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Mindful Investing: A Mediated Moderation Model of Personality Traits, Phantasy, and Investment Intentions among Institutional Investors in Pakistan

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ABSTRACT

Emotions play a key role in decision-making, particularly for investors, who can be influenced by emotional factors that lead to irrational decisions. While financial decisions are often seen as rational, emotions impact reasoning, attitudes, and behavior, which can affect investment strategies and risk assessments. This study emphasizes the importance of recognizing emotions in understanding investor behavior, suggesting that emotional awareness can improve decision-making, especially for risky investment intentions. It goes beyond existing literature by incorporating psychological and emotional factors, such as personality traits, unconscious emotions, phantasy, and mindfulness, to predict investment intentions. Findings from a survey of 220 mutual fund investors support the hypothesis that emotional biases affect decision-making states, emphasizing the importance of awareness of emotional states for risky investment intentions which leads to sound investment decisions. Furthermore, the study emphasizes the significant influence of personality traits on the risky investment intentions, while the combination of phantasy and mindfulness with psychological factors also yields robust results. The study stresses the need to consider emotional factors for a thorough understanding of investors' intentions and decision-making behavior.

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1. Introduction

The decision-making process in finance has traditionally been viewed as a rational endeavour, where investors make decisions based on an analysis of objective data, such as potential risks and returns. However, contemporary research in behavioral finance has revealed that decision-making in financial contexts is not solely governed by logic, but is also deeply influenced by psychological and emotional factors (Ali et al., 2024; Rooh et al., 2021). These factors, often unconscious or implicit in nature, can lead to deviations from rational decision-making and impact investment choices (Patel, 2023). Among these psychological factors, personality traits have been identified as playing a critical role in shaping financial decisions (Jiang et al., 2024). Key traits such as risk tolerance, emotional stability, and conscientiousness directly influence how investors perceive and manage financial risks. For instance, individuals with a high level of neuroticism tend to react more strongly to financial volatility, leading them to make more conservative investment choices. In contrast, those with a high degree of openness to experience might be more inclined to take on higher levels of risk. Therefore, understanding the role of personality traits in investment behavior is essential for more accurately predicting investor intentions, particularly when they face high-risk and high-reward situations (Kumar et al., 2023).

In addition to personality traits, unconscious emotional processes, such as phantasy, have been recognized for their influence on investor behavior (Aren & Nayman Hamamci, 2021). Phantasy refers to the unconscious and emotional attachments that investors have toward their investments, which can lead to distorted risk assessments and biased decision-making (Aren & Nayman Hamamci, 2023). For example, an investor might be overly optimistic about a particular investment due to emotional desires or fantasies about financial success, leading them to underestimate the risks involved. This phenomenon can create an emotional attachment to certain assets, clouding their judgment and prompting them to make decisions that are not aligned with the underlying market realities when it comes to risky investment intentions (Sharma, 2024). Given the powerful effect that emotions can have on investment choices, mindful investing has emerged as a strategy to mitigate these emotional biases. Mindful investing encourages investors to be more aware of their emotional states, promoting self-regulation and helping them remain focused on the present moment when making decisions (Tenschert et al., 2024). By cultivating mindfulness, investors are better equipped to manage their emotions, reducing the potential impact of irrational impulses like phantasy and ultimately making more informed and balanced decisions.

Conventional finance theories regard investment decisions as rational choices based on objective assessments of risks and returns. However, emerging evidence in behavioral finance demonstrates that such decisions are also strongly shaped by psychological and emotional influences. While existing studies have highlighted the role of personality traits in financial behavior, limited attention has been given to their interaction with unconscious emotional processes, particularly phantasy. Similarly, although mindfulness is recognized for enhancing self-regulation and judgment in other disciplines, its potential moderating role in investment intentions remains largely unexplored. Furthermore, much of the prior research has focused on individual investors, leaving institutional investors—who make high-stakes decisions with significant economic consequences—largely overlooked, particularly in emerging markets such as Pakistan. Therefore, understanding the role of emotional and psychological factors in their investment intentions and decision-making can have important practical implications for improving investment strategies and reducing irrational financial choices.

In a nutshell, this study aims to address these gaps by proposing a moderated mediation model that explores the relationships between personality traits, phantasy, and investment intentions, with mindfulness serving as a moderator. This model will not only examine the direct effects of personality traits on investment intentions of the investors, but will also investigate how phantasy mediates these relationships and how mindfulness may influence the overall decision-making process, particularly when it comes to risky investments.

Overall, the theoretical foundation of this study draws on insights from both behavioral finance and personality psychology. This is done because traditional financial models, which often emphasize rational decision-making, must be expanded to account for the psychological dynamics that influence real-world investment choices. The findings of this study are expected to contribute significantly to both theory and practice. From a theoretical perspective, the study will offer new insights into how emotional and psychological factors can influence investment decisions, particularly in high-risk

environments. Practically, the research could inform institutional investors about the importance of emotional awareness and self-regulation in improving their decision-making processes. Additionally, by incorporating mindfulness into investment strategies, institutional investors may be better equipped to make more objective, rational decisions that are less influenced by emotional biases. This could ultimately lead to more successful investment outcomes and better risk management practices.

The remainder of the paper is organized in a systematic manner as follows: It begins with an extensive review of the existing literature on the influence of personality traits, emotional factors, and mindfulness on investment decision-making. This is followed by a detailed description of the research methodology, including the creation of the moderated mediation model, data collection techniques, and the application of advanced statistical methods, such as SEM and CFA. The results are then presented, along with a discussion of their implications for both theory and practice in institutional investment. Finally, the paper concludes by outlining potential avenues for future research, particularly in emotional finance and the role of mindfulness in investment decisions, aiming to enhance the understanding of mindful investing and its potential to improve decision-making among institutional investors.

2. Literature Review

2-1. Personality Traits and Risky Investment Intentions

Risky investment intentions involve an individual's readiness to participate in financially uncertain ventures with potential gains and losses (Sadiq & Khan, 2019). Despite the common assumption of a strong link to risk-taking, investment decisions are also influenced by attitudes, mindsets, and ideological setups, creating a psychological strategy that shapes investment behavior in the stock market. While various factors impact investment decisions, only a limited number of studies establish a significant connection between personality characteristics and investment intentions.

