



Investor Perceptions of Investments: Factors, Trends and Regional Peculiarities

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Introduction

In the modern world, the stock market plays a crucial role in economic development by providing companies with access to capital and offering investors opportunities to increase their wealth. However, investor participation in the stock market depends on multiple factors, including economic conditions, government regulations, market transparency, financial literacy levels, and individual risk tolerance. In recent years, the government of Uzbekistan has actively pursued reforms aimed at developing the stock market and integrating it into the global financial system. Economic liberalization, improvements in the business climate, the adoption of international corporate governance standards, and the digitalization of the financial sector have created favorable conditions for attracting both domestic and foreign investors. The development of the Tashkent Stock Exchange, the implementation of investor protection mechanisms, and educational initiatives have all contributed to increasing public trust and engagement in investment activities. International research also highlights the importance of these factors. In particular, Indian scholars Dr. Nagala Shyam Venkata Nooka Raju **and Dr. Anita Patra** have analyzed the behavioral aspects of investors and identified key determinants influencing investment decisions. Their studies indicate that factors such as market awareness, access to information, transaction transparency, and government regulation significantly impact investor confidence and their willingness to invest. Furthermore, their empirical research on the Indian stock market demonstrates that successful reforms focused on enhancing financial literacy and digitalizing investment processes contribute to greater participation of retail investors. India's experience in this area may offer valuable insights for Uzbekistan, as both countries face similar challenges in developing their investment climate, including the need to build public trust in the stock market. This





study examines the key factors shaping investor perceptions of stocks and analyzes successful practices from other countries, including India, to adapt their experiences to Uzbekistan’s financial landscape. Special attention is given to investor trust, effective government regulatory mechanisms, and educational initiatives that encourage greater public participation in investment activities.

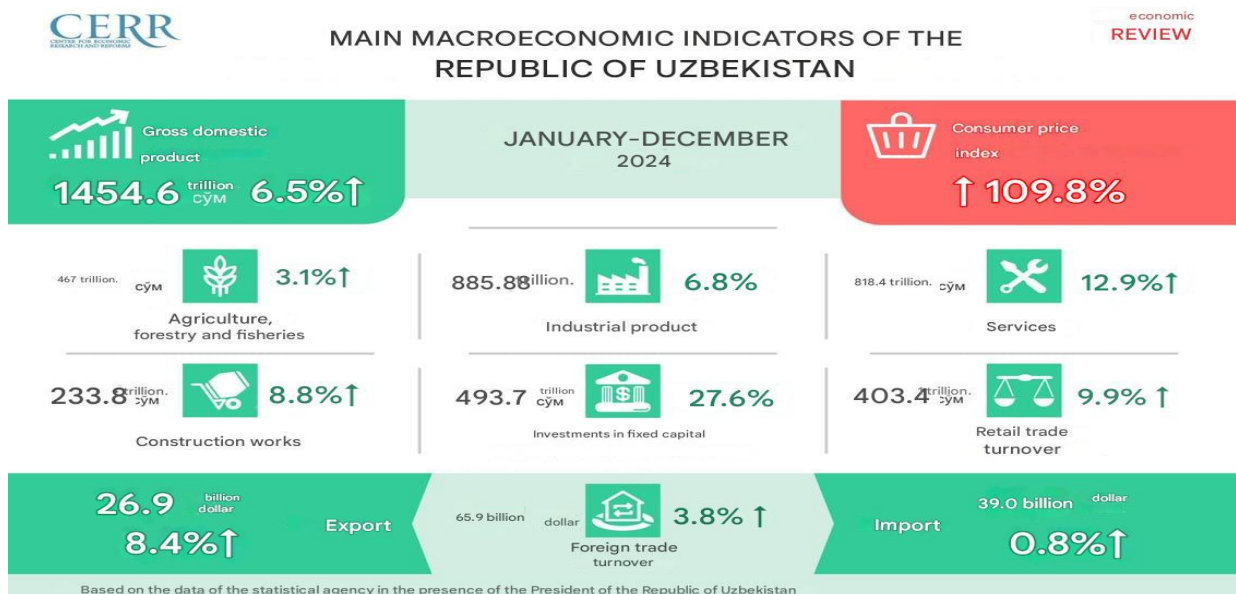
Keywords:

Stock market, investor perception, financial literacy, investment climate, behavioral finance, investment stimulation, economic growth.

1. Factors Affecting Investors' Perception of Stocks

1.1 Economic conditions

The state of the economy significantly affects investor sentiment. During periods of economic growth, investors are more confident and tend to invest in stocks. During recessions, risk aversion increases and capital is redistributed into more reliable assets such as bonds and gold. If we look at the example of the Republic of Uzbekistan, we can see a very positive moment as production volumes have increased in all major sectors, with the exception of oil and gas production and pharmaceuticals.





In 2024, Uzbekistan's economy continued to grow rapidly. According to the statistics agency, gross domestic product (GDP) grew by 6.5% in 2024 (6.3% in 2023), which is fully consistent with the December forecast of the Center for Economic Research and Reforms. Production volumes increased in all major sectors of the economy, with the exception of oil and gas production and pharmaceuticals. The manufacturing industry, services, and construction developed most rapidly. The main growth drivers were industries such as textiles, electrical engineering, metallurgy, food, and automotive manufacturing. Agriculture remains an important sector for ensuring the country's food security, with growth rates of 3.1% (4.1% in 2023).

