61 | 40.7 |
| | Rp. 1.500.000 - Rp. 2.500.000 | 28 | 18.7 |
| | Rp. 2.500.000 - Rp. 5.000.000 | 37 | 24.7 |
| | >Rp. 5.000.000 | 24 | 16.0 |
| Source of Income | Personal Income | 57 | 38.0 |
| | Parents | 74 | 49.3 |
| | Scholarship | 19 | 12.7 |
| Investment Goals | Earning dividends | 30 | 20.0 |
| | To Invest | 80 | 53.3 |

| | | |
|-----------------------|----|------|
| Get More than Capital | 39 | 26.0 |
| Others | 1 | .7 |

Table 4.1 shows that females dominate the result respondents in this study at 55.3% compared to males at 44.7%. And most of the student is 22 years old. The respondents have an income between less than 1.5 million rupiahs and above 5 million rupiahs. With state of income, 79 students received money monthly from their parents, 57 received money from personal income, and 19 respondents came from scholarships. And a majority of the student is from DKI Jakarta.

Descriptive Statistics for Investment Interest, Financial Literacy, Minimum Investment Capital, Motivation, Income, and Risk

| Variables | Mean | SD | Range |
|--|-------------|-----------|--------------|
| Investment Interest | | | |
| I have searched for information about investing in the capital market and interested in the various pieces of information I get about investing in the capital market. | 4.16 | .786 | 1-5 |
| I read books/magazines/newspapers about investing before I want to start investing. | 4.09 | .838 | |
| I am motivated to invest as there are many successful people who have become wealthy as investors, such as Warren Buffet. | 4.19 | .748 | |
| I ask friends/family/siblings who are competent in the capital market to find out how to make an investment. | 4.23 | .718 | |
| Financial Literacy | | | |
| Investment is planting capital for the long term with the hope of getting profits in the future. | 4.29 | .756 | 1-5 |
| I will analyze the calculation of each type of investment to choose which one will give me the highest return. | 4.31 | .804 | |
| Companies with excellent images have interested me in investing my funds in those companies | 4.31 | .785 | |
| I spend my free time watching videos that explain how to invest as a way to increase my motivation to invest. | 4.17 | .880 | |
| I am confident with my understanding of how to invest appropriately and effectively. | 4.31 | .770 | |
| Minimum Capital | | | |
| Initial investment capital is a consideration before investment. | 4.34 | .767 | 1-5 |
| Opening an account in securities with affordable (relatively low) initial capital for students makes it easy to start investing. | 4.24 | .800 | |
| I can set aside at least $\geq 10\%$ of my income to be used as initial investment capital. | 4.29 | .871 | |
| I have considered the estimated investment funds in investing. | 4.23 | .778 | |
| Changes in stocks make the funds to be spent on investment not too large for students. | 4.13 | .813 | |

| Motivation | | | 1-5 |
|--|------|------|------------|
| I am motivated to invest because friends/family/relatives have proven that they have benefited a lot from the results of investing | 4.21 | .805 | |
| By investing, I am helping the company to grow. | 4.21 | .753 | |
| Investing in stocks in the capital market means that I own the company in which I invest. | 4.16 | .820 | |
| I think stock investment is an important instrument in economic development. | 4.31 | .777 | |
| I would invest if my friends, relatives or people I know also invest in the capital market. | 4.22 | .793 | |
| Income | | | 1-5 |
| I can set aside my income as initial capital to invest. | 4.15 | .789 | |
| I adjust the type of investment that I will choose to the income from my current job profession. | 4.13 | .854 | |
| I can determine the availability of my income as capital to invest, depending on the size of the Education budget dependents. | 4.15 | .878 | |
| I can determine the availability of my income as capital for investment, depending on the number of family dependents. | 4.21 | .830 | |
| Risk | | | 1-5 |
| Convinced that I can mitigate all the risks of the chosen investment | 4.21 | .846 | |
| Feeling afraid of experiencing losses if the company goes out of business or loses money | 4.20 | .843 | |
| Losses experienced when investing can reduce wealth | 4.08 | .848 | |
| The uncertainty of the profit-sharing rate makes me reluctant to invest in the capita market | 4.09 | .874 | |
| Investment with high risk and high return is an exciting challenge for me | 4.09 | .827 | |