The relationship between personality traits and risky investment intentions is a complex and widely studied topic in psychology and finance. Personality, describing an individual's character qualities and adaptability, significantly influences investment behavior (Batool et al., 2021). Recent research highlights personality as a key emotional and cognitive factor shaping decision-making, particularly in financial choices such as investment behavior (Salameh et al., 2022). The connection between personality traits and a propensity for risky investment decisions is crucial for financial professionals, enabling tailored strategies based on clients' personality traits to enhance outcomes and satisfaction. Different studies have suggested different personality traits but "big five factor model" is the most commonly used classification, developed by Allport and Odbert (1936). This model comprises of openness to experience, extraversion, conscientiousness, neuroticism and agreeableness.

Openness to experience: Personality traits, reflecting individuals' consistent patterns of thinking, mood, and behavior, exert a notable influence on their approach to investment decisions and risk tolerance. The "openness" trait, characterized by seeking flexible, creative, intellectual, and inventive qualities, plays a significant role in decision-making, particularly in uncertain situations (Ahmed et al., 2022; Kumar et al., 2023). Individuals with high openness demonstrate unconventional thinking, creativity, and a curiosity for new experiences, positioning them as innovative decision-makers in the stock market (Khan et al., 2021). Despite challenges in organizational settings, those high in openness are more likely to adopt unconventional rules of thumb in financial decision-making, displaying a higher inclination for risk-taking, particularly in stock investments (Ahmed et al., 2022; Nandan & Saurabh, 2016).

Diverse findings exist regarding the relationship between openness and risky investments. Some studies label open individuals as "risky company investors," while others report success for those adopting a long-term investment approach and not avoiding risk (Pak & Mahmood, 2015). Openness is associated with viewing risk as an opportunity rather than a threat, fostering an optimistic approach to exploring unconventional and potentially risky investment opportunities (Woods & Simpson, 2018). High openness individuals often diversify their investment portfolios, incorporating volatile assets like stocks or crypto currencies, leading to unique strategies aligned with higher uncertainty and potential returns (Kaufman et al., 2016). Therefore, it can be hypothesized that:

H1: Openness to experience has a significant positive impact on risky investment intentions of institutional investors.

Extraversion: Extraversion, a key factor in the Big Five personality traits, is characterized by traits such as being active, cheerful, seeking excitement, and favouring socialization in large groups (Jain et al., 2023). Individuals scoring high in extraversion are often described as sociable, friendly, and active, exhibiting a greater willingness to take risks and making decisions actively under pressure (Jiang et al., 2024; Şahin et al., 2019). Aside from that, research suggests that extraversion is associated with positive feelings and a propensity for impulsive behavior, influencing investment decision-making. These investors tend to rely on prior information, particularly positive information, potentially leading to overconfidence in financial decisions (Liu et al., 2021; Sadi et al., 2011). Pinjisakikool (2018) highlights the connection between extraversion and a greater inclination for risk-taking in financial decisions, with highly extraverted financial experts being seen as specialists in risk-taking, making well-balanced investment choices (Ahmed et al., 2022). Camgoz et al. (2017) revealed that investors with higher extraversion are more likely to trade frequently, engage more money in the stock market, and exhibit a negative association with risk aversion (Mayfield et al., 2008).

In the investment context, this translates into a tendency to perceive risks as potential opportunities for financial gain, leading them to explore assets with higher volatility, such as stocks and commodities. Another study, conducted by Mankuroane et al. (2022), revealed that higher extraversion levels are associated with taking more risks to attain larger returns, showing confidence and assertiveness in decision-making processes, ultimately facilitating a smoother navigation of investment challenges. Therefore, we hypothesize that:

H2: Extraversion has a significant positive impact on risky investment intentions of institutional investors.

Conscientiousness: Conscientiousness is characterized by trustworthy, well-organized, self-disciplined, and risk-averse behavior (Singh et al., 2023). High conscientious individuals are practical, dependable, and thorough, particularly in decision-making, displaying goal-oriented and reliable behaviors (Sadiq & Khan, 2019). In investment decisions, conscientious investors tend to be risk-averse, prioritizing long-term financial stability through cautious and thorough research. They analyze risks and rewards comprehensively, make informed choices based on solid data, and adhere to socially accepted standards. Conscientious investors focus on preserving assets for long-term security, avoiding high-risk, short-term speculative investments by opting for diversified portfolios. Conscientiousness influences the decision-making process, guiding investors to evaluate choices based on reliability and reasoned judgment (Hashmi et al., 2023). Moreover, Kaufman et al. (2016) suggests that emotional intensity, whether high or low, can significantly influence decision-making due to concerns that emotional factors might affect the judgments made by decision makers.

Conclusively, conscientious investors tend to take deliberate risks with a thoughtful approach, emphasizing reasoned judgment and selectivity in financial decisions (Sachdeva & Lehal, 2023). Despite expectations for measured steps, studies, including Pak and Mahmood (2015), reveal a negative relationship between conscientiousness and monetary risk tolerance. While Yang et al. (2012) support this hypothesis, Becker et al. (2012) did not find a similar result despite their research correlating with risk appetite. Pinjisakikool's (2018) findings further highlight a structured and careful investment approach among conscientious individuals, reinforcing the negative correlation between conscientiousness and risk appetite. Therefore, we can hypothesize:

H3: Conscientiousness has a significant negative impact on risky investment intentions of institutional investors.

Agreeableness: In financial decision-making, agreeableness, characterized by traits like cooperation and empathy, significantly shapes individuals' investment approaches towards their overall risk tolerance. Those high in agreeableness prioritize long-term financial goals, emphasizing stability, security, and positive social relationships over short-term gains (Ahmed et al., 2022). This often leads to conservative investment choices such as bonds or reliable stocks (Pinjisakikool, 2018). Agreeable individuals may, however, engage in riskier investments when trusting partners or advisors. Their broad social networks expose them to diverse opportunities, fostering an interest in riskier ventures (Awan & Sahar, 2021). Additionally, their willingness to consider riskier options can be influenced by successful peers in their network (Sadi et al., 2011). However, reliance on external

judgments and avoidance of confrontations may pose challenges, potentially leading to immature behavior and hindering constructive contributions to decision-making (Tauni et al., 2017).

The research conducted by Harini and Subramanian (2023) highlights the significant impact of agreeableness on an individual's approach to risky behavior. This personality trait is closely tied to the motivation to build and maintain positive connections by minimizing the negative effects of disagreements and proposing outcomes that benefit group harmony. Agreeable individuals excel at resolving interpersonal disputes and maintaining emotional stability. This emotional stability can help them in making rational decisions amid uncertainty, a crucial aspect of successful risky investments, as highlighted by Riaz and Qureshi (2024). The relationship between agreeableness and risk-taking is complex, involving a mix of interpersonal and emotional factors. Agreeable individuals not only prioritize positive social connections but also possess the emotional resilience necessary for sound decision-making in the financial domain (Choudhary & Subramanian, 2019). This led us to state the following hypothesis:

H4: Agreeableness has a significant impact on risky investment intentions of institutional investors.

