

Financial and stock market participation in Kuala Lumpur, quantitative research among employees

Alex Wong Kok Hong¹

E-mail: alexwongkokhong123@gmail.com

Benjamin Chan Yin Fah²

E-mail: benjaminchanyinfah@gmail.com

Vikneswaran Al Manual³

E-mail: vikneswaranmanual123@gmail.com

¹Asia Pacific University of Technology and Innovation, Malaysia,

²The Center of Innovation and Entrepreneurship, Asia Pacific University of Technology & Innovation (APU), Graduate School of Business, Universiti Tun Abdul Razak (UNIRAZAK),

³Asia Pacific University of Technology and Innovation, Malaysia.

Abstract

Whilst purchasing stocks and options can make a better come back compared to selected monetary possessions, individuals are nevertheless hesitant in order to take part in the particular Wall Street game. A few believe minimal store involvement is definitely brought on by roundabout share purchase by way of Device Believe in pay for, purchase failing or even missing rely upon industry due to various corporate and business downfalls, yet little if any info is definitely however offered about no matter if monetary literacy performs a crucial part inside impacting on the particular contribution motive. Therefore, this specific research aspires to look at the amount of economic literacy and even evaluation it is hyperlink to stock exchange engagement purpose, particularly amongst doing work grown ups throughout Kuala Lumpur. An overall total involving 385 participants had been gathered employing comfort sample. Outcomes of this kind of research demonstrates that economic understanding, economical abilities, plus fiscal recognition are essential for the specific meant to engage in typically the stock exchange.

Keywords: Financial Knowledge, Financial Skills, Financial Awareness, Stock market participation intention.

1. Introduction

A global souk has turn out to be extremely high-risk plus unknown. It really is impacting the country together with culture. The key effects of the trend would be the increasing associated with charges of products. When noted, Malaysia's pumping cost keeps growing and is also erratic. The particular pumping speed provides increased right from zero. 97% (Year 2018) to at least one. 02% (Year 2019). It truly is likely to increase to be able to second . 08% simply by 2020 because of a bad worldwide economy which is anticipated to expand steadily through the years (Statista, 2020) (refer to find 1). This particular event shows that will Malaysians definitely will shortly skin economical issues.

Unfortunately, as a result of monetary liberalization plus strength change within the interpersonal basic safety market, the particular recurring adjust within decision-making ability far from bosses in addition to government authorities in order to personal people within the previous couple of years has taken a lot more accountability toward visitors to make sure their very own fiscal properly : becoming. Consequently, the advantages of suitable monetary preparing are inescapable within the approaching yrs to obtain economic wellbeing. To be able to include right economic preparing, economical literacy is crucial when Sabri and even MacDonald (2010) indicated that monetary literacy includes a substantial impact in the particular fiscal health associated with modern culture overall.

Among the ways to riches deposition monetary organizing is usually expense. There are numerous economic benefits through which individuals can easily buy, like provides, communal money, inventory market segments, or even goods. She or he need to budget component to their funds to purchase dangerous money, like stocks and shares, so as to intensify prosperity buildup. In addition to prosperity deposits, throw away properly within share can raise typically the revenue creating to be able to combat pumping. In spite of the advantages, folks are continue to hesitant to the particular stock exchange.

In accordance with Kok (2019), Malaysia's inventory market's store contribution is usually minimal. The information through Bursa Malaysia demonstrates Bursa Malaysia's store entrepreneur engagement was standing for about 25% inside the first of all one fourth regarding 2019, whilst overseas together with institutional buyers made up 73%. Relatively, typically the store involvement quote within Asia (30%) is definitely huge, in addition to Singapore plus Hk the speed is larger. Seohan Very, BOSS associated with AmInvestment Loan provider Bhd, professed of which reduced retail store engagement happens because list shareholders are usually investment ultimately from your resources industry by means of different product rely on money offering a good bring back. He or she additional that will retail industry traders are not willing to take a position immediately within the equities marketplace since they dropped rely upon the marketplace because of several corporate and business disappointments inducing the purchases reduce cash (Kok, 2019). At the same time, improvements inside software advancements, tough rules plus high in addition to restricted putting on anti-money washing specifications currently have designed visitors' impression from the industry getting overregulated and so be a bad boundary involving entrance for the wall street game. Because of this, individuals normally

discover fresh stock trading frontiers for example global forex trading or even cryptocurrencies. These types of new trends show of which traders right now look badly anticipated to install the particular stock exchange (Kok, 2019). Certainly, a deficiency of lack of believe, investment decision failing, poor expectancy plus belief in regards towards the stock exchange is actually a results of Malaysian deficiency of monetary literacy. In line with the research associated with OECD (2016) (Figure a couple of and even Desk 1), the principle monetary reassurance that owns by simply Malaysian can be noticeably very low. Their particular choosing signifies that will just 33% from the Malaysian public attained a baseline focus on rating associated with no less than 5 using more effective within the expertise queries. The end result likewise demonstrates around simply 2 away from ten men and women can response 70 percent from the standard economic information concerns in the correct way. Furthermore, the actual result implies that will Malaysia results considerably under the standard proportion coming from all engaging nations and in addition OECD nations. These kinds of studies are usually lined up considering the previously examine regarding Janor de plus approach., (2016) who have assessed the particular economical literacy degree of Malaysia along with the Uk through the use of OECD customer survey. Contrary to Malaysia, economic literacy amongst people is good far away, as an example throughout Kazakhstan (Bakhtgalieva, Chan plus Alwie, 2018). So far as involved the aforementioned pattern, this particular examine is usually considering studying whether or not fiscal literacy can have an effect on currency markets involvement drastically. This specific research may provide light for the present booklets in many methods (MM Kamruzzaman et. al 2022).

Seeing the significance of Economic Literacy, a lot of the monetary literacy analyze have been executed within created Countries in europe just like Australia, Italia, Netherland (Lusardi together with Mitchell 2011), Italy (Arrondel, Debbich, plus Savignac 2012) in addition to Europe (Brown and even Graf, 2012), yet , there was clearly couple of research inside building companies this sort of Philippines, Indian (Carpena ou way., 2011) plus Sri Lankan (De Mel, McKenzie, plus Woodruff, 2008). This particular sign there is the requirement of monetary literacy review throughout establishing nations around the world to boost the particular economic literacy amount of persons since it is an important thing for that nation heading forwards through producing places in order to designed locations. Because of this, this specific research is going to be done within Malaysia, specifically inside Kuala Lumpur.

Moreover, the phrase Economic Literacy have been identified in a different way, and it also essentially encompassed principles including economical recognition, know-how together with abilities, fiscal ability, and also to even more typically, with regards to funds administration plus monetary organizing. The majority of the image or even explanations were commonly overlapped, without widespread associated with economic literacy might be increasing decided. These particular papers definitely will ideally promote previous materials simply by making a brand new conceptual design regarding computing Malaysian economic literacy. The modern conceptual unit is created in line with the OECD type as well as its operating meaning of monetary literacy (Y. Shi et. al 2020).

In addition, prior scientific studies got used group parameters for example gender selection, age ranges, revenue throughout testing economic literacy, or perhaps stock exchange contribution at home. Nevertheless , there has been minimal current researchs that will connected economical literacy plus wall street game engagement, as well as the degree where monetary literacy have an impact on stock exchange involvement purpose amongst functioning grownups had been constrained because so many from the studies' aimed human population were residential, university student plus shareholders. Therefore, this kind of analysis make an effort to nearby the particular difference by simply checking out the particular connection involving economic literacy in addition to stock exchange contribution inside the creating region, Malaysia, and particularly between doing work grown ups.

This kind of standard paper proceeds which has a report on the particular element of fiscal literacy of which impacting stock exchange engagement objective. The particular traditional then simply proceeds typically the area of method, studies, topic plus decision..