Table 4.2 Descriptive Statistics for IVs and Dependent Variables

| | Minimum | Maximum | Mean | Std. Deviation | Skewness | Std. Error of Skewness |
|----------------------------|----------------|----------------|-------------|-----------------------|-----------------|-------------------------------|
| Investment Interest | 10 | 20 | 16.68 | 2.277 | -.745 | .198 |
| Financial Literacy | 10 | 25 | 21.38 | 3.095 | -1.313 | .198 |
| Motivation | 12 | 25 | 21.11 | 2.853 | -.943 | .198 |
| Minimum Capital | 12 | 25 | 21.27 | 2.990 | -1.066 | .198 |
| Income | 8 | 20 | 16.63 | 2.694 | -.811 | .198 |
| Risk | 11 | 25 | 20.89 | 2.968 | -.925 | .198 |
| Valid N (listwise) | 150 | 150 | 150 | 150 | 150 | 150 |

Descriptive statistics of the study are used to describe or characterize the outcome variables. The table above shows the descriptive statistics for six variables, it can be seen that for standard deviation, financial literacy has the highest score of 3.095, while investment interest has the lowest score of 2.227. Therefore, when compared to the others, financial literacy has the most incredible spread. And all statements are negatively skewed. With regards to minimum investment capital, the result shows that the item “Initial investment capital is a consideration before investment.” is rated the highest with a mean of 4.34. Furthermore, the result shows high agreement on all of the statements is variable Financial Literacy with a mean value in the range between 4.17 to 4.31. And the result shows lowest agreement on all of the statements is variable Income with a mean value in the range between 4.13 to 4.21.

CORRELATION ANALYSIS

Table 4.3 Pearson Correlation

| | II (Y) | FL (X₁) | M (X₂) | MIC (X₃) | I (X₄) | R (X₅) |
|----------------------------|---------------|---------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| II (Y) | 1 | .733** | .753** | .764** | .775** | .733** |
| FL (X₁) | .733** | 1 | .735** | .749** | .737** | .734** |
| M (X₂) | .753** | .735** | 1 | .762** | .786** | .715** |
| MIC (X₃) | .764** | .749** | .762** | 1 | .837** | .742** |
| I (X₄) | .775** | .737** | .786** | .837** | 1 | .772** |
| R (X₅) | .733** | .734** | .715** | .742** | .772** | 1 |

** . Correlation is significant at the 0.01 level (1-tailed).

A sig value of 0.000 is determined from the correlation test results above between financial literacy, motivation, minimum investment capital, income, and risk on investment interest. Financial knowledge, motivation, minimum investment capital, income, and risk on investment interest are all related.

REGRESSION ANALYSIS

Table 4.5 Regression Analysis

| Predictors | B | SE | T-statistic | Sig |
|---------------------------|--------------|--------------|--------------------|-------------|
| Constant | 1.980 | .849 | 2.331 | .021 |
| Financial Literacy | .124 | .058 | 2.145 | .034 |
| Capital Minimum | .169 | .065 | 2.600 | .010 |
| Motivation | .141 | .070 | 2.022 | .045 |
| Income | .171 | 0,082 | 2.088 | .039 |
| Risk | .126 | .061 | 2.071 | .040 |

| | |
|-------------------------|-----------------|
| R square (R2) | 0.702 |
| Adjusted squared | R- 0.691 |
| F statistic | 1.265 |
| Durbin Watson | 2.125 |

The partial regression test resulted in a t-count value of 2.145, a regression coefficient (beta) of 0.124, and a probability (p) of 0.034. Based on the data processing results where the probability value (p) 0.05, the hypothesis that Financial Literacy has a positive and significant effect on Investment Interest is adopted. The variable Motivation has an estimated beta value of 0.169. Given that the likelihood value of 0.010 is less than 0.05, it is evident that motivation significantly and favorably influences investing interest. According to the Minimum Investment Capital beta value of 0.141 and probability value of 0.045, which is less than 0.05, the Minimum Investment Capital also positively and significantly impacts Investment Interest. Based on the data processing results where the beta value is 0.171 and probability (p) = 0.039 ≤ 0.05, it can be concluded that Income has a positive and significant effect on Investment Interest. And the last hypothesis, Risk, is also accepted because the beta value is 0.126, and a probability value of 0.040 is obtained, more diminutive than 0.05. Based on the table above, the coefficient of determination (Adjusted R2) = 0.691, meaning that the independent variables of financial literacy, motivation, minimum capital, income, and risk have a 69.1% simultaneous impact on the dependent variable. Other factors not included in the research model impact the remaining 30.9%.