Neuroticism: The relationship between neuroticism and risky investment intentions is a complex interplay between an investor's personality traits and their approach to financial decision-making. Neuroticism, one of the Big Five personality traits, is characterized by a higher susceptibility to negative emotions, anxiety, and emotional instability. Understanding how this personality trait relates to investment behavior is crucial in both the fields of psychology and finance. Research by Schildberg-Hörisch (2018) suggests an association between neuroticism and risk-taking behavior, highlighting that individuals with low neuroticism levels may experience higher anxiety during risky decision-making. They are linked to various negative emotions and characteristics, impacting investors who may exhibit irrational behavior in financial markets. Dinç Aydemir and Aren (2017) identified a significant link between neuroticism and risky investments, particularly in instinctive and irrational decision-making styles associated with specific personality traits. Awan and Sahar (2021) revealed a negative correlation between neuroticism and investment decision-making, noting that individuals with high neuroticism tend to overreact to negative emotions, leading to psychosomatic and emotional difficulties such as anxiety, sadness, tension, pressure, hostility, and anger.

Furthermore, Choudhary and Subramanian (2019) associated neuroticism with emotional instability, difficulties in emotion management, depression, and limitations in conceptual comprehension and reasoning skills. They tend to undervalue benefits in favourable markets and overestimate risks in negative conditions. Ahmed et al. (2022) note a negative relationship between neuroticism and risky investment behavior, with neurotic investors more likely to avoid risks. However, Hashmi et al. (2023) and Pinjisakikool (2018) observed that individuals with neurotic traits may make riskier financial decisions. High neuroticism, as reported by Salameh et al. (2022), often leads to a greater aversion to risk due to heightened emotional reactivity, favouring conservative investment options like bonds for capital preservation. While this relationship varies among individuals, Illiashenko and Laidroo (2020) emphasize diverse responses to financial risk among those with high neuroticism, including some opting for riskier assets despite emotional tendencies. On the basis of this view, we can hypothesize that:

H5: Neuroticism has a significant negative impact on risky investment intentions of institutional investors.

2-2. Phantasy

Phantasy, a concept rooted in psychoanalysis, refers to the fulfilment of desires, whether conscious or unconscious, shaping attitudes and behaviors by perceiving desired outcomes rather than actual events (Aren & Nayman Hamamcı, 2021; Taffler & Tuckett, 2010). Introduced by Freud in 1911, phantasy is the mental representation of entities aligned with an individual's wishes, and investing in such objects transforms them into tangible reality. However, the inability to attain assets that have achieved phantastic status can lead to unfulfilled unconscious dreams (Aren & Nayman Hamamcı, 2021).

Investors develop emotional connections with their investments by associating financial instruments with both conscious and unconscious desires (Aren & Nayman Hamamci, 2023). Financial markets, where desire is a primary motivator for asset purchases, provide an ideal setting with numerous new and unfamiliar instruments that have the potential to become phantastic objects. The influence of phantasy, an unconscious process, is significant in decision-making processes. However, individuals often underestimate the impact of phantasies on their attitudes and behaviors (Taffler & Tuckett, 2010). Market narratives, attributing meaning to events, play a crucial role in shaping investor behavior in this context (Dumanlı & Aren, 2021).

Limited research on phantasy and risk-taking in financial markets has been addressed by Taffler and Tuckett (2010). They emphasize phantasy as a driving force behind irrational risk-taking. When investors encounter new and unfamiliar financial instruments, reactions range from fear to excitement, influencing the desire to acquire associated assets (Aren & Hamamci, 2021). Assets with phantastic qualities intensify excitement, making welfare easier, and combined with the fear of missing opportunities, drive rapid asset acquisition, fostering a favourable environment for phantasy. Ultimately, phantasy leads investors to pursue pleasure and increase risky investment intentions (Eshraghi & Taffler, 2015). These studies provide valuable insights into the intricate relationship between phantasy, defence mechanisms, emotional responses, cultural values, and risky investment intentions. Their phantasy scale demonstrates a positive connection between high phantasy levels and a willingness to take risks in investment decisions. On the basis of above discussion, the following statements can be hypothesized:

H6-10: Phantasy has a significant mediating impact on the relationship between personality traits and the risky investment intentions.

2-3. Moderating Role of Mindfulness

The moderating role of mindfulness in the context of risky investment intentions involves examining how mindfulness practices influence the decision-making processes of individuals when dealing with uncertain or risky financial ventures (Tenschert et al., 2024). Mindfulness, characterized by a heightened awareness of one's thoughts and emotions without immediate judgment, is believed to play a pivotal role in shaping individuals' approach towards managing and navigating risks in financial contexts (Tang et al., 2017). By fostering a more focused and non-reactive mindset, mindfulness has the potential to temper impulsive reactions and emotional biases that may lead to risky investment choices; instead, they are more likely to approach financial decisions with a composed and deliberate mindset. Mindfulness can act as a cognitive buffer against the cognitive biases and emotional influences that often accompany risky investment decisions. Investors who are mindful may be better equipped to critically assess relevant information, weigh potential risks and benefits, and make decisions aligned with their overall financial goals (Baker & Nofsinger, 2010). This contrasts with impulsive decision-making, where emotions might override careful consideration, leading to choices that are not in the investor's best long-term interest.

While mindfulness theories have evolved over time, the objective of mindfulness to gain insightful awareness remains the same. Those who are mindful have greater self-awareness, leading to improved self-control and behavioral regulation which, in turn, fosters emotional balance, enhances overall self-awareness and tend to be less judgmental (Riaz & Qureshi, 2024). In essence, mindfulness moderates the impact of emotional and impulsive decision-making in the realm of risky investments. It provides individuals with a mental framework that encourages deliberate and measured responses to financial opportunities and challenges. By integrating mindfulness into their decision-making processes, investors have the potential to develop a more rational and thoughtful approach to risk (Hussain et al., 2023), influencing the outcomes of their risky investment intentions and potentially enhancing their financial well-being through intentional and informed investment strategies. Based on this, we have hypothesized that:

H11-15: Mindfulness has a significantly moderating effect on the personality traits of investors and risky investment intentions mediated through phantasy.

