Determinants of Sharia Stock Investment Decisions: The Role of Investment Interest and Financial Behavior

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Abstract

The significant increase in investor participation in the sharia capital market, especially among the younger generation, requires an understanding of the factors that influence investment decisions. This study aims to examine the effect of financial literacy, risk perception, and herding behavior on sharia stock investment decisions, with interest as a mediating variable and financial behavior as a moderating variable. The method used is a quantitative approach with primary data from 391 active investors of PT FAC Sekuritas Indonesia Jambi Branch. Sampling using purposive sampling, and analysis was carried out through SEM-PLS with SmartPLS 4. The results of the study indicate that financial literacy, risk perception, and herding behavior have a significant positive effect on investment interest. Interest fully mediates the relationship between financial literacy and risk perception on investment decisions. Conversely, the direct influence of both is not significant. Herding behavior also has a significant direct effect on investment decisions, but is partially mediated by interest. Financial behavior does not significantly moderate the tested relationship. These findings indicate that interest and social influence are more decisive in determining sharia investment decisions than rationality alone, so that the investor education approach needs to combine psychological and social aspects.

Kata kunci: Financial; Risk Perception, Herding Behavior; Investment Interest; Sharia Decisions.

1. INTRODUCTION

Investor participation in the Indonesian capital market continues to increase sharply during 2024 (Nurahmad et al., 2024) . One of them is stock investors who have broken the 6 million single investor identification (SID)(Simon, 2024) . This is because stock investment is one of the most attractive for young people, ranging from gen Z to millennials who are still under 30 years old(Hasibuan et al., 2023) . Based on statistical data from the Indonesian Central (KSEI Indonesia Central Securities Depository, 2024) . This increase is also supported by digitalization which makes it easier to access information(Haleem

et al., 2022) this can be seen from the data on the growth in the number of stock investors in the last 4 years.

Figure 1.1

Growth in the Number of Stock Investors 2021-2024

Source: Indonesian Capital Market Statistics (2024)

Based on the diagram above, it can be interpreted that there has been an increase in investment decisions in stocks from 2021 - 2024. Where in 2021 there were 3,451,513 investors, then in 2022 there were 4,439,993 investors, then in 2023 there were 5,255,571 investors, and in 2024 there were 6,381,444 investors

This increase is certainly inseparable from the participation of Islamic stock investors which also continues to increase rapidly every year, in the same period Islamic stock investors have increased by 147%, from 68,599 investors to 169,397 investors. In addition, the Islamic stock market also dominates the Indonesian stock market, Islamic stock market capitalization controls 55% of the total stock market capitalization and the average daily transaction value of Islamic stocks controls 55% of the average daily stock transactions(Bursa Efek Indonesia, 2025) . This means that the increase is not necessarily just an increase in the number of investors, but the increase also illustrates decision making for investors(Jiang et al., 2024; Wang et al., 2022)

Some previous studies also explain that decision making is a form of rational decision-making process(Bakar & Yi, 2016) . Of course, it includes analyzing several factors(Nuryasman MN, 2020) . Factors that influence investment decisions include sharia financial literacy(Aeni et al., 2024; Harahap et al., 2021; Salsabila, 2024) , risk perception(Halim & Pamungkas, 2023; Rika & Syaiah, 2022) , *locus of control* and financial behavior(Dinarjito, 2023; Hirdinis &

Haningsih, 2022) . In addition, herding behavior also often occurs in investors, namely the habit of following the decisions of the larger community(Kumar & Goyal, 2015; Yudha et al., 2024) .

In investing, it should not be original because there will be fatal mistakes such as large losses(Picaully, 2018) . Previous research tends to discuss discussions related to investor decisions in general, which include investing in stocks, bonds, mutual funds, etc., while this study will examine the decision to invest in sharia shares in investors of PT FAC Sekuritas Indonesia Jambi branch with the mediating variable of interest and the moderating variable of financial behavior, and in this study also uses herding behavior variables. So that it provides renewal to related research.