SUMMARY OF FINDINGS

As a result, analysis of the finding data found that out of 5 hypotheses is obtained and accepted in the regression test in terms of financial literacy respectively (Sig < 0.05). In other said, all variable has a significant and positive relationship with students' interest in investing in the capital market.

Table 4.6 Summary of the Hypotheses Testing

| Hypothesis | Accepted (p < 0.10) | Rejected (p > 0.10) |
|---|---------------------------------------|---------------------------------------|
| H1: Financial literacy and Indonesian students' desire in participating in the stock market are significantly correlated. | ✓ | |
| H2: Minimum Capital and Indonesian students' interest in investing in the stock market are significantly correlated. | ✓ | |
| H3: The motivation of Indonesian students and their interest in participating in the stock market are significantly correlated. | ✓ | |
| H4: Income has a major impact on Indonesian students' desire to participate in the stock market. | ✓ | |
| H5: Risk has a considerable impact on Indonesian | ✓ | |

students' desire to participate in the capital market.

DISCUSSION AND CONCLUSION RESEARCH FINDINGS

RESEARCH FINDINGS

The results of this study indicate that students' financial literacy, whether they have studied the capital market through formal educational institutions or non-formal education, greatly influences students' interest in investing in the capital market. Furthermore, minimum capital and motivation from themselves and others greatly influence students to invest in the capital market. Income owned by students and knowledge of capital market risks also affects Indonesian students' interest in investing in the capital market.

RECOMMENDATIONS

Furthermore, while this research is far from perfect, numerous factors need to be added or completed for future research to produce better results and broader future benefits. The following suggestions are available:

1. In this study, the strength of the independent variables' influence on investment interest reached 69.1%, while other factors outside the research caused the remaining 30.9%. Therefore, the researcher suggests that future researchers conduct tests based on other variables besides financial literacy, investment motivation, income, and risk to be able to find new variables to obtain other factors that influence investment interest, such as profit opportunities, economic conditions, investment security, and so on, which are thought to have a strong influence on students' investment interest in the capital market. It can provide in-depth knowledge and understanding of the elements influencing students' interest in the capital market.

2. In this study, 150 Indonesian student respondents who lived on the island of Java were tested specifically for those who attended formal capital market training through educational institutions. It would be better if, in future studies, to increase the number of respondents so that they could be more representative of the entire population being tested, especially by plotting the distribution of the questionnaires to one area and another and making a scheme for distributing how many respondents from various regions could be filled in evenly and get more significant results.

LIMITATION OF STUDY

This research is expected to provide an overview and increase knowledge and in-depth understanding for readers regarding the factors that influence students' interest in investing in the capital market. In addition, this research is also useful for writers because it can add new knowledge related to the topics discussed. This research can also be a reference for academics and a benchmark for similar research in the future. This study examines the entirety of the Indonesian student on the Island of Java. Therefore, not all Indonesians interested in participating in the capital market are fully represented by these findings. This study aims to determine the variables that affect students' interest in investing in the stock market. Data will be gathered through an online survey of students in Indonesia, who will be chosen using cluster sampling to reflect the student population on the Indonesian island of Java. As a result, these findings do not fully reflect the influence of all Indonesian student and may indicate their interest in investing in the capital market.

FUTURE RESEARCH

Researchers suggest that future research examine other variables and expand the sample of respondents to be more representative of the entire population being tested. If there are no samples added, future research is expected to be able to test samples from more specific populations, such as only testing one area like Central Java, West Java, East Java, or other islands such as Kalimantan to obtain more accurate results.

CONCLUSION

The results of this study indicate that financial literacy has a big impact on students' interest in investing at the capital market, whether they have studied the capital market through formal educational institutions or non-formal education. Furthermore, minimum investment capital requirements, self- and other motivation, and other factors could encourage students' interest in the stock market. The desire of students to invest in the stock market might be influenced by their income and their understanding of the potential risks involved. This research will indirectly assist parties ranging from the Ministry of Education, especially the IDX and OJK, in establishing material for reflection on knowledge of Indonesians about capital markets and educational institutions in developing teaching materials that can effectively increase students' interest in investing in the capital market. Suggestions for students interested in investing in the capital market are advised to actively increase their understanding of investing and utilize the facilities provided by the Indonesia Stock Exchange (IDX) to find general information about the terms and conditions of investing. Students can read books about successful investors' experiences, which is very useful for gaining insights into tips that must be done in investing by experts and how the urgency or importance of investment fosters interest in investment.

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