2-4. Theoretical Framework: Emotional Finance and Investment Psychology

Behavioral finance, like traditional finance, maintains economic rationality as an ideal benchmark, encouraging logical decision-making despite inherent cognitive biases (Frankfurter & McGoun, 2002). While Buturovic and Tasic (2015) challenge the notion of absolute rationality, their analysis remains rooted in the neoclassical economic framework when identifying departures from rational behavior. The core assumption is that investors can improve their financial decisions by recognizing and correcting cognitive errors. However, Hirshleifer (2015) criticizes behavioral finance for primarily focusing on individual biases while neglecting the broader influence of social, emotional, and collective factors. Both traditional and behavioral finance fail to fully acknowledge the role of unconscious mind in shaping financial behavior (Aren & Nayman Hamamci, 2024).

This study is underpinned by emotional finance theory, first introduced by Eshraghi and Taffler (2009) and further expanded by Taffler and Tuckett (2005). It takes a distinct approach by extending Freud's psychoanalytic theory insights to explain how unconscious emotions and psychological mechanisms influence investment decisions and market behavior. Unlike traditional finance, which assumes rationality, and behavioral finance, which emphasizes cognitive biases, emotional finance highlights the unconscious role of emotions such as fear, denial, and wishful thinking in shaping investor perceptions, narratives, and herd behavior under market uncertainty (Dumanlı & Aren, 2021).

Given the uncertainty inherent in financial markets, investors react both psychologically and physiologically to unpredictability. Wishful thinking and cognitive distortions contribute to investment illusions, leading individuals to believe what they desire rather than what is objectively true (Auchincloss & Samberg, 2012; Taffler, 2018). Unlike traditional finance, which focuses on external market forces, emotional finance delves into the subconscious motivations and psychological mechanisms that drive investor behavior. Uncertainty in financial markets intensifies emotional responses, prompting investors to create narratives that justify their decisions. These narratives often incorporate illusions and wish-fulfilling beliefs that distort objective reality. Investors tend to classify assets as either 'safe' or 'risky,' shaping their perceptions of financial stability. As a result, many follow herd behavior, seeking psychological comfort by conforming to collective investment trends (Aren & Nayman Hamamci, 2020). The 2008 financial crisis exposed the limitations of behavioral finance in explaining extreme fluctuations in market behavior, underscoring the importance of considering unconscious emotional influences in financial decision-making.

Fund managers, despite their expertise, are also susceptible to emotional influences. They navigate high-pressure environments and experience emotions such as trust, optimism, fear, and disappointment (Thanki et al., 2024). The financial industry often reinforces unrealistic expectations by portraying fund managers as 'phantastic objects,' attributing to them an almost mythical ability to consistently outperform markets (Tuckett & Taffler, 2012). This perception fosters psychological self-deception, requiring fund managers to maintain confidence in their strategies while suppressing underlying anxieties about potential losses (Saleem et al., 2021). The illusion of control and superiority contributes to market cycles that are driven by sentiment rather than purely rational assessments.

Emotional finance bridges the gap between traditional economic theories and the psychological complexities of investment behavior. It thus takes into account that investors are being led by a distinct set of excitements, concerns, and denials, rather than greed, fear, and optimism, as is commonly assumed. Understanding the significant role played by these often-unconscious emotions in every aspect of investment activity is essential and should be explicitly incorporated into any theoretical framework seeking to explain the fund manager's real environment.

Despite the growing interest in emotional finance, no comprehensive model has fully examined the interaction between cultural values, personality traits, phantasy, mindfulness, and risky investment intentions. While studies establish a foundational link between phantasy and investment decisions, they do not account for the combined influence of personality and cultural factors. Therefore, this research expands their work by introducing a holistic framework that put together psychological, cultural, and emotional drivers of investment behavior. By shifting the focus from simplified concepts of greed and fear to a deeper understanding of emotional and unconscious motivations, this framework provides valuable insights, drawn from Aren and Hamamci (2021) and Aren and Nayman Hamamci (2023), into investor psychology. Recognizing the emotional dimensions of financial decision-making

can help investors and fund managers navigate market uncertainties with greater awareness, resilience, and strategic foresight (Aren, 2019).

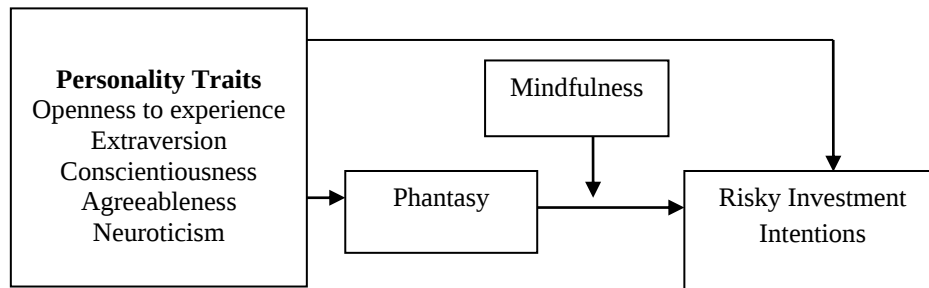


Fig. 1. Research Model

3. Research Methodology

The study employs a primary research approach, chosen based on the content analysis, literature review, and identified variables, to gather data directly from the source. This method is preferred, as it ensures the data is specific to the context, particularly in exploring emotional perceptions and attitudes toward risky investment decisions among institutional investors.

The choice of analytical methods is driven by the availability of established constructs and variables, which have been validated in previous studies (Drost, 2011; Nunnally & Bernstein, 2010). Since there is no need to develop new measures, qualitative methods were not necessary. The study uses a questionnaire for data collection, making empirical analysis the most appropriate approach.

A quantitative approach was selected because it allows for testing hypotheses, analyzing large samples, and using standardized questionnaires, which enhances generalizability. This method is well-suited to uncover relationships between the variables and aligns with the research objectives (Zikmund et al., 2010). The survey design was tailored to the quantitative approach to ensure that the results can be generalized to the broader population.

Dillman (1978) emphasized that the effective administration of surveys significantly impacts the quality of the responses and data collected. In this study, a self-administered questionnaire was used, with items drawn from authentic sources. The questionnaire was divided into two sections: the first section collected demographic information, while the second section included the study's variables. All items were measured using a 5-point Likert scale, ranging from strongly disagree (1) to strongly agree (5).

3-1. Questionnaire Design

The questionnaire included a covering letter explaining the academic purpose, significance, and confidentiality measures to ensure respondent anonymity. It also provided contact information for the principal investigator (PI), allowing respondents to reach out with questions. The researcher followed standard procedures to reduce social desirability bias, ensuring that participants were not motivated to provide socially acceptable answers.