Based on the description above, this study aims to examine the effect of financial literacy, risk perception and herding behavior on Islamic stock investment decisions with interest as a mediating variable and financial behavior as a moderating variable. Where investment decisions refer to the activity of putting a number of resources such as money, time, and energy into a project or item in the hope of getting benefits in the future(Anugrah Dwi, 2023) . In addition, the increase in the number of investors is also related to herding behavior (community behavior), which is one of the phenomena that often occurs in investment activities(Shah et al., 2024) , this is the same as the FoMO (Fear of Missing Out) action or the trend of following along in Indonesia(Bursa Efek Indonesia, 2022; Hetz et al., 2015) . Based on Global Web Index data, Indonesia is in second place with a percentage of FoMO, which is 39%(Global Web Index, 2018) . This is certainly one of the challenges for investors in making investment decisions. (Dinarjito, 2023)

Islamic stock investment has become a popular choice among investors in Indonesia, along with the increasing awareness of the importance of complying with sharia principles in various aspects of life, including in terms of investment. However, the decision to invest in Islamic stocks is not only influenced by economic factors, but also influenced by psychological and social factors such as financial literacy, risk perception, herding behavior, and individual factors related to interest and Financial literacy is the main key for an investor in making the right and safe investment decisions. In making decisions, of course, it goes through several considerations(Chick et al., 2017) , including having an understanding of risk and also adequate financial knowledge as support for making investment decisions(Mubaraq et al., 2021)

2. METHODS

In this study, the approach applied is a quantitative approach, the data source in this study uses primary data. This type of data is data taken directly from the data source (Candra et al., 2023) . The primary data used in this study were obtained from an online survey administered via google form, as well as a questionnaire given to investors of PT. FAC Sekuritas Indonesia Jambi Branch. The sample size used the Slovin formula which resulted in a sample of 391. The sampling technique used *purposive sampling* and the analysis technique used SEM *(Structural Equation Model)* with Smart PLS.

SEM is a general, *cross sectional*, linear statistical modeling tool in another sense. Regression, factor analysis, and path analysis are other components of SEM analysis (Rosyadi et al., 2021)*. Partial Least Squares* (PLS) is now also known as a non parametric method so it does not use data distribution. The structural model and measurement model form the PLS model. The relationship between the formation of research hypotheses and the influence of research variables is explained by the structural model. The relationship between variables and the assessment items that evaluate them is described by the measurement model (Yamin, 2023).
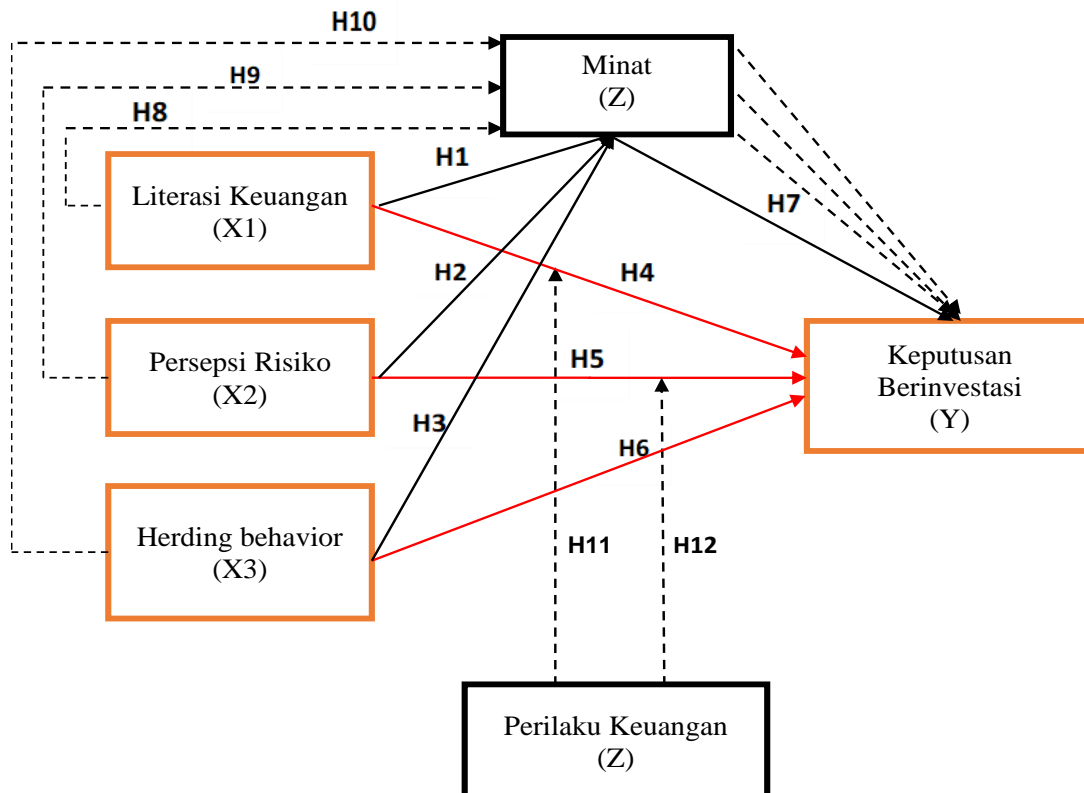