- Industrial production demonstrated high dynamics, increasing to 6.8% (6.3% in 2023).
- In the pharmaceutical industry, production volume decreased by 7.5%, in the leather and footwear industry - by 0.6%.
- Production volumes in the electricity supply sector increased by 5.3% (in 2023 - by 9.5%).
- Production in the oil and gas production industry will grow by 1.4% (growth in 2023 will be 4.7%).
- Growth in the water supply, sanitation and waste disposal sector was 5.5% (3.2% in 2023).
- The growth rate in the construction industry was 8.8% (7.0% in 2023)
- The service sector demonstrated higher growth dynamics than other sectors of the economy. The volume of market services provided increased by 12.9%.
- The largest share of sub-sectors of the service sector falls on the financial sector - 20.6%, accommodation and food services - 10.6%, trade - 11.8%, communications and information technology - 25.8%.
- Retail turnover increased by 9.9%.
- The volume of transport services increased by 11.8%, including motor vehicles - by 8.4%.
- The dynamics of growth in foreign trade volumes slightly decreased compared to the previous year. According to the results of 2024, foreign trade turnover increased by 3.8% to 66 billion US dollars, while exports increased by 8.4%, and imports - by 0.8%.
- By type of product, exports of fuels and lubricants increased by 39.8%, services by 27.7%, chemical products by 29.1%, food products by 22.4%, industrial products by 3.7%, machinery and transport by 1.1%. Exports of equipment decreased by 7.9%, and various finished products by 7.5%.





At the same time, imports of fuels and lubricants increased by 50.1%, services by 21.5%, food products by 5.7%, non-food raw materials by 6.3%, and in the category of machinery and transport equipment decreased by 9.7%. Industrial goods by 4.2%, chemical products by 3.6%. The main driver of this growth is the manufacturing industry, which showed production dynamics and significant growth, including electrical engineering by 16.3% (+3.1% in 2023), textile industry by 10.7% (+7.9%), metallurgy - by 6.4% (+5.0%), food - 3.2% (+6.8%), cars - 8.8% (+16.8%), construction materials - 7.5% (+11.5%), chemicals - 3.4% (decrease -3.3%), furniture - 25.2% (+0.2%) industry grew. Positive dynamics are observed in the sphere of attracting investments. During the reporting period, the volume of investments in fixed assets increased by 27.6%. The main income came from decentralized investments - 32.8%. It is worth noting that investments from budget funds decreased by 9.7%, which indicates the increased role of private investments. In 2024, the share of centralized investments in the total volume of investments in fixed assets decreased to 10.5% (from 14.0% in 2023), while decentralized investments increased to 89.5%. In general, the presented data indicate that the economy of Uzbekistan demonstrated stable growth in 2024, which is the result of structural reforms implemented in the country and indicates the significant economic potential of the country. (Economic Development of Uzbekistan in 2024 - Review.uz) (<https://review.uz/en/ofu>, 2025).

1.2 Market Volatility and Risk Tolerance.

Risk tolerance is a measure of the degree of loss an investor is willing to bear in his or her portfolio. Investment choices should always be consistent with the investor's risk profile. The risk profile determines the level of risk an investor can accept, which in turn will determine his or her asset allocation, choice of investment products, and operational decisions such as portfolio rebalancing and exit. Depending on the level of risk tolerance, investors can be divided into three main categories: aggressive, moderate, and conservative. An aggressive investor, or an investor with a high-risk tolerance, takes higher risks in order to achieve potentially high returns. A moderate investor pursues a balanced strategy for earning income without much loss. Conservative investors are willing to tolerate some volatility in their investment portfolios. The risk profile depends on many factors, including family, personal, and financial information of the investor. Family information includes information on the number of working family members, the presence of dependents, and life expectancy. The level of risk tolerance increases with the number of working family members and decreases with the number of dependents. Risk tolerance is higher with life expectancy.





Personal information includes such factors as education level, professionalism, and psychological stability. Highly qualified and multidisciplinary specialists have a higher risk tolerance. Psychologically stable people cope with the disadvantages associated with risk more easily. Capital and regularity of income are two financial factors that affect risk propensity. The greater the capital, the higher the investor's ability to financially compensate for the disadvantages associated with risk in conditions of market volatility. (Economy and Business: Theory and Practice, vol. 8 (90), 2022)

1.3 Financial Literacy and Awareness.

Financial literacy is a set of knowledge, skills, and abilities necessary for effective financial management at the personal and professional levels. This includes understanding basic financial terms, the ability to budget, set financial goals, plan investments, manage debt, protect one's own financial interests, and make informed financial decisions. A financially literate person is able to adapt to changing financial conditions and take risks with their finances within their capabilities and goals. Financial literacy is a key factor in the daily life of every person, as well as in the formation of a sustainable and prosperous economy. For individuals, financial literacy provides the opportunity to make informed financial decisions, manage personal finances, plan for the future, and protect against financial risks. For the country's economy, financial literacy of the population is the basis for the development of financial institutions, the effective functioning of markets, and stimulating economic growth. It also helps reduce poverty, reduce social inequalities, and create a favorable investment environment. Uzbekistan has made significant progress in the field of financial inclusion in recent years, thanks to the updating of legislation and the digitalization of financial services. In 2021, 44% of the adult population had a bank account, double the rate in 2011. Debit card penetration and remote banking have also increased significantly. However, trust in the financial system remains low, as evidenced by the fact that only 3% of the adult population keeps their savings in banks, one of the lowest rates in the region. In addition to low trust in the banking system, there is a problem of underutilization of bank savings and inefficient distribution of financial access points across the country. In 2023, there were more than 11,000 ATMs and 430,000 terminals in Uzbekistan, significantly improving access to financial services compared to previous years. However, the distribution of these points remains uneven, especially in remote areas, limiting access to financial services for a large part of the population. In response to these challenges, the Government of Uzbekistan has taken a number of measures, including legislative changes and support for new