A crucial part of the research process is the accurate measurement of variables. In this study, the independent variables include personality traits, with their impact on risky investment intentions, mediated by phantasy and moderated by mindfulness. To ensure the validity and reliability of the research instruments, the questionnaire items were adapted from established sources and carefully reviewed by professionals and subject matter experts (Table 1).

Table 1. Questionnaire Items and Sources

Variables	Items	Sources
Openness	6	
Extraversion	5	Mayfield et al. (2008); Soane & Chmiel (2005)—
Conscientiousness	7	Used by Salameh et al. (2022) and Sadiq & Khan
Agreeableness	5	(2019)
Neuroticism	6	
Phantasy	9	Aren & Hamamci (2020)
Mindfulness	13	Feldman et al. (2007)
Risky Investment Intentions	7	Aydemir & Aren (2017)

This expert feedback ensured that the items measured what they were intended to measure. Additionally, confirmatory factor analysis (CFA) was used to assess the structural validity of the questionnaire, confirming that the items corresponded with the theoretical constructs they were meant to represent. This thorough validation process enhanced the research's credibility.

3-2. Population and Sample

In this study, the researcher chose to use the entire population of 381 mutual fund investors to maximize the generalizability of the results. This approach, which was feasible due to the manageable population size, helped reduce selection bias and strengthen the study's validity (Bryman & Bell, 2015). For the final analysis, 220 participants were selected based on their high engagement and responsiveness to the survey. By selecting these 220 participants, the researcher ensured that the data gathered was both significant and relevant, thereby providing a strong foundation for the study's analysis and conclusions (Patton, 2002). The researcher used both personal and electronic distribution methods for the questionnaire. Questionnaires were physically handed out to participants who were not accessible through electronic means, while others were distributed online through a survey platform to reach participants who were difficult to engage in person or who preferred the flexibility of completing the survey electronically.

3-3. Pilot Testing: Confirmatory Factor Analysis, Reliability, and Validity

After designing the questionnaire, the next step was to validate the items with a selected group of experts to ensure content validity, particularly within the Pakistani context. At least three experts, chosen for their knowledge and professional experience in the field, were consulted, as involving too many experts could hinder consensus (Polit & Beck, 2006; Shrotryia & Dhanda, 2019). For this study, three subject matter experts and three asset management professionals provided input, leading to adjustments in the questionnaire to ensure its comprehensiveness and effectiveness in evaluating emotional finance's impact on risky investment intentions.

Following this review, a pilot test was conducted with a representative sample of 50 participants from the target population. The pilot aimed to assess the questionnaire's face validity and to evaluate the validity of individual items using CFA. SmartPLS Software was used for the analysis.

4. Results and Discussion

4-1. Descriptive Statistics

The research sample included 82.27% males ($n = 181$) and 17.72% females ($n = 39$). There was a diverse distribution across age groups, with 52.3% ($n = 115$) falling within the 35-45 age range, 16.8% ($n = 37$) between 45-50 years, and 30.9% ($n = 68$) aged 50 and above. Educational qualifications varied, with 37.7% ($n = 83$) holding Bachelor's degrees, 59.5% ($n = 131$) holding Master's degrees, and 2.7% ($n = 6$) holding MS/MPhil degrees. Out of the total sample, 52.7% had 5-10 years of experience, 40.9% with 10-15 years, and 6.4% had above 15 years of experience. The majority of participants, comprising 76.8% of the total sample, invested in open ended schemes. Specifically, 11.8% chose dedicated equity funds, 8.2% opted for voluntary pension funds, and a smaller group, accounting for 3.2% of the total sample, invested in exchange traded funds (Table 2).

4-2. Reliability and Validity Analysis

The research initially faced concerns about the reliability and validity of certain variables. After evaluating factor loadings, items EX5, CN7, NE6, and PH6 were excluded due to low Cronbach's alpha, Composite Reliability (below 0.70), and Average Variance Extracted (below 0.50). Subsequent Confirmatory Factor Analysis on the revised dataset showed improved reliability and validity (Table 3).

All values exceed the recommended threshold of 0.70 (Nunnally & Bernstein, 2010), indicating good internal consistency along with average variance extracted (AVE) values exceeding 0.5. These ensure convergent validity (Hair, 2006), thereby indicating the robustness and suitability of the refined measurement scales for this study.

Furthermore, the examination of correlations between latent constructs, using the Fornell-Larcker (1981) criterion, revealed that these correlations were lower than the respective square roots of the AVE values, confirming the discriminant validity of the construct (Table 4).

The findings indicate that the square root of the AVE for Construct OP (AVE = 0.793) exceeds its correlations with other constructs, such as Construct CN ($r = -0.043$) and Construct EX ($r = 0.478$).

Table 2. Descriptive Statistics of Demographic Variables

Variables		Frequency	Percent
Age	35–45	115	52
	45–50	37	17
	Above 50	68	31
	Total	220	100
Gender	Male	181	82
	Female	39	18
	Total	220	100
Education	Bachelors	83	38
	Masters	131	59
	MS/MPhil	6	3
	Total	220	100
Experience	5–10 years	116	52.7
	10–15 years	90	40.9
	Above 15 years	14	6.4
	Total	220	100
Type of Funds	Open Ended Schemes	169	76.8
	Dedicated Equity Fund	26	11.8
	Voluntary Pension Fund	18	8.2
	Exchange Traded Fund	7	3.2
	Total	220	100

Table 3. Cronbach's Alpha and Average Variance Extracted

Research Variables	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)
Openness	0.904	0.912	0.629
Extraversion	0.843	0.887	0.665
Conscientiousness	0.812	0.897	0.515
Agreeableness	0.856	0.897	0.635
Neuroticism	0.888	0.916	0.685
Phantasy	0.869	0.897	0.523
Mindfulness	0.953	0.955	0.622
Risky Investment Intentions	0.892	0.916	0.609

Table 4. Discriminant Validity: Fornell-Larcker Criterion

Constructs	OP	EX	CN	AG	NE	PH	MD	RII
OP	0.793							
EX	0.478	0.815						
CN	-0.043	-0.025	0.718					
AG	-0.113	-0.009	0.651	0.797				
NE	-0.112	-0.111	0.212	0.137	0.828			
PH	-0.089	-0.04	0.715	0.501	0.287	0.724		
MD	0.064	0.186	-0.095	-0.098	-0.061	-0.107	0.789	
RII	-0.035	0.09	0.476	0.545	0.131	0.572	-0.086	0.78

This pattern is consistently observed throughout the model. Likewise, the square root of the AVE for Construct EX (AVE = 0.815) is greater than its correlations with Construct CN ($r = -0.025$) and Construct AG ($r = -0.009$), further supporting the principle of discriminant validity. This consistent trend across all constructs in the model highlights their distinctiveness and confirms the robustness of the discriminant validity assessment.