2.Literature Review

2.1 Stock market participation

The particular stock exchange performs an important part in several building nations not just within financial development and growth but additionally within the monetary life of numerous individuals. Recognizing shares like a type of expense, numerous traders will certainly take part in this to create their own property dependent earnings among the main results associated with funds marketplace concept offers suggested that each home ought to spend a part of their particular prosperity inside the dangerous resource in order to benefit from danger high quality (Campbell plus Viceira, 2001).

Nevertheless , scientific study of home profile option experienced discovered that lots of families usually do not keep share. This particular trend is called "stock industry involvement puzzle" (SMPP), and contains already been proved by many people experts in numerous nations (Mankiw plus Zeldes, 1991; Haliassos plus Bertaut, 95; Guiso ainsi que ing. the year 2003; in addition to Christelis, Jappelli and even Padula, 2010). SMPP will be known the truth that although individuals understand stocks and shares have a superior imply come back, most of them are hesitant in order to set aside anything towards the currency markets. It could be reaffirmed because "what maintain most of folks run away from your wall street game although they could be prepared to generate a lot more simply by keeping share rather than riskless economic property like financial institution deposits" (Gardini together with Magi, 2007).

One of the reasons for this the reason why individuals are unwilling to be able to take part in high-risk resources for

example shares may be the insufficient economical literacy. Because the stock exchange is recognized as to become a complicated plus dangerous investment decision method, people that buy the stock exchange have to be monetarily well written in addition to nicely conscious of the various aspects plus functionality associated with the particular stock exchange (Guobin Chen et. al 2020). Knowledge of various inventory market's functionality, equipment and even causes of info which usually describes the particular share market-related literacy can also be essential (Mate together with Atteinte, 2018).

Christelis, Japelli plus Padula (2010), Almenberg in addition to Dreber (2011), Arrondel, Debbich and even Savignac (2012) outlined there was obviously a higher probability of a lot more numerated together with monetarily well written men and women taking part in typically the currency markets. Jones plus Spataro (2015) mentioned there was your interconnection among monetary literacy, human being funds, in addition to wall street game involvement. These people figured build up associated with individual funds via an appropriate schooling program can activate penetration of00 regarding economic literacy and therefore impact higher purpose in order to be involved in the particular stock exchange. In line with this particular, Vehicle Rooijet ou ing. (2007) mentioned that will failing within learning understanding and even knowledge of financial together with economics had been the main issues inside inventory possession. Yoong (2010) backed this specific by simply demonstrating that fiscal illiteracy or even carelessness involving monetary issues might adversely hinder typically the stock exchange involvement, however had been wealthy plus nicely -- informed.

2.2 Financial Literacy

Monetary literacy has ceased to be a brand new auto financing strategy. Nevertheless, the meaning regarding monetary literacy differs among current exploration as well as the widespread associated with economic literacy that could be decided with one voice is still lacking. Basically, quite a few ideas or even descriptions are utilized inside the outdoor umbrella associated with monetary literacy, and various statistic musical instruments had been persisted (Zait plus Berteau, 2014). College student, insurance plan standard, monetary skilled and even customer supporter experienced simply described the particular term as being the understanding, abilities, self confidence, together with inspiration which was essential for the particular managing of this cash (Remund, 2010).

Right after thought involving various landscapes along with the feasibility to work with the meaning intended for industry examine, the particular OECD doing work description is implemented. The explanation intended for using this particular design is basically because this particular classification effectively addresses thinking about economic literacy and possesses already been broadly used throughout a lot of places to the study in economical literacy. For example, Agarwalla ain ing. (2015), plus Janor au même tire que ing. (2016) got used OECD Unit within their analyze in order to determine fiscal literacy within creating economics.

The particular OECD specifies Economic Literacy while "A mixture of attention, understanding, abilities, frame of mind, plus behaviour instructed to create a much better monetary choice plus finally obtaining economic effectively -- staying associated with an individual" (OECD INFE, 2011). This specific classification was created simply by Atkinson plus Unpleasant (2012) in order to aid OECD within the review associated with economic literacy amongst the younger generation around 13 areas.

With this analyze, 2 size regarding OECD's Economical Literacy Frames, that happen to be Fiscal Understanding in addition to Monetary Abilities, will be followed in order to gauge the standard of Monetary Literacy of your participants. Economic information procedures someone's real fundamental and even innovative monetary aspects, when Economic Abilities gauge someone's recognized economical capability to conduct fiscal computation together with examination. 2 various other length and width associated with OECD structure, Actions plus Frame of mind, may not always be implemented within measure Economical Literacy. Due to the fact monetary literacy is actually a several : shape develop, individually inside calibrating the distinct measurements is important in addition to basis (Agarwalla de plus 's., 2015). In the meantime, so that they can boost the dimension involving Monetary Literacy, Fiscal Attention, a brand new way of measuring, will be as part of the recommended conceptual unit. This kind of adjustable is made in line with the associated with OECD. Monetary attention procedures the information in regards to the present economic item and companies in addition to information to be able to fund and even economic system. The particular offered conceptual design in order to determine Economic Literacy is definitely demonstrated throughout (Diagram 1).

2.3 Financial Knowledge

Based on OECD (2013), calculating preceding fiscal understanding is essential within the evaluation on the a higher level monetary literacy. Economical information is thus a significant the main meaning of economic literacy. This particular view was arranged from the scientific studies associated with Xu plus Zia (2012), which will explained that will monetary understanding had been one of many components of monetary literacy. Fiscal information was essential for a person to attempt exercises for example subsequent information concerning the financial system in addition to economic landscaping, looking at plus examining lending options or even expert services and even therefore generating the ideal plus well advised selection.

In accordance with Xu together with Zia (2012), economic information has been seen by typically the knowledge of lending options, association, plus ideas. As well, OECD (2013) acquired more discussed that will monetary expertise involves from the know-how plus knowledge of imperative portions of the particular economical industrys, such as the major fiscal ideas as well as the goal plus basic principles regarding lending options. Typically the comprehension of danger which may impact the economic well getting in addition to the actual insurance plans and even pension check

can also be labelled as monetary understanding. Rawal et. al (2021), Poongodi et. al(2022), Ramesh TR et.al (2022), Ahila A et.al (2022)

Using the Typical type of pay for together with profile decision, possible traders possessed ample information about the particular economic routines marketplace to make logical investments percentage choices to optimize their own wellbeing inside the quick plus permanent (Hamada, Sherris plus Hoek, 2006). This specific view means that someone should have sufficient economical understanding to be able to have a very far better capability to get involved in typically the stock exchange. To put it differently, the particular stock exchange involvement can be connected with fiscal information.

The research involving Vehicle Rooij, tout autant que approach. (2011) backed typically the see of which understanding of the particular monetary industry had been necessary for stock exchange involvement. Inside their researching, these people developed a couple of particular adventures to get Home Review within Netherland to gauge economic literacy to examine their particular connect to currency markets involvement. Their particular consequence signifies that most of the particular surveys takers experienced appreciated actual monetary expertise in addition to principles, including pumping price, attention increasing, as well as the moment associated with cash. Quite a few participants, nevertheless , were struggling to distinguish among you will have plus companies, the partnership in between attachment rates plus interest levels, and can not really fully grasp danger variation correctly. Consequently , they will figured typically the prevention associated with inventory possession was as a result of insufficient fiscal and even economic comprehending. Inside the investor's wording, Bucher-Koenen plus Ziegelmeier (2011) got observed that will German born traders together with much less economical know-how had been not as likely to own committed to the particular wall street game. The research regarding Janor tout autant que way., (2016) conformed using this type of for the reason that research pointed out that each along with a lesser amount of fiscal information might have an adverse viewpoint concerning solutions plus hereafter deterred all of them via re-discovering revolutionary item together with taking part in typically the stock exchange.