Figure 1. Research Framework

Hypothesis

H1: Financial Literacy (X1) Positively Affects Interest (Z)

H2: Perceived Risk (X2) Has a Positive Effect on Interest (Z)

H3: Herding Behavior (X3) Positively Affects Interest (Z)

H4: Financial Literacy (X1) Has a Positive Effect on Investing Decisions (Y)

H5: Risk Perception (X2) Has a Positive Effect on Investing Decisions (Y)

H6: Herding Behavior (X3) Has a Positive Effect on Investing Decisions (Y)

H7: Interest (Z) Has a Positive Effect on Investing Decisions (Y)

H8: Financial Literacy (X1) Positively Affects Investing Decisions (Y) With Interest (Z) As an Intervening Variable

H9: Risk Perception (X2) Has a Positive Effect on Investing Decisions (Y) With Interest (Z) As an Intervening Variable

H10: Herding behavior (X3) Has a Positive Effect on Investing Decisions (Y) With Interest (Z) as an Intervening Variable

H11: Financial Literacy affects Investing Decisions with Financial Behavior as a moderator

H12: Perceived Risk affects Investing Decisions with Financial Behavior as a moderator

3. RESULT AND DISCUSSION

Result

Table 1. Shows that the respondents in this study consisted of 282 (71.4%) men and 109 (28.6%) women. Then the age of 18-30 as many as 308 (79%) people, 31-40 as many as 69 (17.3%) people, and 41-50 as many as 14 (3.7%) people. Furthermore, in terms of occupation, the majority of respondents are students (76%), the rest are civil servants, farmers, traders, private employees, entrepreneurs and others.

Table 1. Respondent Demographics

Variables	Description	Frequency	%
Gender	Male	282	71,4
	Female	109	28,6
Age	18-30	308	79
	31-40	69	17,3
	41-50	14	3,7
Jobs	Student	298	76
	PNS	27	6,8
	Farmers	13	3,3
	Merchant	11	2,8
	Private Employee	27	6,8
	Self-employed	6	1,5
	More	9	2,3

Table 2. Estimates the measurement model, including the analysis of outer loading, average variance extracted (AVE) and composite reliability (CR) which generally shows satisfactory results. In revealing the convergent validity values, this study found that the requirements were met as the AVE exceeded 0.5 and the outer loading exceeded 0.5(Hair et al., 2019; Hair Jr. et al., 2019)

Table 2. Measurement Model

Indicator	Outer Loading	α	CR	AVE
Financial Literacy (X1)		0,866	0,895	0,518
LK1	0,597			
LK2	0,739			
LK3	0,708			
LK4	0,735			
LK5	0,772			