4-3. Model Fitness

The analysis of the measurement model revealed good model fit indices (Table 5).

Table 5. Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.810 ^a	.656	.641	2.342	.656	44.420	9	210	.000	1.965
2	.681 ^a	.464	.438	3.408	.464	18.102	10	209	.000	1.838

1a. Predictors: (Constant), Mindfulness, OP, EX, CN, AG, NE

1b. Dependent Variable: Phantasy

2a. Predictors: (Constant), Phantasy, Mindfulness, OP, EX, CN, AG, NE

2b. Dependent Variable: Risky Investment Intentions

Models 1 and 2 both demonstrate strong fits. Model 1 explains 65.6% of the variation in Phantasy, with predictors making a significant impact, as reflected by an F Change of 44.42 and a significance value of 0. Similarly, Model 2, which addresses Risky Investment Intentions, accounts for 46.4% of the variance. The inclusion of additional predictors significantly enhances its fit, evidenced by an F Change of 18.102 and a significance value of 0. These results highlight the predictors' critical role in shaping the dependent variables and strengthening the models' explanatory capabilities.

Furthermore, the Durbin-Watson statistic, ranging from 0 to 4, evaluates autocorrelation in residuals. Values below 2 indicates positive autocorrelation, around 2 signifies no significant autocorrelation, and above 2 suggests negative autocorrelation. In models 1 and 2, the Durbin-Watson values of 1.965 and 1.838 show that the residuals are independent, with no evidence of significant autocorrelation.

4-4. Multi Collinearity

Collinearity in regression analysis refers to the interrelationships among predictor variables, which can impact the stability and reliability of results. It is assessed using Variance Inflation Factor (VIF) and Tolerance values. Higher VIF indicates stronger collinearity, while Tolerance, the reciprocal of VIF, measures a predictor's independence from other variables. These metrics help detect and address collinearity issues, ensuring the robustness of regression analysis.

Table 6 shows Tolerance values ranging from 0.314 to 0.937, and VIF values between 1.068 and 3.188, indicating acceptable collinearity levels in the model. Therefore, in this study, all variables have Tolerance values above 0.1 (VIF below 10), suggesting that multi-collinearity is not a significant concern.

Table 6. Multi Collinearity

Model	Collinearity Statistics	
	Tolerance	VIF
Openness	.687	1.456
Extraversion	.676	1.479
Conscientiousness	.471	2.123
Agreeableness	.465	2.150
Neuroticism	.632	1.583
Uncertainty Avoidance	.430	2.324
Power Distance	.363	2.754
Long-Term Orientation	.314	3.188
Phantasy	.344	2.904
Mindfulness	.937	1.068

a. Dependent Variable: RII

4-5. Correlation Analysis

Pearson's correlation analysis was conducted to analyze the direction and strength of the relationship between variables. The analysis of result in Table 7 reveals several notable correlations.

Firstly, Conscientiousness and Neuroticism show a moderate, positive connection with Phantasy ($r = 0.073$, $p < .01$) and ($r = 0.279$, $p < .01$), respectively, indicating that investors scoring higher in Conscientiousness have a tendency to lean more towards imaginative thinking and fantasy. However, Neuroticism exhibits a slightly weaker correlation than the Conscientiousness, implying that those with higher Neuroticism levels may engage in imaginative thinking and fantasy to some extent.

Table 7. Correlation Matrix

Variables	OP	EX	CN	AG	NE	PH	MD	RII
OP	1							
EX	.532**	1						
CN	-0.085	-0.048	1					
AG	-0.09	-0.012	.289**	1				
NE	-0.117	-0.12	-.192**	0.12	1			
PH	-0.054	0.029	.073**	0.493	.279**	1		
MD	0.092	.194**	-0.093	-0.083	-0.049	-0.089	1	
RII	0.000	.073**	-.270**	.541**	-0.104	.567**	-0.039	1

** . Correlation is significant at the 0.05 level (2-tailed).

Shifting gears, the positive correlation ($r = 0.194$, $p < .01$) between extraversion and mindfulness indicated that highly extraverted investors, being more sociable and aware of their surroundings, may exhibit greater mindfulness. On the contrary, there is a weak and statistically insignificant negative correlation ($r = -0.089$, $p > 0.05$) between phantasy and mindfulness. Moreover, the correlation values of conscientiousness ($r = -0.093$) and neuroticism ($r = -0.049$) with mindfulness, indicate that highly conscientious individuals may have slightly lower mindfulness levels, and individuals with higher neuroticism levels might exhibit less mindfulness, though these relationships are not statistically significant.

Turning to financial intentions, higher extraversion scores are positively correlated with risky investment intentions ($r = 0.073$, $p < 0.01$), as they are more sociable and are more willing to take risks as compared to introverts. However, negative correlation ($r = -0.270$, $p < .01$) of conscientiousness express lower intentions for risky investments, due to their careful and responsible nature. Furthermore, strong positive correlation of agreeableness with risky investment intentions ($r = 0.541$, $p < .01$), suggests a greater inclination for risky investments among investors. Interestingly, a strong positive correlation of Phantasy with Risky Investment Intentions ($r = 0.567$, $p < .01$) indicate that those who actively participate in imaginative thinking and fantasy are more likely to express intentions for risky investments. Lastly, the weak and statistically insignificant correlation between mindfulness and risky investment intentions ($r = -0.039$) suggests that there may not be a direct relationship between mindfulness and investors' intentions for risky investments.

These correlations provide valuable insights into how personality traits, psychological factors, and mindfulness relate to investors' intentions regarding risky investments.

4-6. Effect of Gender on the Study Variables

The study employed the Mann-Whitney U test and Wilcoxon W test in SPSS to assess the potential influence of gender on the dependent variables—risky investment intentions and phantasy. A comparison is presented below.