Therefore, using the previously mentioned conversation, this particular review hypothesizes of which:

H1: Economic Know-how possesses a substantial marriage using stock exchange contribution purpose amongst operating grown ups.

2.4 Financial Skills

Even though dimension associated with monetary understanding is essential for that assessment regarding economic literacy, monetary literacy will not simply include the particular duplication from the build up expertise. Xu plus Zia (2012) has been decided with this particular idea by giving scientific proof that will monetary abilities had been furthermore regarded as among the aspects of economic literacy. These people show economical abilities since the capability to determine substance attention transaction. Earlier study, like Beal in addition to Delpachit (2003) experienced examined 5 primary abilities places within calculating fiscal literacy. These types of expertise locations incorporated fundamental ideas, the particular device involving economic marketplaces, preparing, evaluation, and even making decisions. The research was carried out upon college students from your College associated with The southern part of Queensland throughout several performance.

Beal together with Delpachitra (2003) recommended that will monetary abilities can allow an individual in order to get around typically the monetary globe, create an appropriate economic choice, for example controlling individual cash plus reduce their own likelihood of becoming tricked around the economical issues. Having these skills are usually known as fiscal abilities in addition to, a lot more particularly, intellectual expertise. The particular monetary abilities really are a table description, plus intellectual capabilities in many cases are related to economic abilities. Intellectual expertise includes numerical, manifestation abilities, and even remembers abilities.

Based on OECD (2013), economical literacy furthermore entails the particular breaking down regarding intellectual plus useful abilities. Quite simply, this communicates economic expertise like a common intellectual procedure which involves evaluating, evaluating, plus different, together with analyzing fiscal info plus second option used inside a monetary framework. It may consist of simple numerical literacy abilities. For example, the opportunity to determine proportions or even transform among foreign currencies will also be regarded as monetary expertise. Apart from, this may also contain vocabulary abilities, for instance , the opportunity to go through plus translate typically the economic info. In a nutshell, the particular monetary expertise listed below is known as economical intellectual abilities.

Several research experienced examined the connection in between intellectual capability plus stock exchange involvement. The research involving Grinblatt ainsi que ing. (2011) plus Grinblatt ainsi que ing. (2012) got demonstrated that the individuals intellectual capability has been an essential car owner associated with involvement within the currency markets. The research acquired analyzed the particular fine detail information for any big consultant test regarding Complete home traders in addition to found that could be contribution within the stock exchange has been monotonically growing together with his intellectual capacity. These types of results were good research involving Guiso plus Jappelli (2005); Vehicle Rooij ou 's. (2007) and even Calvet ain 's. (2007), which usually discover proof that each along with reduce intellectual capabilities has been were known to not or even more unlikely in order to take part in typically the wall street game.

Additionally, this particular belief can also be maintained the particular research associated with Christelis ou approach. (2010). They will demonstrated that this intellectual potential of the person was highly associated with an inclination with

regard to expense inside the stock exchange, we electronic each immediate together with roundabout engagement via shared money or perhaps expense balances. These people integrated numeracy, spoken fluency plus memory space since the domain name inside evaluating intellectual capability. These people discovered the insufficient intellectual abilities like reading through expertise plus standard statistical computations helps prevent stockholdings or even limitations typically the involvement from the fiscal marketplace. The writer additionally described of which intellectual disability restrictions investors' capability to gather in addition to procedure details and even afterwards, stops all of them through trading even more within the stock exchange. This particular research figured intellectual capability can reduce recognized currency markets investment decision expenses and therefore boost stock exchange involvement. Quite simply, the particular inclination to be able to take part in share market segments has been decreased simply by intellectual disability.

Apart from, the research regarding Hansen plus Rental property, (2014) also available that will intellectual capabilities a new solid partnership together with monetary marketplace contribution. The research got used the particular Philippine Family members existence study to look for the partnership among economic marketplace involvement together with intellectual capability by means of danger repulsion. The outcomes revealed that the person using increased intellectual capability will be much less risk-averse, and thus, they have a tendency to keep a lot more economical property. This particular accusations can also be backed by simply Cole ain way., (2014), plus they possessed pressured the significance of intellectual capacity. They will identified that the individual who acquired increased check rating upon intellectual capability may include a number of fiscal devices, like credit score fails exchange, shares, provides or even shared money. Based on the above mentioned conversation, these ideas are usually suggested.

H2: Monetary Abilities includes a substantial connection having stock exchange engagement purpose amongst operating grown ups.

2.5 Financial Awareness

Monetary recognition can also be among the aspects of monetary literacy. Monetary attention is known as the information associated with expense plus vital investment decision posts. Buyers ought to be outfitted some time before purchasing the particular wall street game along with economic understanding, extreme caution, in addition to knowledge of transforming marketplace disorders. Generally there have been quite a few researches in this particular industry, which includes Guiso and even Japelli (2005), which usually got found that will earnings, prosperity, together with academic standing, impact person mind. The research simply by Umamaheswari plus Ashok Kumar (2013) furthermore recommended that this consciousness towards expense within the stock exchange is certainly affected simply by socio-economic adjustable including profits, age group, girl or boy, position, plus schooling stage.

Kadariya au même tire que ing., (2012)'s review regarding trader education experienced discovered of which investor's consciousness was really associated with the amount involving collateral investment decision within the supplementary industry. To gather information with this study, the particular Organised Set of questions has been handed out in order to sixty-five buyers. The analysis demonstrated the volume of monetary understanding of the trader could possibly be afflicted with function knowledge, understanding anticipation, purchase atmosphere knowing, in addition to marketplace info. The actual result indicates that this respondents' (investors) consciousness is great.

This particular idea was basically decided by simply Rakesh's (2014), whom found that around 85% associated with traders were nicely – aware about stock exchange purchase. Nevertheless, Umamaheswari plus Ashok Kumar (2013) had been disagreed with this particular simply by proving the fact that traders were very little conscious of currency markets expenditure when it comes to financial commitment theory plus functioning. Additionally, Basaiah and even Priyajka's economic focus analysis (2005) throughout Anantapur Area within Personer Pradesh says traders were mindful of the particular explains to you together with shared capital, nevertheless they are not conscious of some other expenditure equipments just like debentures, an actual, plus goods, golden bought and sold money.

Apart from, the research associated with Guiso in addition to Japelli (2005) got centered on investigated the main reason for the particular minimal wall street game involvement together presented the info wall as a possible essential motive. Consistence along with before analysis associated with Merton (1987), the particular hindrance that will regarded as inside the examine will be lack of knowledge of this menus regarding current monetary belongings, for example, common money or even shares. The end result discovered the particular spectacular lack of knowledge one of the entrepreneur. Which is, 35% involving trader had not been aware about securities, whilst pertaining to common account is 50 percent. The particular selecting furthermore stated that when many traders a new advanced associated with economical cognizance, share possession might dual from your present degree. This means that, an absence of recognition could possibly slow down stock exchange contribution.

These dialogue triggers this particular ideas:

H3: Economic Consciousness contains a considerable connection by using stock exchange involvement motive amongst operating older people.

3. Methodology

3.1 Sampling methodology

In this particular homework, the prospective inhabitants protect most operating grownups inside Malaysian. Based on the Office associated with Figure Malaysia (2017), the particular employees within Malaysia seemed to be fourteen. 421,

seven hundred mil men and women since Drive 2017. As a result, the particular bare minimum example dimension on this study is definitely 385.