LK6	0,739			
LK7	0,774			
LK8	0,679			
Risk Perception (X2)		0,919	0,931	0,509
PR2	0,659			
PR3	0,684			
PR4	0,713			
PR5	0,642			
PR6	0,713			
PR7	0,659			
PR8	0,754			
PR9	0,744			
PR10	0,734			
PR11	0,753			
PR12	0,732			
PR13	0,729			
PR14	0,717			
Herding Behavior (X3)		0,842	0,884	0,560
HB1	0,675			
HB2	0,776			
HB3	0,780			
HB4	0,790			
HB5	0,758			
HB6	0,703			
Investing Decision		0,865	0,895	0,516
KB1	0,658			
KB2	0,723			
KB3	0,759			
KB4	0,720			
KB5	0,750			
KB6	0,744			
KB7	0,711			
KB8	0,674			
Interests		0,860	0,896	0,590
M1	0,723			
M2	0,777			
M3	0,782			
M4	0,783			
M5	0,805			
M6	0,735			

Financial Behavior		0,876	0,902	0,538
PK1	0,595			
PK2	0,745			
PK3	0,766			
PK4	0,800			
PK5	0,743			
PK6	0,705			
PK7	0,783			
PK8	0,711			

Table 3. Explains the discriminant validity which serves to prove whether the indicators observed in this study are free from unidimensionality(Larcker, 2012) . Using the Fornell-Lacker criterion, this study found that the squared AVE value is higher than the correlation between constructs, which indicates that the results of the determinant validity evaluation are very good. Meanwhile, all Cronbach's alpha (α) and CR values in this study exceed 0.7, which means that the instruments used are reliable.

Table 3. Discriminant Validity using the Fornell-Lacker criterion

Indicator	X1	X2	X3	Y	Z Mediation	Z Moderation
Financial Literacy (X1)	0,716					
Risk Perception (X2)	0,623	0,701				
Herding Behavior (X3)	0,478	0,668	0,749			
Investment Decision (Y)	0,468	0,603	0,630	0,712		
Interest (Z Mediation)	0,530	0,612	0,504	0,621	0,761	
Financial Behavior (Z)	0,499	0,527	0,522	0,628	0,628	0,729

Structural Model

After evaluating the measurement model or outer model and obtaining that each construct has met the requirements of Convergent Validity, Discriminant Validity, and Composite Reliability, the next is the evaluation of the structural model. Evaluation of the structural model is carried out in three stages, namely first checking the absence of multicollinearity between variables with the inner VIF (Variance Inflated Factor) measure. Inner VIF values below 5 indicate that there is no multicollinearity between variables (Hair et al., 2021) . Second is hypothesis testing between variables by looking at the path coefficient value and t-statistic or p-value. If the calculated statistic is higher than 1.96 (t table) or the p

value of the test results is smaller than 0.05, there is a significant influence between the variables. And the third is the 95% confidence interval of the estimated path coefficient parameter(Hair.Jr. Edeh et al., 2021)

Table 4. Structural Estimation Results

Variables	Original Sample (O)	T Statistics	P Values
Financial Literacy -> Investing Decision	0,007	0,110	0,912
Financial Literacy -> Z Mediation	0,212	2,701	0,007
Risk perception -> Investing Decision	0,114	1,756	0,080
Perceived Risk -> Z Mediation	0,375	4,900	0,000
Herding behavior -> Investing Decision	0,275	4,153	0,000
Herding Behavior -> Z Mediation	0,153	2,254	0,025
Z Mediation -> Investing Decision	0,249	3,363	0,000
Z Moderation -> Investing Decision	0,293	3,686	0,000

Table 4. Is the structural estimation of this study which reveals the characteristics of the relationship between variables and the results of hypothesis analysis. Financial literacy has a positive but insignificant effect on investment decisions because the t-statistic (0.110 < 1.96) while the p-value (0.912> 0.05). Financial literacy has a positive and significant effect on interest because the t-statistic (2.701 > 1.96) while the p-value (0.007< 0.05). Risk perception has a positive and insignificant effect on investment decisions because the t-statistic (1.756 < 1.96) while the p-value (0.080< 0.05). Perceived risk has a positive and significant effect on interest because the t-statistic (4.900> 1.96) while the p-value

(0.000< 0.05). Herding behavior has a positive and significant effect on investment decisions because the t-statistic (4.153> 1.96) while the p-value (0.000< 0.05). Herding behavior has a positive and significant effect on interest because the t-statistic (2.254> 1.96) while the p-value (0.025< 0.05). Interest has a positive and significant effect on investment decisions because the t-statistic (3.363> 1.96) while the p-value (0.000< 0.05). Financial behavior has a positive and significant effect on investment decisions because the t-statistic (3.686> 1.96) while the p-value (0.000< 0.05).