financial technologies. In 2022, a new law was adopted that stimulates the development of non-bank credit organizations and microfinance activities, thereby improving access to financial services. In addition, financial literacy training and start-up financing programs were launched, including with a special focus on women-owned enterprises, worth about \$ 180 million. These initiatives are supported by both local and international organizations, including the World Bank, which contributes to greater financial inclusion and sustainable economic growth. Financial literacy plays a key role in the modern world, especially in a rapidly changing economic environment. According to a World Bank report, more than 60% of the world's population does not have sufficient knowledge about finance. In Uzbekistan, the situation is similar: only about 30% of the adult population has basic financial skills. Improving the level of financial literacy is becoming a priority for government and non-governmental organizations. Improving financial literacy in Uzbekistan can become a catalyst for economic growth and development. According to a report by the International Monetary Fund, each additional percentage point of financial literacy in a country can lead to a 0.3% increase in GDP. This is because financially literate citizens are able to use financial instruments more effectively, invest in development, and manage risks. Increasing the level of financial literacy can have a significant social effect, including reducing poverty and inequality. Research by the United Nations Conference on Trade and Development shows that financially literate people are more likely to save and invest in education and health care, which helps reduce social inequality. Financially literate citizens have a better chance of achieving financial well-being and stability. A study by the National Foundation for Financial Literacy shows that people with a high level of financial literacy are more likely to make informed decisions about lending, investing, and retirement planning, which ultimately contributes to their financial independence and well-being. One of the successful strategies for improving financial literacy is the introduction of educational programs in schools and universities. In 2020, Uzbekistan adopted the Law on the Implementation of Financial Education in the Educational Program, which requires the inclusion of elements of financial education in the school and university curriculum. This initiative is aimed at developing financial skills and knowledge among the younger generation, which will help them make informed financial decisions in the future. Both public, private and non-governmental organizations play an active role in increasing the level of financial literacy. The state introduces legislative measures and develops training programs, the private sector provides financial support and develops educational products, and non-governmental organizations conduct educational activities and provide advisory assistance. The joint efforts of all parties create favorable conditions for increasing the level of financial





literacy in the country. In the context of digitalization of education and the availability of the Internet, modern technologies and online resources are actively used to teach financial literacy. Distance learning platforms, mobile applications and online courses provide an opportunity to gain knowledge about finances anytime and anywhere. Such innovative teaching methods help overcome geographical and time limitations and make learning more accessible to a wider audience. One of the main challenges faced by financial literacy programs in Uzbekistan is the need to adapt to the specific needs and characteristics of the population. Structural changes in the economy, the introduction of new technologies and changes in financial instruments require constant updating and improvement of training programs. In addition, it is necessary to overcome geographical and socio-cultural barriers to ensure equal access to educational resources for all segments of the population. Despite the challenges, financial literacy programs have broad prospects for development and improvement. The use of innovative teaching methods, such as gaming technologies, interactive applications and online platforms, can significantly increase the effectiveness of programs and attract more participants. It is also important to strengthen partnerships between the state, the private sector and non-governmental organizations for the joint development and implementation of financial literacy programs. The international community plays an important role in supporting and developing financial literacy programs in Uzbekistan. Foreign organizations, such as the World Bank, the International Monetary Fund and others, provide financial and technical assistance, as well as share advanced experiences and best practices. This helps improve the quality of programs, expand their coverage and increase the effectiveness of activities in this area. In conclusion, improving financial literacy is an important factor in achieving sustainable economic growth and social stability in Uzbekistan. Despite the challenges, we have broad prospects for developing training programs and attracting more people to participate in them. It is necessary to continue efforts in this direction and jointly strive to improve the level of financial literacy of the country's population. (Namozova M.U. "Economy and Society" No. 5 (120) -1 2024)

1.4 Regulation and market transparency

Robust stock market regulation increases investor confidence. Transparency in financial reporting, good corporate governance, and investor protection mechanisms strengthen confidence in stocks. Effective regulation and high market transparency are key factors in attracting investment and developing the economy. In recent years, Uzbekistan has been actively reforming its financial system, improving the legislative framework and introducing modern control mechanisms to increase investor