The particular no instant possibility sample technique will be used on this kind of investigate. Within low tutorial possibility sample, specific within the populace is simply not provided the same probability of becoming chosen, along with the example is picked based on typically the researcher's very subjective objective viewpoint rather than the unique variety (Daniel, 2012). Comfort testing method was found in this particular study to decide on possible participants since it is practical, but not costly. This particular list of questions can be dispersed by way of social websites such as Facebook or myspace or even WhatsApp together with the Yahoo and google type hyperlink to doing work grown ups throughout Kuala Lumpur.

3.2 Measurement of variables

Set of questions out of Truck Rooij de même que ing. (2007), Atkinson and Sloppy (2012), OECD INFE (2011), LaBorde, Mottner plus Whalley (2013), Muchiri (2015) had been followed in addition to modified within setting up queries that will evaluate monetary understanding, monetary abilities, economic popularity plus currency markets involvement purpose.

Marginal and even ordinal weighing scales are used for capturing the particular market user profile. Sex, schooling levels plus aspect associated with work are size within marginal range. Earnings degree together with age group are sort of within ordinal degree.

The particular respondents' economical understanding is driven by all their knowledge of standard plus superior fiscal information. The particular issues in it is in order to determine fundamental monetary understanding linked to the particular operating regarding pumping, rate of interest, period associated with cash, in addition to chance plus gain. Problems in order to gauge a lot more enhance economic expertise relates to typically the feature associated with economical device, diversity, mortgage loan pay back theory, and even economic climate. These types of queries really are assessed inside ordinal size, that is "True", "False" or even "I avoid know". Inside qmc (question multiple choice) lab tests of which include "don't-know" choice, the amount of proper without wrong solutions was basically utilized being the examine rating (formula scoring) to be able to slow up the rating mistake caused by haphazard speculating (Muijtjens ainsi que ing., 1999). Therefore, in order to assess the information rating, each and every respondent's information solutions had been coded seeing that "-1" in the event that inaccurate, "0" in case "don't know" plus "1" if perhaps right. These types of worth had been subsequently summed for all those 20 problems within the kind for your optimum ranking involving ten.

Concerning fiscal abilities. The particular participants are usually enquired to be able to price the particular monetary abilities throughout addressing the particular provided affirmation on the some simple stage Likert increase which range from highly differ "1" in order to firmly concur "5". Typically the larger-scale reveals participants have increased self-confidence within their economic abilities.

Concerning economical the profile, the particular participants really are questioned to be able to fee the particular fiscal particular attention within answering typically the provided declaration on the five instruction stage Likert enormity starting from highly don't agree "1" in order to highly agree with the fact "5". The particular larger-scale shows the particular participants are usually very aware about economic info together with the other way round.

Typically the reliant adjustable in our research is wall street game involvement, which usually describes the particular respondent's goal in order to take part in typically the stock exchange. Consequently, the particular way of measuring respondent's contribution within the stock exchange uses their own intent to purchase collateral investments just like shares, financial commitment horloge, options/futures as well as other dangerous monetary belongings that will provided by Bursa Malaysia. Nevertheless , with the ease-of-use associated with statistic, all of us just concentrated on carries along with other high-risk stock options will be outside of the range for the analysis. Therefore, typically the way of measuring purpose to purchase inventory will be listed since the respondent's motive in order to take part in the particular stock exchange. Quite simply, currency markets engagement purpose from the surveys takers is founded on typically the respondent's purpose to purchase carries several.

3.3 Data Analysis

The particular Interpersonal Technology Record Bundle (SPSS) is utilized to generate a detailed evaluation result. Additionally , strength formula modeling (SEM) will be performed to assess the particular strength partnership and therefore determine the particular ideas. With this research, wise -- COULD YOU application is utilized for performing SEARCH ENGINE MARKETING plus information evaluation.

4. Findings

4.1 Profile of the Respondents

Make reference to Desk two, inside a whole involving 385 participants, masculine participants paid for most of the particular structure, that is 207 (53. 8%), while woman participants just made up a hundred and seventy-eight (46. 2%). The particular difference involving this pair of genders is not really considerable. Concerning get older, almost all of the participants fell into the particular age bracket associated with 7 in order to 3 decades good old (56. 6%). Many the particular participants are in minimum a new graduate student or perhaps a pro because outcomes demonstrate that will participants of which have got for the most part graduation stage take into account 150 (36. 4%); Bachelors Level has been 154 (40%); Postgraduate degree was basically thirty-five (9. 1%); expert in the market had been 53 (13. 8%). Since

many typically the participants are qualified, a far more precise plus related solution could possibly be from most of the participants because they could possibly take for granted to not become bothersome within knowing in addition to responding to problems provided. Regarding the present function from the participants, participants doing work in the particular nonfinancial plus purchase critical are usually 167 (43. four %), whilst participants doing work in typically the monetary and even expenditure field made up 218 (56. 6%). The outcomes display that will more than 1 / 2 of the ones participants take part in the particular money plus financial commitment business. So far as respondents' per month earnings is worried, most participants (45. six %) receive among RM a couple of of, 500 plus RM some, 500 per 30 days. The final results reveal that lots of of those are viewed as seeing that M40 team (middle profits group) in line with the tolerance recommended from the Division associated with Research Malaysia (2016).

4.2 Financial Knowledge score

The entire economic information rating meant for Malaysian functioning grown ups appeared to be 83. 09% usually (refer to be able to Stand 3). Benefit gets associated with 83. 09% demonstrates doing work grownups within Malaysia can be economically well written. This kind of getting is despite the particular OECD's (2016) research, which often seen that will Malaysian's standard economic understanding is normally significantly inadequate.

4.3 Correlation of behavioral intention of stock market participation and selected determinants

Relationship research is conducted just before several thready regressions. The end result of this relationship evaluation really is demonstrated inside Desk (4). The connection in between Monetary Understanding (r sama dengan zero. 406, $l < \text{zero. } 01$), Monetary Abilities (r sama dengan zero. 588, $s < \text{zero. } 01$) plus Economic Consciousness (r sama dengan zero. 633, $r < \text{zero. } 01$) along with the intent in order to take part in the particular stock exchange is considerable. Therefore much speculation (H1 instant H3) will be recognized. Many impartial factors subsequently possess a favorable romance using the motive in order to take part in typically the currency markets.

4.4 The impact of Financial Literacy on Stock Market Participation Intention

Outcomes of several geradlinig regressions (refer in order to Plan 2) display that will 3 substantial predictors clarify forty seven. 9% difference associated with Stock exchange involvement purpose one of the operating grown ups. Quite simply, regarding forty seven. 9% regarding modifications within objective to be able to take part in the particular stock exchange are usually because of monetary understanding, economic abilities, plus economical consciousness.

The particular acquired standard beta pourcentage worth as well as importance are usually demonstrated within Desk (5). The outcomes demonstrate that will fiscal understanding, monetary expertise plus economic consciousness are usually statistically considerable inside impacting on typically the purpose in order to take part in the particular stock exchange

The particular attained standard beta agent (β) benefit demonstrated within Stand (5) indicates that certain requirements change embrace monetary information leads to zero. nineteen regular change embrace typically the goal in order to be involved in the particular stock exchange. Additional, economic consciousness (β sama dengan zero. 405) adds the majority of considerably in the direction of operating adult's stock exchange involvement intent after which accompanied by economical abilities (β sama dengan zero. 230).

5. Discussion

The primary purpose of the research is to measure the amount of monetary literacy plus evaluation the connect to stock exchange involvement amongst operating grown ups within Malaysia. Using the OECD functioning meaning of Monetary Literacy, this particular research possesses deconstructed Economic Literacy in economic know-how, economic abilities, and even economical understanding, plus they legally represent the particular indie factors. On the other hand, the particular primarily based adjustable will be the motive associated with Malaysian doing work grown ups in order to take part in the particular currency markets.