Table 5. Effects of Mediating Variables

Variables	Standard Deviation (STDEV)	T Statistics	P Values
Financial Literacy -> Interest -> Investing Decision (Y)	0,025	2,112	0,035
Risk Perception -> Interest -> Investing Decision (Y)	0,033	2,816	0,005
Herding Behavior -> Interest -> Investing Decision (Y)	0,020	1,868	0,062

Table 5. is the result of the mediation test which reveals the relationship between financial literacy through interest has a positive and significant effect on the decision to invest in Islamic stocks because and t-statistic (2.112 > 1.96) while the p-value (0.035 < 0.05). Then risk perception through interest has a positive and significant effect on the decision to invest in Islamic stocks because the t-statistic (2.816> 1.96) while the p-value (0.005 <0.05). Herding behavior through interest has a positive but insignificant effect on the decision to invest in Islamic stocks because the t-statistic (1.868 < 1.96) while the p-value (0.062 > 0.05).

Table 6. Effects of Moderating Variables

Variables	Original Sample (O)	T Statistics	P Values
Moderating effect 1 -> Financial literacy -> Investing decision	-0,003	0,071	0,943
Moderating effect 2 -> Perceived risk -> Investment decision	0,038	0,646	0,518

Table 6. is the result of the moderation test which reveals the relationship between financial behavior does not significantly moderate the effect of financial literacy on the decision to invest in Islamic stocks with a moderation path coefficient of (-0.003) and t-statistic (0.071 < 1.96) while the p-value (0.943> 0.05). Because the interaction coefficient (Financial behavior x Financial literacy) is negative -0.003, it means that financial behavior weakens the influence of financial literacy on the decision to invest in Islamic stocks. Financial behavior does not significantly moderate the effect of perceived risk on the decision to invest in Islamic stocks with a moderation path coefficient of (0.038) and t-statistic (0.646 < 1.96) and p-value (0.518 > 0.05). Because the interaction coefficient (Financial behavior x Risk perception) is 0.038, it means that financial behavior strengthens the influence of risk perception on the decision to invest in Islamic stocks.

Table 7. 95% Convidence Interval (Confidence interval) Path Coefficient

Variables	Original Sample (O)	2.5%	97.5%
Financial Literacy -> Investing Decision	0,007	-0,120	0,122
Risk Perception -> Investing Decision	0,114	-0,005	0,240
Moderating Effect 1 (Financial Behavior)	-0,003	-0,099	0,075

Financial Literacy -> Investing Decision			
Moderating Effect 2 (Financial Behavior) Risk Perception -> Investing Decision	0,038	-0,071	0,156

Table 7. The effect of financial literacy on investment decisions in the 95% confidence interval is between -0.120 to 0.122. This means that if there is an increase in financial literacy, its effect on increasing investment decisions can increase up to 0.123. In the 95% confidence interval, the moderating effect of financial behavior in moderating financial literacy on investment decisions lies between -0.099 to 0.075. The effect of risk perception on investment decisions in the 95% confidence interval is between -0.005 to 0.240. This means that if there is an increase in risk perception, its effect on increasing investment decisions can increase up to 0.240. In the 95% confidence interval, the moderating effect of financial behavior in moderating risk perception on investment decisions lies between -0.071 to 0.156.

Discussion

Financial Literacy (X1)

After conducting the t-statistic test, the following results were obtained:

H1 Financial Literacy (X1) Has a Positive Effect on Interest (Z)

The findings in this study show the result that the statistical t value obtained is 2.701 which is greater than the t table value of 1.96. This shows that the test results have a positive and significant effect. Then seen from the *path coeficient* value also shows a positive value of 0.209, which means that the greater the value of financial literacy will also increase investor interest in investing in Islamic stocks. In other words, financial literacy is optimal in influencing investor interest in investing in Islamic stocks.

