

**DETERMINANTS OF TRADING BEHAVIOUR OF RETAIL INVESTORS IN
DERIVATIVE MARKET – A MULTIDIMENSIONAL APPROACH**

Thesis submitted in partial fulfilment of the
Degree of Doctor of Philosophy in Commerce

By

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80_Recommendation

The study recommends enhancing investor education on hedging, diversification, and behavioural biases to promote informed and rational investment decisions in the derivative market. Stockbrokers and financial advisors should provide tailored guidance based on investors' risk tolerance, emphasising transparent communication and the strategic use of derivatives for risk management rather than speculation.

Policymakers are urged to introduce licensing for market participants, strengthen financial literacy campaigns, and implement mandatory risk disclosures to safeguard retail investors. Customised investor training programs, including school-level financial education and app-based learning platforms, can foster early and effective engagement with complex financial instruments. Encouraging diversification across sectors, commodities, and currency products can help investors optimise portfolio performance while navigating market volatility.

Future Scope of the Research

- A Multidimensional Analysis of External Determinants Affecting Institutional Investor Behaviour in Derivative Instruments
- A Comparative Study on the Trading Behaviour of Institutional and Retail Investors in the Derivative Market
- Exploring the Role of Social Influence and External Factors in Shaping Investment Decisions in the Derivative Market