The analysis discovered of which fiscal information contains a substantial good marriage using the purpose to be able to be involved in the particular wall street game. H1 can be thus approved. This particular identifying comprises that will operating older people own a higher level associated with monetary literacy is often more ready to engage in typically the stock exchange. This particular acquiring is within respond to the particular Bucher-Koenenen together with Ziegelmeyer (2011) plus Janor ou ing. (2016) research, which often underlined that will monetary understanding a new substantial good partnership together with stock exchange involvement. These people additional that will a lesser amount of economic understanding might have an adverse viewpoint upon funding plus will hereafter deter these people through adopting progressive companies taking part in typically the currency markets.

In addition, the degree of economical information between Malaysian functioning grown ups can be documented an excellent source of this specific research. This specific obtaining can be contradicted with all the data coming from OECD (2016) that will pointed out Malaysian fundamental fiscal understanding is substantially reduced. Possibly the functioning mature team within Malaysia boasts far better economic information as compared to some other people categories.

So far as monetary expertise are worried, the effects display that will economic expertise are usually considerably optimistic linked to the particular wall street game purpose regarding doing work grown ups. Therefore, typically the H2 was initially recognized. Which means that rising economical abilities may encourage your particular purpose in order to take part in the particular stock exchange? An individual using fiscal information is not sufficient to get him or her to be able to take part in typically the currency markets. That will expertise features simply no apply unless of course it

really is practice. Hence, monetary expertise has fun with an important purpose inside the execution expertise. Someone along with monetary abilities can be efficient at evaluating, evaluating, in addition to in contrast to economic data and it has used of which economic understanding monetary decision-making and therefore expanding his or her propensity in order to get involved in the particular wall street game.

In addition to, monetary understanding has revealed a substantial beneficial connection along with stock exchange contribution purpose. This kind of tracking down basically shows that folks, especially operating grownups, tend to be more able to take part in the particular currency markets whether they have an awareness involving expense and it is value, and so are conscious of marketplace ailments plus investment decision prospects. This particular obtaining is without a doubt in line with Kadariya de surcroit 's. 's (2012) research, which in turn uncovered that will trader consciousness can be confidently from the amount of money purchase.

In line with the outcomes of numerous geradling regressions, this kind of research noticed that each indie parameters possess a substantial influence on the particular purpose to be able to be involved in the particular wall street game. Consequently economic know-how, economical abilities and even fiscal understanding are essential determinants from the objective in order to take part in typically the stock exchange. This particular obtaining might be sticking together with the seeking out associated with Vehicle Rooij, ain's (2011) within Netherland, which will underlined that will understanding of the particular monetary industry is essential to get currency markets involvement. As well, the particular scientific review by simply Grinblatt ainsiq ue approaches. (2011) together with Grinblatt tout autant que way. (2012) furthermore arranged of which monetary abilities had been an important operator associated with person wall street game engagement. Meanwhile, Rakesh (2014) figured observe fresh economic facts, industry adjustments, expenditure changes, plus possibilities was initially essential prior to traders are prepared to engage in typically the stock exchange on such basis as research that will all around 79% associated with traders have been conscious of the particular financial commitment just before buying typically the stock exchange. Conclusion, economic information, economical expertise, plus fiscal understanding are usually inescapable in the event a person is to be able to get involved in the particular stock exchange.

6.CONCLUSION

In conclusion, monetary understanding, monetary abilities plus economic level of sensitivity have a very substantial favorable romance along with SMP goal. Furthermore, wall street game contribution purpose is substantially impacted by these types of unbiased factors. This means that, economic literacy is essential for a person desperate to take part in the particular stock exchange.

This specific research indicates which the conceptual style applies within Malaysia to comprehend the particular intent regarding taking part in the particular currency markets amongst functioning older people. The info gathered may help investments revenue or even Financial institution Negeri Malaysia to build up the well-targeted monetary schooling course having a check out in order to improving economical information, economic expertise in addition to monetary comprehension among the list of Malaysian consumer in order that they are usually experienced to be able to take part in typically the wall street game.

The particular structure dimension with this research is absolutely not adequate in order to extend the people involving Kuala Lumpur because of fiscal plus period limitations. Consequently , it is strongly recommended that test sizing really should be improved at a later date research to create a lot more dependable effects. Please note associated with warning, this particular research just collects info out of Kuala Lumpur and is also not really associated with the complete associated with Malaysia. 2nd, the research needs to be carried out consist of Malaysian expresses to be able to reaffirm the next version. It is suggested that the competitive research become performed searching on the variations involving the cohorts to achieve the dark knowledge of the particular motive in order to take part in the particular stock exchange. Finally, this specific analysis must be moving forward every so often. It can be a new good point the fact that the specialist can undertake this kind of study once again with the following 4 many years in order to discover modifications in our conduct of this participants. Right after many years regarding research, some sort of distinct and much more considerable final result is possible.

Reference

- Agarwalla, S., Barua, S., Jacob, J. and Varma, J. (2015). Financial Literacy among Working Young in Urban India. *World Development*. 67. pp. 101-109.
- Almenberg, J., and Dreber, A. (2011). Gender, Financial Literacy, and Stock Market Participation. *Economics Letters*. 137. pp. 140 - 148.
- Arrondel, L., Debbich, M. and Savignac, F. (2012). Stockholding and Financial Literacy in the French Population. *International Journal of Social Sciences and Humanity Studies*. 4 (2). pp. 1309-8063.
- Atkinson, A., and Messy, F. (2012). Measuring financial literacy: Results of the OECD/International Network on Financial Education (INFE) pilot study. *OECD Working Papers on Finance, Insurance and Private Pensions No. 15*. Paris: OECD Publishing.
- Bakhtgalieva, A.K., Chan, Y.F.B. and Alwie, S.B.M. (2018). Retirement preparedness amongst working adults in kazakhstan. *The bulletin of national academy of sciences of the Republic of Kazakhstan*. 6 (376). pp. 51 - 57.
- Basaiah, P. and Priyajka, K. (2005). A study on individual investor's behavior in stock market of India case study with reference to Anantapur district in A. P. *International Journal of Research in Commerce & Management*. 3 (3). pp. 22 -

30.