Furthermore, from the results of this study, there are similarities with the results of previous research, namely the results of research conducted by Yovieta, with the results of his research showing that investment interest has a significant effect on investment decisions(Yovieta et al., 2022) . This also has similarities with

the research of Mussy et al. with the research findings that financial knowledge has a significant influence on Millennials' interest in investing(Mussy et al., 2023)

H4 Financial Literacy (X1) Has a Positive Effect on Investing Decisions (Y)

The findings in this study show the result that the statistical t value obtained is 0.110   which is smaller than the t table value of 1.96. This shows that the test results are influential but not significant. Then seen from the *path coeficient* value also shows a positive value of 0.003, which means that the greater the value of financial literacy, the more it will increase the value of investment decisions. In other words, financial literacy has not been optimal in influencing the investment decisions of PT FAC Sekuritas Jambi investors.

The results of this study, have differences with the results of research conducted by Hudha which states that the Islamic financial literacy variable has a positive effect on investment decisions in Islamic stocks. So the higher the respondent's Islamic financial literacy, the greater the opportunity to make a decision to invest in Islamic stocks(Shahrul, 2023)

H8 Financial Literacy (X1) Has a Positive Effect on Investing Decisions (Y) With Interest (Z) as an Intervening Variable

Path Analysis shows the direct effect between financial literacy variables (X1) on investment decisions (Y) of 0.003. While the *indirect effect* (*indirect effect* test) through the interest variable (Z) is 2.112. Financial literacy through interest has a positive and significant effect on the decision to invest in Islamic stocks. This has a difference with the results of hypothesis 4, namely financial literacy has a positive but insignificant effect on the decision to invest in Islamic stocks. Thus the role of interest is *indirect-only* (*Full Mediation*), because the indirect relationship has a significant effect while the direct relationship has no significant effect.

The results of this study have a slight difference with the results of research conducted(Yovieta et al., 2022) namely in terms of direct influence. Based on Path Analysis research, it shows that the direct effect between the investment knowledge variable (X) on investment decisions (Y) is 0.279. While the indirect effect through the investment interest variable (Z) is the result of the fourth hypothesis test by referring to the ordinal value of the sample, which is positive 0.519 with a P Value of 0.000 (<0.05), it can be concluded that investment knowledge (X) on investment decisions (Y) through investment interest (Z) has a positive and significant effect,

In a decision-making process in investing, of course, financial literacy becomes a strong basis before making this decision because financial literacy is knowledge of basic economic and financial concepts, as well as the ability to use this knowledge and other financial skills to manage financial resources effectively and in decision making.

Risk Perception (X2)

After conducting the t-statistic test, the following results were obtained:

H2 Perceived Risk (X2) Has a Positive Effect on Interest (Z)

The findings in this study show the result that the statistical t value obtained is 4.900 which is greater than the t table value of 1.96. This shows that the test results have a positive and significant effect. Then seen from the *path coeficient* value shows a positive value of 0.375, which means that the greater the value of risk perception, it will also increase investor interest in investing in Islamic stocks. In other words, risk perception is optimal in influencing investor interest in investing in Islamic stocks.

Furthermore, the results of this study have similarities with the results of previous research conducted by(Putu & Dewi, 2018) risk perception has a positive partial and simultaneous effect on investment interest. The results of this study are in line with research conducted by(Behera et al., 2021) which states that Risk Perception affects investment interest.

H5 Risk Perception (X2) Has a Positive Effect on Investing Decisions (Y)

The findings in this study show the result that the statistical t value obtained is 1.756   which is smaller than the t table value of 1.96. This shows that the test results are influential but not significant. Then seen from the *path coeficient* value shows a positive value of 0.114, which means that the greater the value of risk perception, the more it will increase the value of investment decisions. In other words, risk perception is not yet optimal in influencing the investment decisions of PT FAC Sekuritas Jambi investors.