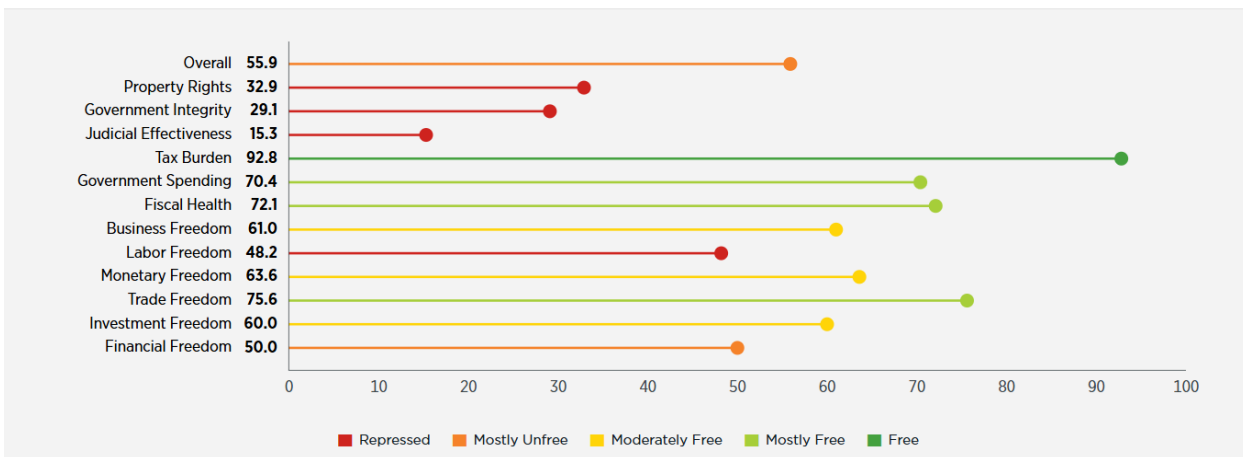


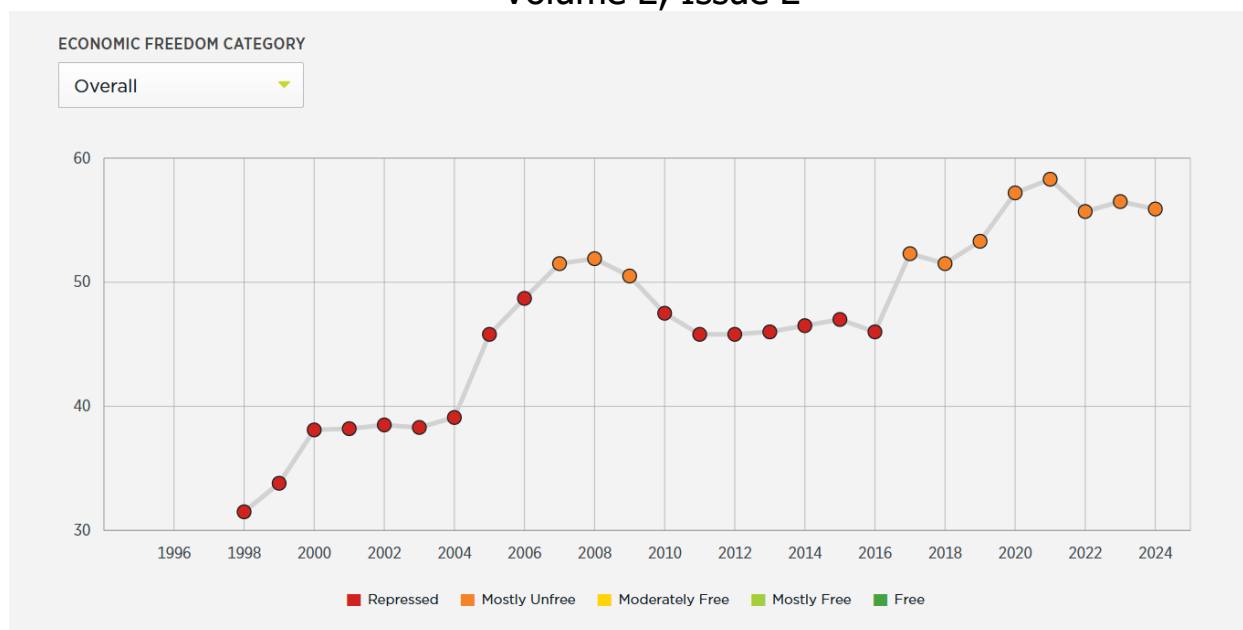
confidence. In recent years, the government of Uzbekistan has adopted a number of laws and regulations aimed at increasing market transparency and protecting investors' interests.

Uzbekistan's economic freedom score is 55.9, making its economy the 103rd freest in the 2024 Index of Economic Freedom. Its rating has decreased by 0.6 point from last year, and Uzbekistan is ranked 20th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is lower than the world and regional averages. Uzbekistan's economy is considered "mostly unfree" according to the 2024 *Index*.

Uzbekistan has pursued critical reforms to build a competitive market economy, adopting policies that advance its economic freedom and transitioning to greater openness and modernization. Institutional shortcomings continue to limit political and other fundamental freedoms, but positive changes have been taking root. Despite progress, however, the overall regulatory system lacks transparency and clarity. The business start-up process has been streamlined. A modern labor market continues to evolve, but informal-sector employment remains substantial. Monetary stability has been relatively well maintained, but inflationary pressure continues.

12 ECONOMIC FREEDOMS





(Index of Economic Freedom “Economic Freedom Country Profile Uzbekistan” 2023)
Based on the above information and data presented, it can be confidently said that Uzbekistan is doing significant work to create favorable conditions for doing business and attracting investment. Thanks to active reforms, increased market transparency and the introduction of modern technologies, the country is becoming increasingly attractive to domestic and foreign investors.

1.5 Technological innovation and accessibility

The development of digital trading platforms and fintech solutions has made the stock market accessible to a wider audience. Technologies such as mobile apps, robo-advisors and commission-free trading have increased engagement, especially among young investors. Let's look again at the example of the work done in Uzbekistan. Since the gain of independence in 1991, Uzbekistan has worked through diverse economic transformations with a transition from a central economy to a Market economy. These have sought to develop entrepreneurship and encourage FDI inflows, at the same time business is still shaped by history, culture and institutions (Ogunmola, G. A. (2024). Cultural Dynamics Shaping the Adoption of Modern Management, Green Innovation, and Digitization in Uzbekistan's Business Landscape. Academia Open, 9(2), 10-21070).

Exchange trading on JSC "UzRTXB" is carried out on the basis of the principles of openness, transparency and creation of equal competitive conditions for clients. According to the rules of exchange trading, all participants in the trades have equal rights, regardless of their status - resident or non-resident of the republic. JSC "UzRTXB" provides domestic and foreign companies with highly liquid commodity





assets produced in the republic, including ferrous and non-ferrous metals, oil products, cotton fiber, mineral fertilizers, sugar, wheat flour, grain, etc. plays an important role in ensuring the legality. The exchange is located in Tashkent, the capital of the Republic of Uzbekistan. The exchange has a multi-industry trading infrastructure. Its structural structure includes 13 branches located in the centers of all regions of our republic. Also, at present, more than 200 trading platforms and 800 brokerage offices provide currency exchange services to clients. The exchange manages 5 trading platforms:

- Exchange electronic trading system (electronic trading system for collecting and responding to requests for automated trading);
- Electronic trading system for fairs;
- Electronic trading system for the sale of license plates.
- Electronic government procurement
- System for the sale of mobile numbers.

(Index | UzEx.uz)

In addition, it is planned to improve the electronic government of Uzbekistan and bring the share of electronic government services to one hundred percent, introduce the Mobile ID-identification system for individuals when providing them, the Digital Passport of Citizens and Digital Authority projects. The Electronic Government Project Management Center, together with the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, is working on the implementation of the Digital Passport of Citizens project. As an experiment, from July 15, 2022 to December 1, 2023, government agencies, banks and other organizations will not require paper identity cards. In the future, instead of them, you can present their digital versions in the special OneID Mobile application, which will be equal in legal force to their physical counterparts. At the first stage of the project implementation, it is planned to implement the system in the following areas:

- checking documents for the right to use and drive vehicles;
- domestic flights;
- travel by rail within the country;
- registration of guests in hotels, sanatoriums, rest homes and other similar institutions;
- receiving services of mobile operators and Internet providers;
- provision of government services in government service centers;
- provision of services of commercial banks and insurance companies;
- receipt of medical services;
- providing access to students in the systems of higher education institutions.