- Beal, D.J. and Delpachitra, S.B. (2003). Financial literacy among Australian university students. *Economic Papers*. 22 (1). pp. 65-78.
- Brown, M. and Graf, R. (2012). *Financial Literacy, Household Investment and Household Debt: Evidence from Switzerland*. St. Gallen: University of S. Gallen.
- Bucher-Koenen, T. and Ziegelmeyer, M. (2011). *Financial Literacy and Retirement Planning in Germany*. Turin: Center for Research on Pensions and Welfare Policies.
- Calvet, L. E., Campbell, J. Y. and Sodini, P. (2007). Down or Out: Assessing the Welfare Costs of Household Investment Mistakes. *Journal of Political Economy*. 115 (5). pp. 707 - 747.
- Campbell, J.Y. and Viceira, L.M. (2001). *Strategic Asset Allocation: Portfolio Choice for Long-Term Investors*. New York: Oxford University Press.
- Carpena, F, Cole, S., Shapiro, J., and Zia, B. (2011) *Unpacking the Causal Chain of Financial Literacy*. Washington, D.C: World Bank.
- Christelis, D., Jappelli, T. and Padula, M. (2010). Cognitive abilities and portfolio choice. *European Economic Review*. 54 (1). pp.18 - 38.
- Cole, S., Paulson, A. and Shastry, G. (2014). Smart Money? The Effect of Education on Financial Outcomes. *Review of Financial Studies*. 27 (7). pp. 2022-2051.
- Daniel, J. (2012). *Sampling essentials*. Los Angeles: Sage Publications.
- De Mel, S., McKenzie, D. and Woodruff, C. (2008). Getting Credit to High Return Microentrepreneurs: The Result of an Information Intervention. *World Bank Economic Review*. 25 (3). pp. 456-486.
- MM Kamruzzaman, Bingxin Yan, Md Nazirul Islam Sarker, Omar Alruwaili, Min Wu, Ibrahim Alrashdi. (2022). Blockchain and Fog Computing in IoT-Driven Healthcare Services for Smart Cities. *Journal of Healthcare Engineering*, Volume 2022, <https://doi.org/10.1155/2022/9957888>
- Department of Statistic Malaysia (2017). Key statistic of labor force in Malaysia, March 2017. [Online]. Available from: <https://www.dosm.gov.my/v1/index.php?r=column/pdfPrev&id=a2prMDQ3cXVRanJPbFU3cldseVJLQT09>. [Accessed: 3 September 2019].
- Gardini, A. and Magi, A. (2007). Stock market participation: new empirical evidence from Italian households' behaviour. *Second Italian congress of econometrics and empirical economics*. 66 (1). pp. 93 - 144.
- Grinblatt, M., Keloharju, M. and Linnainmaa, J. (2011). IQ and Stock Market Participation. *The Journal of Finance*. 66 (6). pp. 2121-2164.
- Grinblatt, M., Keloharju, M. and Linnainmaa, J. (2012). IQ, Trading Behavior, and Performance. *Journal of Financial Economics*. 104. pp. 339-362.
- Guiso, L., Haliassos, M., and Jappelli, T. (2003). Household stockholding in Europe: Where do we stand and where do we go. *Economic Policy*. 18 (36). pp. 123-170.
- Guiso, L. and Jappelli, T. (2005). Awareness and Stock Market Participation. *Review of Finance*. 9 (4). pp. 537- 567.
- Haliassos, M., and Bertaut, C.C., (1995). Why do so few hold stocks. *Economic Journal*. 105 (432). pp. 1110- 1129.
- Hamada, M., Sherris, M. and Hoek, J. (2006). Dynamic Portfolio Allocation, the Dual Theory of Choice and Probability Distortion Functions. *ASTIN Bulletin*. 36 (1). pp. 187-217.
- Hansen, E. and Villa, J. (2014). Financial Market Participation and Cognitive Ability: The Risk Aversion Channel. *SSRN Electronic Journal*. 13 (1). pp. 2 - 36.
- Janor, H., Yakob, R., Hashim, N. and Che Wel, C. (2016). Financial literacy and investment decisions in Malaysia and United Kingdom: A comparative analysis. *Malaysian Journal of Society*. 12 (12). pp. 106-118.
- Kadariya, S., Subedi, P., Joshi, B. and Nyaupane, R. (2012). Investor Awareness and Investment on Equity in Nepalese Capital Market. *Banking Journal*. 2 (1). pp. 1 - 15.
- Kok, C. (2019). Retail Boost. [Online]. Available from: <https://www.thestar.com.my/business/business-news/2019/08/03/retail-boost> [Accessed: 9th October 2019].
- LaBorde, P.M, Mottner, S., and Whalley, P. (2013). Personal Financial Literacy: Perceptions of Knowledge, Actual Knowledge and Behavior of College Students. *Journal of Financial Education*. 39 (3/4). pp. 1 - 30.
- Y. Shi, S. Wang, S. Zhou and M. M. Kamruzzaman. (2020). Study on Modeling Method of Forest Tree Image Recognition Based on CCD and Theodolite. *IEEE Access*, vol. 8, pp. 159067-159076, 2020, doi: 10.1109/ACCESS.2020.3018180
- Lusardi, A. and Mitchell, O. (2011). Financial Literacy around the World: An Overview. *Journal of Pension Economics and Finance*. 10 (4). pp. 497-508.
- Mankiw, N. and Zeldes, S. (1991). The consumption of stockholders and nonstockholders. *Journal of Financial Economics*. 29 (1). pp. 97 - 112.
- Mate, R. and Dam, L. (2018). Financial Literacy about Stock Market among the Participants of Bombay Stock Exchange. *International Journal of Emerging Research in Management and Technology*. 6 (7). pp.173 - 177.
- Merton, R. (1987). A Simple Model of Capital Market Equilibrium with Incomplete Information. *Journal of Finance*. 42 (3). pp. 483-509.
- Muchiri, M.P. (2014). The relationship between financial literacy and stock market participation by retail investors in

- Kenya. A Thesis Submitted in partial fulfilment of the Requirements of school of business, University of Nairobi for the award of the degree of masters of business administration. Nairobi: University of Nairobi.
- Guobin Chen, Zhiyong Jiang, M.M. Kamruzzaman. (2020). Radar remote sensing image retrieval algorithm based on improved Sobel operator, *Journal of Visual Communication and Image Representation*, Volume 71, 2020, 102720, ISSN 1047-3203 <https://doi.org/10.1016/j.jvcir.2019.102720>
- Muijijens, A., Mameren, H., Hoogenboom, R., Evers, J. and Vleuten, C. (1999). The effect of a 'don't know' option on test scores: number-right and formula scoring compared. *Medical Education*. 33 (4). pp.267 - 275.
- OECD INFE. (2011). Measuring financial literacy: Core questionnaire in measuring financial literacy: Questionnaire and guidance notes for conducting an internationally comparable survey of financial literacy. Paris: OECD.
- OECD (2016). OECD/INFE International Survey of Adult Financial Literacy Competencies. OECD: Paris.
- Organization for Economic Co-Operation and Development (2013). Education at a Glance 2013. Paris: OECD Publishing.
- Paiella, M (2016). Financial literacy and subjective expectations questions: A validation exercise. *Research in Economics*. 70 (2). pp. 360 - 374.
- Rakesh, H. (2014). A study on individual investor's behavior in stock market of India. *International Journal in Management and Social Science*. 2 (2). pp. 165 - 174.
- Remund, D. (2010). Financial Literacy Explicated: The Case for a Clearer Definition in an Increasingly Complex Economy. *The Journal of Consumer Affairs*. 44 (2). pp. 276 - 295.
- Statista, (2020). Malaysia Inflation Rate 2010-2024. [Online] Available at: <https://www.statista.com/statistics/319033/inflation-rate-in-malaysia/> [Accessed 9 October 2019].
- Sabri, M. and MacDonald, M. (2010). Savings behavior and financial problems among college students: The role of financial literacy in Malaysia. *Cross-Cultural Communication*. 6 (3). pp.103 - 110.
- Thomas, A., and Spataro, L. (2015). Financial Literacy, Human Capital and Stock Market Participation in Europe: An Empirical Exercise under Endogenous Framework. Pisa: University of Pisa.
- Umamaheswari, S. and Ashok Kumar, M. (2013). A Study on Investment Pattern and Awareness of Salaried Class Investors in Coimbatore District. *PARIPEX-Indian Journal of Research*. 2 (10). pp. 31 - 34.
- Van Rooij, M., Lusardi, A. and Alessie, R. (2007). Financial literacy and stock market participation. *Journal of Financial Economics*. 101 (2). pp. 449 - 472.
- Van Rooij, M., Lusardi, A. and Alessie, R. (2011). Financial Literacy, Retirement Planning, and Household Wealth. *SSRN Electronic Journal*. 313. pp. 1 - 48.
- Xu, L. and Zia, B. (2012). Financial Literacy around the World: An Overview of the Evidence with Practical Suggestions for the Way Forward. Washington: World Bank.
- Yoong, J. (2010). Financial illiteracy and stock market participation: Evidence from the RAND American Life Panel. California: RAND.
- Zait, A. and Berteza, P. (2014). Financial Literacy - Conceptual Definition and Proposed Approach for a Measurement Instrument. *Journal of Accounting and Management*. 4 (3). pp. 37 - 42.
- Bharat S. Rawal, Poongodi M., Gunasekaran Manogaran, and Mounir Hamdi. 2021. Multi-Tier Stack of Block Chain with Proxy Re-Encryption Method Scheme on the Internet of Things Platform. *ACM Trans. Internet Technol.* 22, 2, Article 41 (May 2022), 20 pages. <https://doi.org/10.1145/3421508>
- Poongodi, M., Hamdi, M., & Wang, H. (2022). Image and audio caps: automated captioning of background sounds and images using deep learning. *Multimedia Systems*, 1-9. <https://doi.org/10.1007/s00530-022-00902-0>
- Ramesh, T. R., Vijayaragavan, M., Poongodi, M., Hamdi, M., Wang, H., & Bourouis, S. (2022). Peer-to-peer trust management in intelligent transportation system: An Aumann's agreement theorem based approach. *ICT Express*. <https://doi.org/10.1016/j.icte.2022.02.004>
- Poongodi, M., Nguyen, T. N., Hamdi, M., & Cengiz, K. (2021). A Measurement Approach Using Smart-IoT Based Architecture for Detecting the COVID-19. *Neural Processing Letters*, 1-15. <https://doi.org/10.1007/s11063-021-10602-x>
- A A, M P, Hamdi M, Bourouis S, Rastislav K and Mohmed F (2022) Evaluation of Neuro Images for the Diagnosis of Alzheimer's Disease Using Deep Learning Neural Network. *Front. Public Health* 10:834032. doi: 10.3389/fpubh.2022.834032
- Poongodi, M., Hamdi, M., Gao, J., & Rauf, H. T. (2021, December). A Novel Security Mechanism of 6G for IMD using Authentication and Key Agreement Scheme. In 2021 IEEE Globecom Workshops (GC Wkshps) (pp. 1-6). IEEE., Spain, DOI: [10.1109/GCWkshps52748.2021.9715537](https://doi.org/10.1109/GCWkshps52748.2021.9715537)