The results of this study have differences with the results of research conducted by Pratama with the research results of the t hypothesis test results showing risk significantly has a positive effect on investment decisions(Pratama et al., 2022) . The same research was also conducted by Sulistyowati with the results of research on risk perception variables having a positive effect on investment decisions(Sulistyowati et al., 2022)

H9 Perceived Risk (X2) Has a Positive Effect on Investing Decisions (Y) With Interest (Z) as an Intervening Variable

Path Analysis shows the direct effect between the risk perception variable (X2) on the investment decision (Y) of 0.114. While the *indirect effect* (*indirect effect* test) through the interest variable (Z) is 2.816. Perception of risk through interest has a positive and significant effect on the decision to invest in Islamic stocks. This has a difference with the results of hypothesis 5, namely risk perception has a positive and insignificant effect on the decision to invest in Islamic stocks. Thus the role of interest is *Indirect-only* (*full mediation*), because the indirect relationship has a significant effect while the direct relationship has no significant effect.

This is the novelty of the research results because no one has used interest as a mediation between risk perception and investment decisions. In a decision-making process in investing, of course, risk perception becomes a strong basis before decision making, this is because perception is the view that a decision has consequences that must be accepted by the decision maker. Someone who has the view that a decision can provide a loss tends to affect that person's choice.

Herding Behavior (X3)

After conducting the t-statistic test, the following results were obtained:

H3 Herding Behavior (X3) Positively Affects Interest (Z)

The findings in this study show the result that the statistical t value obtained is 2.254 which is greater than the t table value of 1.96. This shows that the test results have a positive and significant effect. Then seen from the *path coeficient* value shows a positive result of 0.154, which means that the greater the value of herding behavior, it will also increase investor interest in investing in Islamic stocks. In other words, herding behavior is optimal in influencing investor interest in investing in Islamic stocks.

Furthermore, the results of this study have similarities with the results of previous studies, namely research conducted by(Hakim & Rahmawati, 2023) with the results of his research explaining that herding behavior has a positive and significant effect on investment interest and is strengthened by research conducted by(Saputri et al., 2023) which states that herding behavior has a significant effect on investment interest.

H6 Herding Behavior (X3) Has a Positive Effect on Investing Decisions (Y)

The findings in this study show the result that the statistical t value obtained is 4.153   which is greater than the t table value of 1.96. This shows that the test results are influential and significant. Then seen from the *path coeficient* value shows a positive result of 0.273, which means that the greater the value of herding behavior, the more it will increase the value of investment decisions. In other words, herding behavior is optimal in influencing the investment decisions of PT FAC Sekuritas Jambi investors.

The results of this study have in common with the results of research conducted by Tamara (2022) showing that herding has a positive and significant effect on stock investment decisions(Tamara, 2022) . And also the results of research conducted by Kengatharan & Kengatharan (2014) with the results of this study indicate that herding behavior is one of the factors that influence investment decisions(Kengatharan & Kengatharan, 2014)

H10 Herding behavior (X3) Has a Positive Effect on Investing Decisions (Y) With Interest (Z) As an Intervening Variable

Path Analysis shows the direct effect between herding behavior variables (X3) on investment decisions (Y) of 0.273. While the *indirect effect* (*indirect effect* test) through the interest variable (Z) is 1.868. Herding behavior through interest has a positive but insignificant effect on the decision to invest in Islamic stocks. This is different from the results of hypothesis 6, namely herding behavior has a positive and significant effect on the decision to invest in Islamic stocks. Thus the role of interest is *Competitive* (*Partial mediation*), because the indirect relationship has no significant effect while the direct relationship has a significant effect.

In variable X3 there is also a novelty from the results of the study because no one has used interest as a mediation between herding behavior on investment decisions. In a decision-making process in investing herding behavior is often an information that is needed even a strong benchmark before making a decision, this is because herding behavior is a community that often shares information on a stock that is the target of investors, it is also the assumption that herding is often a benchmark for investors who are active in a capital market community.

Interest as Mediation (Z)

H7 Interest (Z) Has a Positive Effect on Investing Decisions (Y)

The findings in this study show the result that the statistical t value obtained is 3.636 which is greater than the t table value of 1.96. This shows that

the test results have a significant effect. Then seen from the *path coeficient* value shows a positive result of 0.248, which means that the greater the value of interest, it will also increase the value of Islamic stock investment decisions.