In addition to a passport or ID card of a citizen of the Republic of Uzbekistan, users of the service can manage such digital documents as a driver's license, vehicle registration certificate, marriage and birth certificate, student ID, coronavirus vaccination certificate, and more. According to the statistics agency, the ICT market of Uzbekistan has seen the number of telecommunications and IT companies increase by 1.8 times over the past five years. At the beginning of 2023, there are more than 12 thousand ICT enterprises operating in the republic. The industry employs over 100 thousand people. According to the results of 2022, the volume of ICT services increased by 125.5% and amounted to 22.9 trillion soums, of which 4.2 trillion soums were programming services provided by Uzbek companies and specialists. The total revenue of the IT sector of Uzbekistan for the first quarter of 2023 reached 2.38 trillion soums - almost four times more than the same period in 2022. Export of digital services increased to \$57.2 million. According to IT Park, net income amounted to more than 90% of revenue or 2.158 trillion soums. The effectiveness of Uzbekistan's recent digital reforms is reflected in the dynamics of international digitalization ratings:

- According to the GovTech Quality Index, Uzbekistan ranked 43rd in the world in the public services sector, moving up 37 positions since 2020, and entered Group “A”, which includes countries such as Brazil, the Republic of Korea, and Saudi Arabia.
- According to the results of the 2022 UN e-government Survey, conducted by the United Nations every 2 years, Uzbekistan moved up 18 positions at once and entered the group of countries with a “high/very high level of development”.
- In the Government Artificial Intelligence Readiness Index rating, developed by the British organization Oxford Insights, Uzbekistan has risen from 158th to 79th place over the past 4 years.
- According to the Telecommunication Infrastructure Index (TII), Uzbekistan is named a country with a high level of TII. Uzbekistan ranks 19th out of 220 countries in terms of broadband internet cost.

2. International Differences in Perceptions of Equity Investments

Attitudes toward stocks vary widely depending on cultural, economic, and regulatory factors:

- Developed markets (US, Europe) – high levels of financial literacy, diversified investment portfolios and widespread use of stocks for wealth accumulation and retirement planning.





- Emerging markets (India, Brazil) – growing interest in stocks due to rising middle class incomes, digitalization and regulatory reforms, although traditional investments in real estate and gold remain popular.
- Risk-averse countries (Japan, Germany) – investors prefer bonds and other low-risk assets due to cultural preferences for stability.

Case Studies: Perceptions of Equity Investments in India

2.1 Investor Perception in East Godavari

Random sampling method was used to collect data from different investors. The investors were selected using random sampling method. The sample size was 600 investors who were spread across three districts in Andhra Pradesh. From each district, 200 investors were selected, ten Brookings approved stocks. Twenty investors were also selected and contacted through stock brokers. The data was collected for a period of one year (i.e.) from January 2011 to December 2016. The data collected was the opinion of the investors and their expectations were also analyzed. The study is based on the data collected from the investors in three districts of Andhra Pradesh i.e. East Godavari, West Godavari and Vijayawada. The data collected is compiled and described using tables and percentages. The data was analyzed using descriptive statistics and Chi-square test. The study is limited to only 600 investors. In this study, only a few factors were used to analyze the factors influencing the investment behavior of an individual investor. The survey was conducted in only three districts of Andhra Pradesh, namely, East Godavari, West Godavari and Vijayawada. The study also had limitations in terms of time, space and resources.

V. RESULTS AND ANALYSIS

Table 1
Responses regarding Age of respondents

<i>S.No</i>	<i>Age Group</i>	<i>No of Respondents</i>	<i>percentage</i>
1	less than 20 years	134	22
2	20 - 40 years	393	66
3	40 - 60 years	64	11
4	more than 60 years	9	2
	Total	600	100

Source: primary data

From the above table 1, It is understood that out of 600 respondents 66 % of respondents belongs to





age group of 20-40, 22% respondents are below 20 years and 11% respondents between 40- 60 years. Only 2% of respondents are more than 60 years of age group. Above table indicates that most of the respondents belong to age group of 20-40.

Table 2
Occupation of the respondents

<i>S.No</i>	<i>Occupation</i>	<i>No of Respondents</i>	<i>percentage</i>
1	businessmen	286	48
2	housewives	21	4
3	professional	70	12
4	retired persons	9	2
5	salaried persons	214	36
	Total	600	100

Source: primary data

Occupation also influences investment decisions of individual investor. The above table shows the occupation of sample investor. 48% of investors were businessmen and 36% of investors were salaried persons and 12% of investors were professionals and 4% of investors were housewives, 2% of investors were retired persons.

Table 3
Income level of the respondents

<i>S.No</i>	<i>Income level</i>	<i>No of Respondents</i>	<i>percentage</i>
1	less than 2,00,000	132	22
2	2,00,000 - 4,00,000	405	68
3	4,00,000 - 6,00,000	54	9
4	more than 6,00,000	9	2
	Total	600	100

Source: primary data

The important factor which influences the whole investment decisions and attitude of individual investor is income level of investor. When level of income increases the risk tolerance level of investor also increases. Above table shows that 68% of respondents are between 2lakhs and 4lakhs income level and 22% of respondents are below 2 lakhs income level and 9% of respondents are between 4lakhs and 6lakhs income level and 2% of respondents are above 6lakhs income level.

Table 4
Investor's preferable investment sector

<i>S.No</i>	<i>Preferred sector</i>	<i>No of Respondents</i>	<i>percentage</i>
1	IT sector	245	41
2	Manufacturing sector	158	26
3	pharmaceuticals	89	15
4	Shipping & logistic	108	18
	Total	600	100

Source: primary data





From the above table it clearly understood that 41% of investors showed interest to invest their fund in IT sector and 26% investors and 18% investors were preferred to invest Manufacturing and shipping & logistics sector respectively. 15% investors were preferred to invest in pharmaceuticals sectors.