Table 8. Mann Whitney U Test

	Phantasy		Risky Investment Intentions	
	Male	Female	Male	Female
Gender				
N	181	39	181	39
Mean Rank	105.37	134.32	106.94	127.04
Mann-Whitney U	2600.5		2884.5	
Wilcoxon W	19071.5		19355.5	
Z	-2.603		-1.81	
Asymp. Sig. (2-tailed)	0.009		0.07	

Grouping Variable: Gender

The mean rank analysis showed that females had a higher average intention for risky investments ($M = 127.04$) compared to males ($M = 106.94$). However, the Mann-Whitney U value of 2884.5, the Wilcoxon W value of 19,355.5, and the negative Z-score (-1.81) indicated that this difference was not statistically significant ($p = 0.07$). These findings suggest that gender does not significantly impact intentional behavior toward risky investments among the study's participants.

Conversely, a statistically significant difference in phantasy scores was found between males ($M = 105.37$) and females ($M = 134.32$), with a Z-score of -2.603 and a p-value of 0.009 (two-tailed). This

result indicates that females exhibited higher mean ranks, implying a greater tendency toward imaginative engagement in their decision-making. The Mann-Whitney U value of 2600.5 and the Wilcoxon W value of 19,071 further supported this notable gender-based difference in phantasy levels among institutional investors.

4-7. Regression and Mediation Analysis

This study made use of the Model 4 of PROCESS macro (Hayes, 2013, 2017; Hayes & Preacher, 2014) to analyze and examine the direct (Table 9) and mediating effects (Table 10) of phantasy on the relationships between personality traits and the risky investment intentions of investors.

Table 9. Regression Weights (Direct Effects)

	Beta Coefficient	SD	t	p-values	Hypothesis
OP -> RII	-0.01	0.095	0.108	0.914	H1 is Rejected
EX -> RII	0.123	0.065	1.910	0.057	H2 is Accepted
CN -> RII	-0.14	0.074	1.902	0.050	H3 is Accepted
AG -> RII	0.388	0.123	3.165	0.002	H4 is Accepted
NE -> RII	-0.026	0.05	0.506	0.613	H5 is Rejected

In this study, Openness, a dimension of the Big Five personality traits associated with receptivity to new experiences, demonstrated both statistically small but non-significant direct effect ($\beta = -0.01$) and an indirect effect ($\beta = -0.025$, mediated by Phantasy) on risky investment intentions. These results imply that being open to new experiences and engaging in imaginative processes may not have a significant impact on an investor's tendency toward risky investments. The findings align with previous research, such as Sadi et al. (2011), suggesting a limited role for Openness in influencing financial behavior or investment preferences, emphasizing its minimal contribution to decision-making in the context of investment intentions.

Table 10. Mediation Analysis

	Beta Coefficient	SD	t	p-values	Hypothesis
OP -> PH -> RII	-0.025	0.033	0.749	0.454	H6 is Rejected
EX -> PH -> RII	0.009	0.032	0.273	0.785	H7 is Rejected
CN -> PH -> RII	0.346	0.082	4.229	0.000	H8 is Accepted
AG -> PH -> RII	0.009	0.054	0.161	0.872	H9 is Rejected
NE -> PH -> RII	0.066	0.03	2.178	0.029	H10 is Accepted

Extraversion, linked to sociability and enthusiasm, has a moderately significant and minor impact ($\beta = 0.123$) on risky investment intentions. This aligns with previous research studies (Jiang et al., 2024; Mankuroane et al., 2022; Mayfield et al., 2008), suggesting a limited but noteworthy influence of extraversion on investors' propensity for risky financial decisions. However, the small and non-significant indirect effect ($\beta = 0.009$) through phantasy indicates that phantasy does not significantly mediate the relationship between Extraversion and investment intentions. These findings highlight Extraversion's role in shaping investors' inclination toward risky investments, while suggesting a minimal contribution from phantasy in this particular relationship.

Conscientiousness is significantly negatively associated ($\beta = -0.14$) with Risky Investment Intentions, indicating a preference for risk-averse financial decisions in individuals with higher conscientiousness scores, as they tend to prioritize financial stability and reliability. This aligns with previous research highlighting a negative correlation between conscientiousness and risk-taking in investments (Hashmi et al., 2023; Sachdeva & Lehal, 2023). Interestingly, when mediated by phantasy, Conscientiousness becomes more influential in shaping risky investment intentions ($\beta = 0.346$, $p < 0.001$). This suggests that conscientious individuals, when engaging in imaginative thinking related to investments, may consider and potentially engage in riskier financial behaviors. The mediating role of phantasy partially offsets the direct negative effect of conscientiousness; this is consistent with prior research of Yang et al. (2012), revealing a dynamic interaction between personality traits and cognitive processes in investment decision-making.

Agreeableness, a key personality trait, is significantly and positively associated ($\beta = 0.388$) with risky investment intentions, indicating that investors with higher agreeableness scores are more

inclined towards risky investments, likely due to their cooperative and trusting nature. This aligns with prior research highlighting the cooperative and risk-taking tendencies of agreeable individuals (Ahmed et al., 2022; Harini & Subramanian, 2023). However, the small and non-significant indirect effect by phantasy ($\beta = 0.009$) indicate that it does not substantially contribute to the relationship between agreeableness and investment intentions. These findings highlight the importance of personality traits, particularly agreeableness, as a potential predictor of investor's willingness to engage in risky financial investments, while also underscoring the limited role of phantasy in mediating this relationship.

On the other hand, neuroticism, characterized by emotional instability and sensitivity to stress, does not significantly influence risky investment intentions ($\beta = -0.026$). This suggests that emotional instability does not lead to a higher willingness to engage in financial risk-taking, consistent with research exploring the nuanced impact of neuroticism on decision-making (Harini & Subramanian, 2023). However, it exhibits a moderately positive link with risky investment intentions when mediated by phantasy ($\beta = 0.066$), supporting the fact that emotional traits, such as neuroticism, can interact with cognitive processes to influence individuals' risk-taking behavior in financial contexts as a means of coping with stress or emotional challenges (Pinjisakikool, 2018).

4-8. Mediated Moderation Analysis

This study made use of the model 14 of PROCESS macro and followed the established procedures, as outlined by Hayes (2017) for the mediated moderation analysis (Table 11).

In the study, openness and extraversion show negligible and statistically insignificant effects on risky investment intentions when phantasy serves as a mediator, and these effects remain consistent across different levels of mindfulness. Confidence intervals for both high and low openness encompass zero, indicating no meaningful impact on their relationships. Similarly, for extraversion, the analysis shows a minor and statistically insignificant influence on risky investment intentions when mediated by phantasy, regardless of mindfulness levels. Overall, openness and extraversion do not significantly affect investors' intentions to invest in risky financial instruments when considering phantasy, and these relationships are not contingent on mindfulness levels, consistent with previous research (Mankuroane et al., 2022; Sadi et al., 2011).