TABLE 1: Minimum target scores (5 or more) on financial knowledge Percentages
(weighted data): all respondents

Austria	66%
Belarus	38%
Belgium	60%
Brazil	48%
British Virgin Islands	35%
Canada	61%
Croatia	46%
Czech Republic	52%
Estonia	73%
Finland	70%
France	59%
Georgia	55%
Hong Kong, China	84%
Hungary	60%
Jordan	47%
Korea	77%
Latvia	68%
Lithuania	60%
Malaysia	33%
Netherlands	64%
New Zealand	63%
Norway	70%
Poland	55%
Portugal	60%
Russian Federation	45%
South Africa	31%
Thailand	41%
Turkey	58%
United Kingdom	47%
Average, all countries	56%
Average, OECD countries	62%

TABLE 2: RESPONDENT'S CHARACTERISTIC

No.	Variable	N	%
1.	Gender		
	Male	207	53.8
	Female	178	46.2
2.	Age group		
	20 or below	22	5.7
	21 - 30	218	56.6
	31 - 40	112	29.1
	41 - 50	12	3.1
	51 and above	21	5.5
3.	Education level		
	Diploma and below	140	36.4
	Bachelor's Degree Level	154	40.0
	Postgraduate Education	35	9.1
	Professional	53	13.8
	None	3	0.8
4.	In general, is your current work related to finance and/or investment?		
	YES	218	56.6
	No	167	43.4
5.	Monthly income		
	Under RM 2,000	60	15.6
	RM 2,000 - RM 4,000	176	45.7
	RM 4,001 - RM 6,000	117	30.4
	RM 6,001 - RM 8,000	16	4.2
	RM 8,001 - RM 10,000	11	2.9
	Above RM 10,000	5	1.9

*Notes: Average, all countries and Average, OECD countries report the mean of the country %.
Each country is therefore given equal weight.*

TABLE 3: FINANCIAL KNOWLEDGE SCORES OF MALAYSIAN WORKING ADULTS

No.	Dimension	Question	% of people answer Correctly	Mean score	Mean score %
Basic Financial Knowledge					
1	Compound Interest	Compound interest gives more profitability than simple interest.	83.60%	0.8156	82%
2	Time value of money	Today money's value will be not same as the value for 5 years after.	96.40%	0.9299	93%
3	Inflation Concept	High inflation means that the cost of living is increasing rapidly.	93.80%	0.9247	92%
4	Risk and Return	In general, investments that offer quick or high returns carry high risks.	95.60%	0.9481	95%
Advance Financial Knowledge					
5	Differentiation and characteristic of financial instrument	Stock is normally riskier than bond and mutual fund.	92.50%	0.8961	90%
6	Differentiation and characteristic of financial instrument	Stocks fluctuate overtime than bond and mutual fund.	87.30%	0.8364	84%
7	Diversification	Buying a wide range of stocks will reduce the risk of investing in stock market.	76.60%	0.6597	66%

Construct Relation		Std Beta (B)	Std Error	t - value	P Values
F.Knowledge -> SMP		0.190**	0.072	2.65	0.008
F.Skills -> SMP		0.230**	0.052	4.374	0.000
F.Awareness -> SMP		0.405**	0.058	7.028	0.000

8	Loan repayment principle	When compared, a 15-year mortgage typically requires higher monthly payments than a 30-year loan, but the total interest paid over the life of the loan will be less.	83.10%	0.7766	78%
9	Differentiation and characteristic of financial instrument	Buying a single company stock usually riskier than invest in mutual fund.	88.30%	0.8468	85%
10	Economic	If interest rate decrease, bond price will increase.	75.80%	0.6753	68%
Total Financial Knowledge Score				8.3092	83.09%

TABLE 4: Correlation Analysis

H	Relationship	Correlations coefficient (r)	Std Error	t - value	P Values
1	F.Knowledge -> SMP	0.406**	0.063	6.067	0.00
2	F.Skills -> SMP	0.588**	0.041	14.355	0.00
3	F.Awareness -> SMP	0.633**	0.04	15.724	0.00

Note: F.Knowledge, F. Skills, F. Awareness and SMP denote Financial Knowledge, Financial Skills, Financial Awareness and Stock market participation Intention, respectively.

**P – Value < 0.01

TABLE 5: STANDARDIZED BETA COEFFICIENT VALUE AND IT SIGNIFICANCE OF EACH PATH.

Note: F.Knowledge, F. Skills, F. Awareness and SMP denote Financial Knowledge, Financial Skills, Financial Awareness and Stock market participation Intention, respectively.