Table 5
Investor's preferred investment avenues

<i>S. No.</i>	<i>Preferred Investment</i>	<i>No of Respondents</i>	<i>Percentage</i>
1	bullion Market	121	20
2	Primary market	50	8
3	Government Securities	212	35
4	Real Estate	68	11
5	secondary Market	149	25
	Total	600	100

Source: primary data

From the above table it clearly understood that 35% of respondents preferred to invest government securities and 25% respondents and 20% respondents preferred to invest in secondary markets and bullion market respectively.8% respondents were preferred to invest in primary markets.

TESTING OF HYPOTHESIS

Hypothesis - 1

“There is no association between age of the investors and their preference of investments”.

To test the above hypothesis the researcher has used the ‘chi-square test’.

Observed frequency

<i>S. No.</i>	<i>Preferred Investment</i>	<i>Age of the Respondants</i>				<i>Total</i>
		<i>less than 20 years</i>	<i>20 - 40 years</i>	<i>40 - 60 years</i>	<i>more than 60 years</i>	
1	bullion market	32	82	7	0	121
2	Government Securities	57	145	10	0	212
3	Primary market	3	45	2	0	50
4	Real Estate	23	121	5	0	149
5	secondary market	19	0	40	9	68
	Total	134	393	64	9	600

Source: primary data

CHI – SQUARE TEST

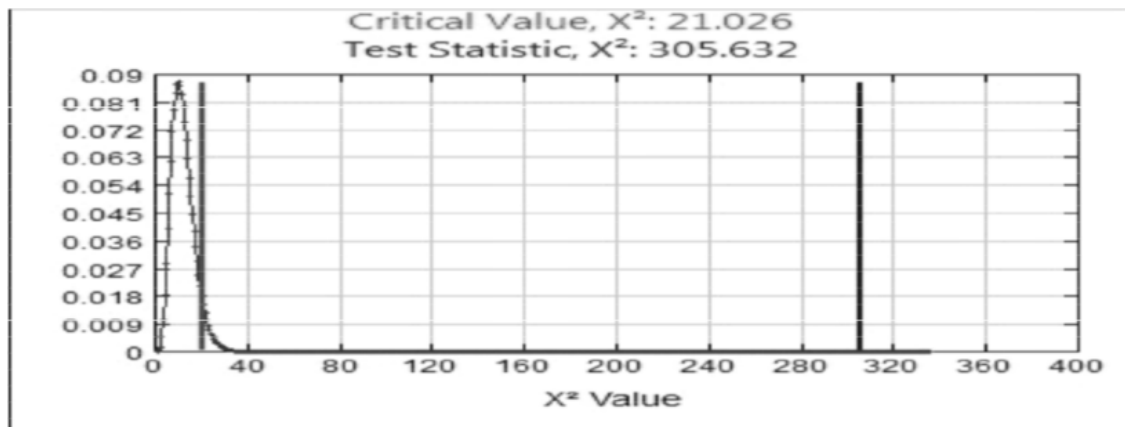
<i>O_i</i>	<i>E_i</i>	<i>(O_i-E_i)</i>	<i>(O_i-E_i)²</i>	<i>(O_i-E_i)²/E_i</i>
32	27.02333	4.97667	24.76721	0.916512068
82	79.255	2.745	7.535025	0.095073182





7	12.90667	-5.90667	34.88871	2.70315427
0	1.815	-1.815	3.294225	1.815
57	47.34667	9.653333	93.18684	1.968181733
145	138.86	6.14	37.6996	0.271493591
10	22.61333	-12.6133	159.0962	7.035503145
0	3.18	-3.18	10.1124	3.18
3	11.16667	-8.16667	66.69444	5.972636816
45	32.75	12.25	150.0625	4.582061069
2	5.333333	-3.33333	11.11111	2.083333333
0	0.75	-0.75	0.5625	0.75
23	33.27667	-10.2767	105.6099	3.173691609
121	97.595	23.405	547.794	5.612931246
5	15.89333	-10.8933	118.6647	7.466319911
0	2.235	-2.235	4.995225	2.235
19	15.18667	3.813333	14.54151	0.957518291
0	44.54	-44.54	1983.812	44.54
40	7.253333	32.74667	1072.344	147.8415686
9	1.02	7.98	63.6804	62.43176471
		TOTAL		305.6317436

Source: computed data



Graph 1: Computed value and Chi-Square table value

Conclusion: from the above graph it can be conclude that the calculate value (305.631746) is more than the Chi-Square table value at 12 degrees of freedom is 21.026 .so there is no association between age of the investors and their preference of investment. Table 6 shows the mean value and the standard deviations of statements that may likely influence the attitude of the investors investing in equity stocks. The average value of the five top highly influential factors according to the investors' were what the company does with a mean value of 3.77 (SD 0.979) valuation of the company's Stock with a mean value of 3.73(SD 0.876), company's 10-Q annual reports with a mean value of 3.71 (SD 0.971), Price to earning ratio





with a mean value of 3.70 (SD 0.797), Is the company profitable with the mean value of 3.67 (SD 0.833).

