

ABSTRACT

In this time more people are aware of the importance of investing, in the hope of gaining huge profits in the future. This makes the number of investor in Bandung City who invest increases. In making investment decisions, good financial literacy is needed in order to obtain a maximum return on investment and avoid fraudulent illegal investments.

This study aims to determine the influence of financial literacy on investment decisions in the investor of Bandung City. Financial literacy consists of three dimensions, namely financial attitudes, financial behavior and financial knowledge. Whereas investment decisions consist of several indicators such as security on investment, risk on investment, return on investment, time value of money and rate of liquidity.

This study uses a questionnaire distributed to the investor of Bandung City as a sample with a total of 400 respondents. Sampling uses non probability sampling techniques with a simple random sampling approach. The data analysis technique used is descriptive analysis and simple linear regression analysis.

From the results of hypothesis testing using the t-test the results of t count (21,313) > t table (1,966) with a significance value of 0,000 less than 0.05, meaning that financial literacy has a significant influence on investment decisions. The magnitude of the influence of financial literacy on investment decisions can be seen from the value of the determination coefficient that is equal to 53.3%. While 46.7% is influenced by other factors not examined in this study.

The results of this study concluded that financial literacy has a significant influence on investment decisions in the investor of Bandung City. With the level of financial literacy and investment decisions in Bandung City, which is included in the good category.

Keyword: *Financial Literacy, Investment Decision, Investor of Bandung City*