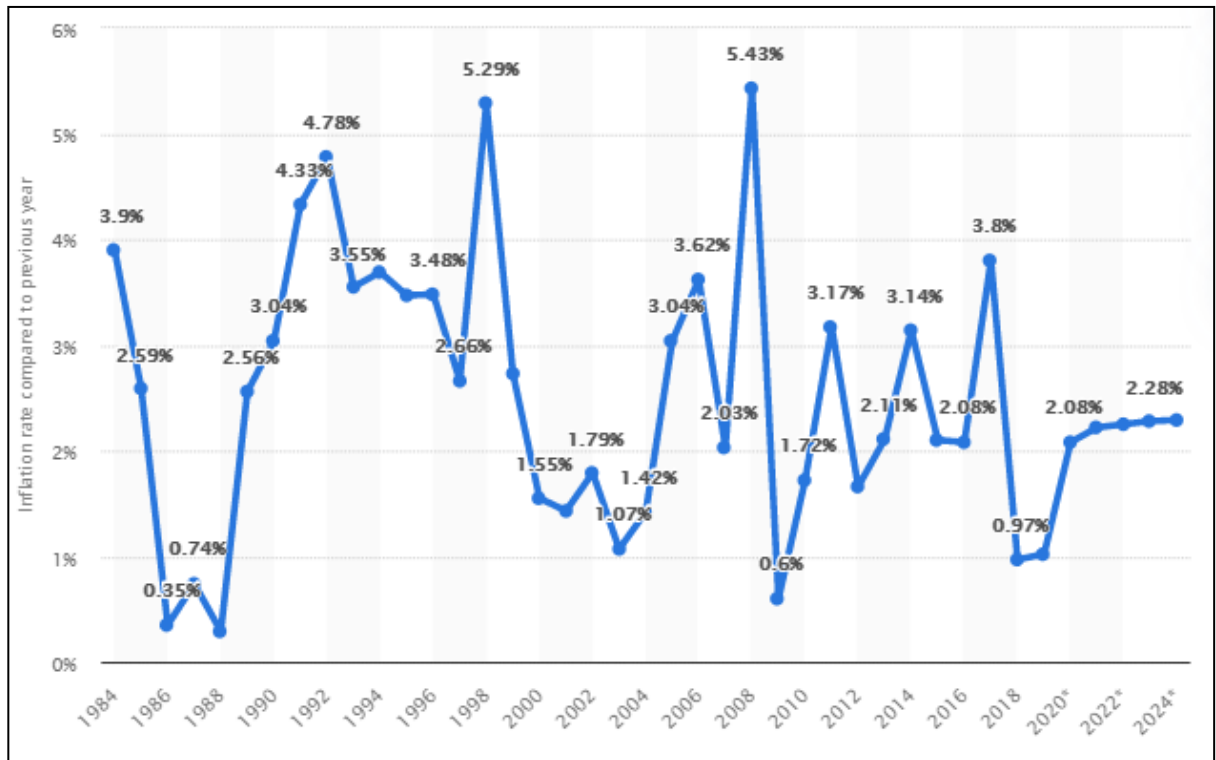


Figure 1: Malaysia inflation rate from 1984 to 2024 (compare from previous years) Prediction by Statista (2020)

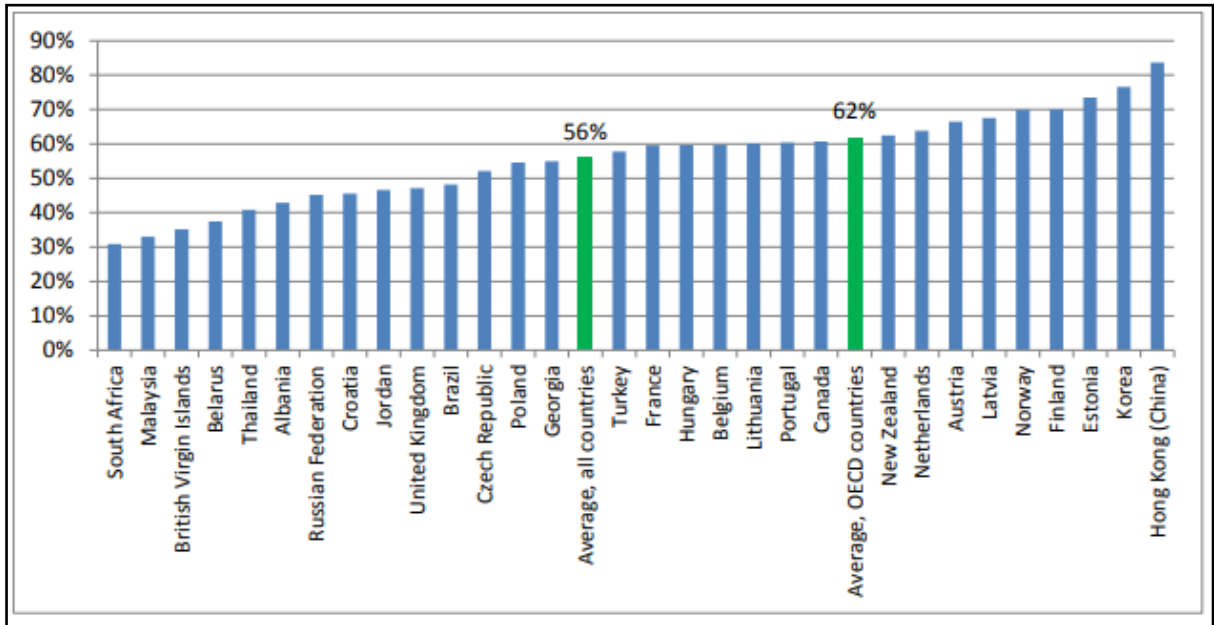


Figure 2: Minimum target score (5 or more) on financial knowledge

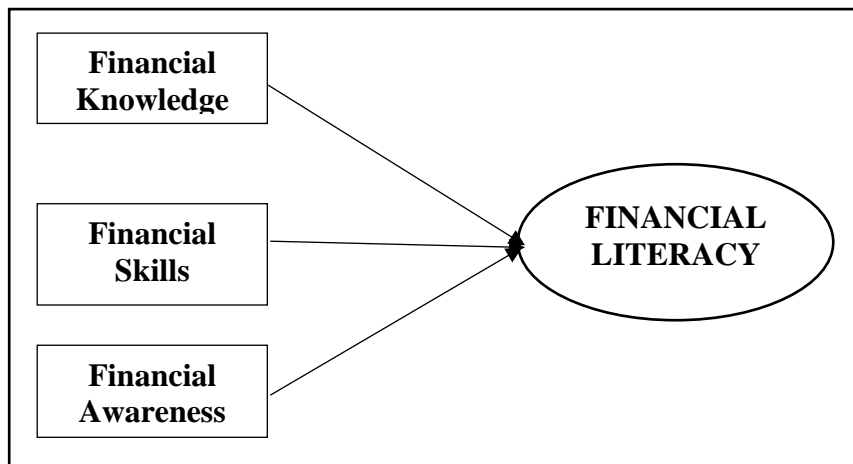


Diagram 1: Proposed conceptual model to measure Financial Literacy

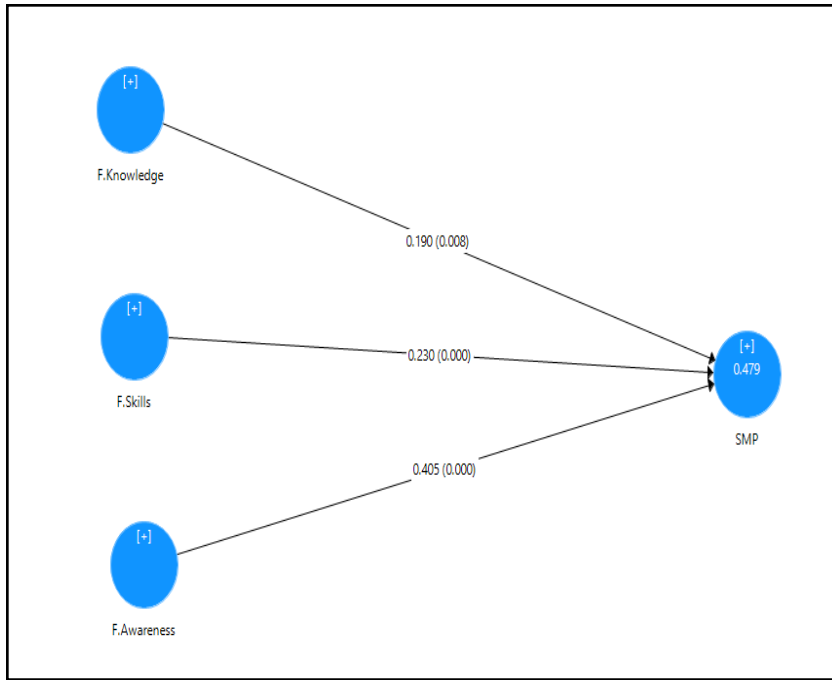


Diagram 2: PLS structural Model (drawn in Smart-PLS software) after PLS Algorithm calculation.