Table 6
Descriptive Statistics

<i>Statements</i>	<i>Mean</i>	<i>Std. deviation</i>
What the Company Does	3.77	0.979
Is the Company Profitable	3.67	0.833
History and Outlook of the Company's Earnings.	3.58	0.976
Valuation of the Company's Stock	3.73	0.876
The Company's Competitors	3.50	0.838
Who Runs the Company.	3.53	0.960
How Clean the Company's Balance Sheet	3.66	0.952
Company's 10-Q Annual Reports.	3.71	0.971
Any Red Flags/ Company's Integrity	3.56	0.886
Is the Company's Competitive Position Sustainable?	3.55	0.915
Is the CEO clean, credible and reliable with proven credentials?	3.64	0.884
Business model of the company	3.61	0.850
Competitive advantage of the company over other companies	3.51	0.844
Revenue/ profit patterns of the company.	3.36	0.931
Profit margins of the company.	3.65	0.904
Debt-to-Equity Ratio.	3.46	0.872
Price to Earning Ratio.	3.70	0.797
Risk factors involved in the nature of business.	3.40	0.933
Dividend history of the company.	3.56	0.978
Customer/ Client reviews about the company.	3.37	1.019
Values and philosophy of the company.	3.48	1.020
Vision and Mission of the company.	3.39	1.079

The investors considered the following five factors would have low influence on the investors investing in equity stocks. Revenue/ profit patterns of the company was considered to be the lowest influencing factors among the five with a average mean value of 3.36 (SD 0.931), customer/ client reviews about the company with a mean value of 3.37 (SD 1.019), vision and mission of the company had a mean value of 3.39 (SD 1.079), risk factors involved in the nature of business had a mean value of 3.40 (SD 0.933). debt to-equity ratio had a mean value of 3.46 (SD 0.872). (Anita Patra N. S. V. N Raju, International Journal of Control Theory & Application, A Study on Investor's Attitude towards Investment in Equity Stocks with Reference to East Godavari, West Godavari & Vijayawada Districts of Andhra Pradesh, 2016)

2.2 Perception of Investors in Visakhapatnam

Let us look at this region using the example of a study conducted by scientists from India in 2016. The validity of the study depended on the systematic method of data





collection and analysis. The study is based on the data collected from investors in the areas of Visakhapatnam. Investors are selected using a convenient sampling technique. Accordingly, the researcher selected 200 investors in the study area. The following hypotheses were formulated for the study:

- There is no relationship between the gender of investors and their investment preferences.
- There is no relationship between the occupation of the investor and the percentage of investment.
- There is no relationship between the age of the investor and investment preferences.

Statistical Tools The collected data is compiled and described using tables and percentages. The data is analyzed using statistical tools such as the chi-square test and the weighted average ranking method. Savings (or) investments are recognized as powerful tools in the fight against poverty. Investing even a small amount can bring significant returns in the long run. But there will be confusion among people while choosing the best investment avenues and this is the main concern of investors. While investing money, investors are not aware of the investment alternatives. While they are taking investment decisions, they should pay more attention to the safety, liquidity, returns, risks, tax benefits and so on in addition to the investment option. The above mentioned factors will confuse the investors while investing money. He should use his skills, knowledge and experience while choosing the investment opportunity. In this context, the present study assumes utmost importance. The study is limited to the factors that are considered by the investors while making their investments. Their level of awareness about the various aspects of the investment opportunities available in the study area is considered. Indian economy is growing significantly. It has various investment options. The study has been conducted to analyze the preferred investment avenues and also the factors influencing the investment. In this backdrop of the study, the researcher tries to find out the investment preferences of the respondents of Visakhapatnam district. Therefore, there is a relationship between the occupation of the investor and the percentage of investment. From the result of the study it is evident that businesses invest more while professionals and employees invest less. From this study it is revealed that most investors in Visakhapatnam considered all the 22 factors before selecting a stock to invest in. The average of the five most influential factors as considered by investors were: “What the company does”, followed by “Profitability of the company”, followed by “History and Profit Prospects of the company”, followed by the Business Model of the company. According to investors, there were four factors





with the least priority or low influence on the stock selection decision. They were: Vision and Mission of the company, Values and Philosophy of the company, Customer/Client Feedback about the company and Competitive Advantage of the company over other companies. (N.S.V.N Raju¹, Dr. Anita Patra, International Journal of Latest Technology in Engineering, Management & Applied Science (IJLTEMAS) Volume V, Issue XI, November 2016).

3. Strategies to Improve the Perception of Stock Investing

3.1 Improving financial literacy

Public and private organizations should develop educational programs, conduct trainings and disseminate information on the basics of investing. Today, persistent work is being carried out in this area at the highest level in Uzbekistan. This is proven by the Decree of the President of the Republic of Uzbekistan "On measures for the further development of the capital market." " was adopted on April 13, 2021. According to this document, the main areas of capital market development are increasing the competitiveness of the capital market and bringing its capitalization to 45 trillion soums by the end of 2023, creating an effective financing mechanism alternative to bank lending, and ensuring the harmonious functioning of the capital market and the development of all its segments by the end of 2023. It was planned to increase the share of projects financed by the issue of securities to 5 percent within the framework of republican and regional investment programs, introduce advanced international experience in the industry, and create the necessary conditions for active financing of development-oriented investments in the stock market, eliminating unnecessary barriers and restrictions. The decree also establishes the training and retraining of capital market specialists, systematic improvement of their qualifications, as well as support for programs to improve the knowledge, skills and financial literacy of minority investors, other capital market participants and the population as a whole. (Abduvali Buriev, UZA, uza.uz/posts/301605, 2021)

3.2 Improving market regulation and transparency

Over the past few years, Uzbekistan has witnessed significant legal changes that have affected a wide range of areas of life, from constitutional rights and economic reforms to regulation of digital technologies and personal data protection. One of the most important events was the adoption of constitutional reforms in 2023. Amendments to the Constitution were the result of many years of discussions and public consultations, the purpose of which was to strengthen democratic institutions. The reform also