The results of this study are in line with the results of research by (Ayumi, 2022) . This is in line with research conducted by with the results of his research showing that investment interest has a significant effect on investment decisions(Yovieta et al., 2022)

Financial Behavior as Moderation (Z)

H11 Financial Literacy affects Investing Decisions with Financial Behavior as moderator

The test results from SmartPLS show that the p-value is 0.943 with the t-statistic significance value showing that 0.071 which is smaller than 1.96. Then the hypothesis in this study is rejected. The moderation level of the financial behavior variable, quoted from Hair, with a reference value of 0.005 low, 0.01 moderate and 0.025 high (Hair, 2017) It indicates that financial behavior is not significant in moderating the effect of financial literacy on Islamic stock investment decisions. Financial behavior does not significantly moderate the effect of financial literacy on Islamic stock investment decisions with a moderation path coefficient of (-0.003) and t-statistic (0.071 < 1.96) and p-value (0.943 > 0.05). Because the interaction coefficient (financial behavior x financial literacy) is negative -0.003, financial behavior weakens the influence of financial literacy on the decision to invest in Islamic stocks. This means that the more investors understand psychology and the ability to organize financial planning, financial budgeting and financial management, an investor will be more vigilant about the use of his money so that the investor limits or reduces his money to be used in stock transactions or invested. Financial behavior does not significantly moderate the effect of financial literacy on Islamic stock investment decisions. This is different from the findings of Audini's research which explains that the results of his research show that Financial Behavior as a moderating variable clearly strengthens the effect of Financial Literacy on Investment Decisions(Audini, 2020)

H12 Perceived Risk affects Investing Decisions with Financial Behavior as a moderator

The test results from SmartPLS show that the p-value is 0.518 with the t-statistic significance value showing that 0.646 which is smaller than 1.96. Then the hypothesis in this study is rejected. The moderation level of the financial

behavior variable, quoted from Hair, with a reference value of 0.005 low, 0.01 moderate and 0.025 high (Hair, 2017) This indicates that financial behavior is not significant in moderating the effect of risk perception on Islamic stock investment decisions.

Financial behavior does not significantly moderate the effect of risk perception on Islamic stock investment decisions with a moderation path coefficient of (0.038) and t-statistic (0.646 < 1.96) and p-value (0.518 > 0.05). Because the interaction coefficient (financial behavior x risk perception) is positive 0.038, financial behavior strengthens the influence of risk perception on the decision to invest in Islamic stocks. This means that the more investors understand psychology and the ability to organize financial planning, financial budgeting and financial management in addition to the investor's understanding of existing risks, an investor will better understand a situation before making a decision on the use of his money. Financial behavior does not significantly moderate the effect of risk perception on the decision to invest in Islamic stocks. This is different from the results of research conducted by Suriansyah & Harianto which explains that financial behavior is able to moderate risk perceptions on investment decision making in accounting students at Muhammadiyah Sidoarjo University. This is because there is a high perception of risk in students in investing so that it encourages them to take risks on capital market instruments(Suriansyah & Harianto, 2022)

4. CONCLUSION

Based on the results of research from 391 samples from investors of PT. FAC Sekuritas Jambi, the answers to the problems that have been stated in the focus of the research can be concluded as follows: Exogenous variables that affect interest are financial literacy, risk perception and herding behavior. The three variables significantly affect the interest variable as evidenced by the t statistic value above the T table value. However, there is a discrepancy in 2 exogenous variables on investment decisions with interest as an intervening variable, namely variables X2 (risk perception) and X3 (herding behavior). The most dominant variable influencing the decision to invest in Islamic stocks is the herding behavior variable. While the variables of financial literacy and risk perception, affect the decision to invest in Islamic stocks but are not significant. Variables that have partial mediation effects amount to 1, namely, the relationship between herding beahvior on investment decisions with interest as an intervening variable. While variables that have a full mediation effect amount to 2, namely, the relationship between financial literacy on investment decisions with interest as an intervening variable and the relationship between risk perception on investment decisions with interest as an intervening variable. Financial behavior variables have a moderating effect on weakening the relationship between financial literacy on Islamic stock investment decisions and financial behavior variables also have a moderating effect on weakening the relationship between risk perceptions on Islamic stock investment decisions.

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