Moreover, the analysis reveals that conscientious investors, known for being organized and goal-oriented, exhibit a significant inclination toward risky investments when influenced by phantasy. This relationship holds consistently across various levels of mindfulness, demonstrating its robustness with high t-statistics and low p-values.

The result aligns with previous research underlining the role of conscientiousness in prudent financial decision-making (Hashmi et al., 2023; Yang et al., 2012). Practically, this underscores the significance of considering conscientiousness in financial advising, emphasizing the need for tailored strategies for individuals with conscientious traits to align with their investment goals.

Table 11. Conditional Effect at Different Values of the Mindfulness Moderator

	Levels of Mindfulness	Effect	SD	T	P	LLCI	ULCI	Hypothesis
Openness	High	4.191	-0.031	0.042	0.736	0.462	-.1923	0.0713
	Low	3.267	-0.029	0.040	0.724	0.469	-.1766	0.0715
	Mean	3.729	-0.030	0.040	0.736	0.461	-.1731	0.0707
Extraversion	High	4.191	0.015	0.037	0.399	0.690	-.2065	0.1258
	Low	3.267	0.014	0.035	0.396	0.692	-.1915	0.1233
	Mean	3.729	0.014	0.036	0.400	0.689	-.1933	0.1233
Conscientiousness	High	4.191	0.551	0.110	5.018	0.000	0.1094	0.7776
	Low	3.267	0.521	0.110	4.742	0.000	0.1121	0.7418
	Mean	3.729	0.536	0.096	5.604	0.000	0.1024	0.7702
Agreeableness	High	4.191	0.004	0.071	0.057	0.954	-.7159	0.3946
	Low	3.267	0.004	0.067	0.058	0.954	-.6790	0.4059
	Mean	3.729	0.004	0.069	0.058	0.954	-.6757	0.4151
Neuroticism	High	4.191	0.051	0.026	2.010	0.044	0.0955	0.2884
	Low	3.267	0.048	0.023	2.064	0.039	0.0949	0.2770
	Mean	3.729	0.050	0.024	2.105	0.035	0.0798	0.2713

The analysis further reveals that agreeableness had only a minor and statistically insignificant impact, regardless of mindfulness levels at a beta coefficient of 0.004, low t-statistic values and high p-values. In other words, an investor's inclination to be cooperative and empathetic did not appear to significantly affect their willingness to engage in financial risk-taking when the influence of imaginative thinking was taken into account. This finding corresponds with the results of prior studies (Ahmed et al., 2022) which suggest a limited role for agreeableness in shaping investment choices.

Finally, the analysis shows that neuroticism has a modest but statistically significant ($p < 0.05$) impact on risky investment intentions when influenced by phantasy, irrespective of mindfulness levels. Beta coefficients (0.048 to 0.051) consistently indicate this influence, with higher neuroticism levels associated with a slightly greater propensity for risky investments. Therefore, the financial advisors should be aware of this influence when working with clients exhibiting high levels of neuroticism. This finding aligns with existing research (Salameh et al., 2022) highlighting the role of emotional stability in shaping financial decision-making, indicating a consistent impact even in the presence of imaginative thinking and mindfulness.

5. Conclusion

One of the most salient implications from this study could be the interconnected and intricate nature of various factors influencing investment intentions among mutual fund investors. It emphasizes that determinants of investment decision-making go beyond traditional factors, such as financial knowledge and risk tolerance, suggesting underlying influences beyond conventional economic considerations. Additionally, the research provides a thorough exploration of the impact of personality traits on investment intentions, specifically focusing on the mediating role of phantasy and the moderating influence of mindfulness among institutional investors in Pakistan. By recognizing these diverse factors, the research challenges the conventional idea that financial decision-making is exclusively driven by rational and economic considerations.

The study further highlights that the investors with varying personality traits exhibit different propensities for engaging in risky financial activities. Particularly, agreeableness is identified as a significant factor, suggesting that investors with higher agreeableness levels may be more willing to engage in risky investment activities, aligning with collaborative and trusting tendencies. Conversely, the study indicated that those scoring higher on conscientiousness may lean towards more conservative investment approaches, prioritizing stability and reliability.

Additionally, openness, extraversion, and neuroticism present nuanced relationships with phantasy and risky investment intentions. Openness, despite their creative and open nature, has minimal effects on both phantasy and risky investment intentions. Similarly, extraversion exhibits minor impacts on both phantasy and risky investment intentions, indicating that while extraverted investors may have a role in these aspects, their influence on investment decision-making is relatively limited. In contrast, neuroticism shows a moderately positive connection with phantasy, suggesting emotionally sensitive investors may lean towards imaginative thinking as a coping mechanism. However, neuroticism does not substantially impact risky investment intentions, implying that emotional instability may be linked to creative thinking but does not necessarily translate into a heightened willingness to take financial risks.

The introduction of phantasy as a mediating factor adds depth to the understanding of the relationships between personality traits and investment choices. This underscores the pivotal role of imaginative thinking in shaping the risky financial behaviors of institutional investors, acting as a dynamic mediator in the decision-making process. Additionally, the novel concept of mindfulness as a moderating factor suggests that an investor's cognitive state can temper the impact of imaginative thinking on their inclination towards risky investments, providing a nuanced perspective on the interplay between cognitive processes and financial decision-making, offering valuable insights for practitioners, researchers, and policymakers seeking a comprehensive understanding of the factors influencing investors' choices in the realm of finance.

Overall, the study emphasizes that effective investment decision-making requires attention to both rational and psychological factors. Managers should tailor investment strategies to investors' personality-driven preferences, as agreeable individuals often incline toward riskier ventures while conscientious ones favour stable, long-term options. Recognizing the role of phantasy is also essential, as unconscious emotional attachments can distort risk perceptions, making training and advisory

programs that address these biases highly valuable. In addition, financial institutions can benefit from integrating mindfulness-based training and emotional awareness into advisory services, fostering more balanced and rational investment behavior, along with risk management frameworks that incorporate psychological indicators with financial measures to anticipate irrational tendencies.

However, the study is subject to certain limitations, including its context-specific focus on Pakistan, the use of a cross-sectional design, a moderate sample size and the predominance of male participants. These constraints point to future research opportunities and avenues, such as testing and validating the model across diverse global contexts, employing longitudinal approaches to capture changes over time, and exploring the perspectives of female investors to provide a more comprehensive understanding of the factors influencing risky investment intentions.

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