enshrined new social and economic rights for citizens, including the right to free medical care, social security guarantees and sustainable development taking into account environmental factors. This was an important step towards the formation of a state governed by the rule of law, where the protection of citizens' rights and their well-being are priorities. In addition, in 2023, amendments were made to the Law of the Republic of Uzbekistan "On the Protection of Personal Data", which became an important step in the modernization of the legal regulation of the digital sphere. This law brought Uzbekistan closer to international standards similar to the European GDPR. The law regulates the procedure for processing personal data, the rights of subjects, data and the responsibilities of operators, which helps to strengthen citizens' trust in digital services and the protection of their confidential information. Particular attention is paid to reforming economic legislation aimed at improving the investment climate and supporting entrepreneurship. Significant changes have been made to the tax system of Uzbekistan. In 2020, a new Tax Code came into force, which provides for a simplification of the tax system for small and medium-sized businesses, the introduction of tax incentives and the transition to electronic reporting forms. These measures make business interaction with government agencies more transparent and efficient, reducing administrative barriers. The introduction of automated tax control systems also helps reduce corruption and increase trust in tax authorities on the part of entrepreneurs. Another important aspect of legal changes is the development of legislation in the field of digital economy. In 2018, the President of Uzbekistan signed Resolution No. PP-4022 "On measures to further modernize the digital infrastructure in order to develop the digital economy", which outlined a course for the active implementation of digital technologies, including blockchain and e-commerce. These initiatives open up new opportunities for business and public administration, increasing the efficiency and transparency of interactions between market participants. Regulation of the digital economy also includes support for the use of smart contracts and other technologies based on blockchain platforms, which opens up new opportunities for business and public administration. Such initiatives can lead to significant improvements in contracting processes and increased trust between market participants. (Nodirahon Abdurakhmanova, «yuz.uz» «Legal reforms in Uzbekistan: the path to modernization and sustainable development» 2024) (<https://yuz.uz/ru/news/pravove-reform-v-uzbekistane-put-k-modernizatsii-i-ustoychivomu-razvitiyu>)

3.3 Encouraging long-term thinking in investments





Long-term investments, which are usually considered as capital investments, involve the expansion of production capacities, the acquisition of new equipment and other capital expenditures. In the process of achieving the key goal of investment activities, a number of tasks are solved. Firstly, increasing the rate of economic development of the enterprise. There is a direct connection between the effectiveness of investment policy and the rate of economic development of the enterprise. The higher the volume of sales and profits, the more funds, all other things being equal, remain for capital investments. Secondly, maximizing profits from investment activities. The possibilities of economic development of an enterprise depend on the volumes of not accounting, but net profit remaining after taxation. Therefore, if there are several investment projects in the portfolio, it is recommended to choose a project that provides the investor with the highest rate of net profit on the invested capital. Thirdly, minimizing risks. Investment risks are diverse and accompany all types of investment. Under unfavorable conditions, they can cause a loss of not only profit (income), but also all or part of the invested capital. Fifthly, accelerating the implementation of investment projects. The projects planned for implementation should be completed as quickly as possible, since this will achieve: acceleration of the economic development of the enterprise as a whole; the fastest possible formation of additional cash flow in the form of net profit and depreciation charges; reduction of project risks associated with unfavorable changes in the market situation, as well as losses from inflation. Thus, all of the listed tasks of investment portfolio management are closely interconnected. Thus, high rates of enterprise development can be achieved by selecting high-yield projects and accelerating their implementation. In turn, maximizing profit (income) from real investments is accompanied by an increase in project risks, which requires their neutralization. Minimization of these risks is the most important condition for ensuring the financial stability and solvency of the enterprise in the process of investment activities. (Allayarova Mastura, Yusufaliev Olimzhon "Young scientist." - 2015. - No. 6 (86). - P. 370-372., moluch.ru/archive/86/15908/ (date of access: 02/07/2025).

3.4 Use of technologies

Digital transformation has been defined by the leadership of the Republic of Uzbekistan as one of the priorities of national development. The basis for the country's digitalization is the National Strategy "Digital Uzbekistan-2030", approved in 2020. This document provides for the transition to a digital economy through the introduction of innovations and digital infrastructure, including e-government, new security systems, as well as investments in human capital. It is important to note that the concept





of "smart cities", improvement of the energy cluster, as well as intensive promotion of IT events and sites in Uzbekistan to attract foreign investment and partners were chosen as key tracks of digitalization. Considering that agriculture is one of the driving forces of the republic's economy, it should be noted that the agricultural sector annually generates over 24% of Uzbekistan's GDP (about \$ 22 billion). The country also occupies one of the leading places in the world in cotton production (35 million tons annually). In this regard, the country is implementing a comprehensive program for the digitalization of agriculture. It is aimed at ensuring a technological breakthrough in the agro-industrial complex, strengthening food security, and effective management of water and other resources. The following measures are being taken within the framework of the program:

- Implementation of the Argo platform information system. This information system digitizes the mechanisms of preferential lending for the cultivation of cotton, cereals, vegetables and fruits, as well as the provision of services to agricultural producers based on the principle of transparency.
- Creation of a single register of product producers. An electronic passport is generated for each land user and an identification number is assigned.
- Transfer of document flow to electronic form. This applies to entities engaged in the cultivation of agricultural products and the organizations servicing them.
- Implementation of a platform for the provision of services for analyzing geoinformation technology data and space images. A system is being created to provide recommendations for independent monitoring of allocated sown areas and crops based on the analysis of multispectral space images, as well as early detection of problems and increased productivity.

In addition, a pilot project on agricultural land management using artificial intelligence is being implemented in the Andijan Technopark. During the project, six areas were digitized and introduced in vector format to the MoPegga online platform. Owners of agricultural land receive recommendations based on the research results using satellite technology. (Editorial office of the Center for Global IT Cooperation, DIGITAL UZBEKISTAN, 2025)/ ([//cgitc.ru/media/tsifrovoy-uzbekistan-osobennosti-razvitiya-i-perspektivnye-napravleniya-partnerstva/](http://cgitc.ru/media/tsifrovoy-uzbekistan-osobennosti-razvitiya-i-perspektivnye-napravleniya-partnerstva/))

Conclusion.

Investor perception of stocks is shaped by a variety of factors, including macroeconomic conditions, regulatory frameworks, access to information, financial literacy, and individual risk tolerance. Enhancing trust in the stock market and





increasing investor participation require the removal of key barriers, greater transparency of financial instruments, and the development of educational initiatives. It is also crucial to consider global experience: analyzing successful strategies from other countries can help identify effective investment stimulation mechanisms, which, in turn, will contribute to sustainable economic growth and the strengthening of Uzbekistan's financial system.

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