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Awareness Of Woman Investor In Commodity Market In Bangalore

Dr. Samiya Mubeen[1] **Sunil Kumar[2]**

Abstract

Many women investor is investing in the various diversify portfolios where the risk and return and manage in the smart way. Mutual funds are the one where study has revels that many women investors are investing, but there are not aware of other financial instruments or products where they can invest. The present study is based upon the bringing the awareness of the commodity market for women investors as many women are working and they want to multiply there Saving. The objective of the study is to bring the level of awareness, preference, demographic profile and the factors influencing the women investment in commodity. The self-administrated questionnaire was used to collect data from the respondents. The questionnaire comprised factor influencing the investors in commodity market. Majority of the women investors are not aware about the investment in commodity market. The study reveals that individual women investors depends mainly on annual income and wants to earn high return in the short-term period. The preference of investment is agro products, basis metals, precious metals, energy products. The predominant factors influencing the investment in commodity are online software, friends and brokerage.

Key Words: Commodity Market, Women Investor's Awareness, risk, returns.

Introduction

The Indian commodity market requires huge investments and better trading activity both in the national as well as the regional commodity markets. The participation of nonprofessional people trading commodity markets makes the market a risky venture. Nonprofessional participants simply add to the instability factor of the market. There is a terrible need for professional experts who are able to provide advice on commodity trading and build commodity inclusive portfolios. Such professional awareness, expertise, and guidance in commodity trading can come from professional commodity traders called commodity trading advisors.

Need of the Study

The Study needs to analysis the level of awareness towards the women investor in the commodity market. In commodity market there is a change in trend where lots of women investors want to actively participate in the commodity market. To analysis the potentials of the women investor and changing trends to know the factors influencing the women investors and risk management skills of women investors in commodity market.

Review of Literature

Rombouts, A. (2017)contribute to restoring that self-belief; the community of regulators has drawn up a body of guidelines, all of which are aimed at offering greater protection to savers and buyers by means of performing at the pleasant of each call for and deliver of investment merchandise. To find out the good judgment, the important complementarities and ability tendencies from a regulatory point of view. It concludes that the measures taken are nevertheless some distance from having reached maturity and as a consequence their goal, and that the most effective manner ahead is to enhance peer strain amongst Member States so one can attain extra upward convergence and to enhance the effectiveness of the measures followed.

[1].Assistant Professor, International Institute of Business Studies,Bangalore, Karnataka.

[2].International Institute of Business Studies,Bangalore, Karnataka.

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Han, L., & et al. (2017) utilize the search quantity for key phrases on Google as an instantaneous and timely proxy for investor interest on the way to look at how interest influences commodity futures charges. To examine the effect of investor attention on market performance.13 commodity futures and the interaction between attention and returns, even after controlling for vital macroeconomic variables. Results display that growing attention, on one hand, increases records performance and attenuates arbitrage possibilities, whereas, however, decreases market performance by facilitating herd conduct.

Erb, C. B., & Harvey, C. R. (2016)discovers the Misperceptions approximately Commodity Futures Investing. The negative overall performance is basically the result of terrible "income returns," a return building block much like a stock's dividend yield or a bond's yield. Three misperceptions have contributed to this disappointment: (1) Commodities are a play on commodity charges; (2) commodity expenses provide an inflation hedge, and (3) commodity markets.

Jena, Pratap Kumar, and PhanindraGoyari (2016) have a look at the relationship between inventory, bond and commodity costs in India the usage of the Dynamic Conditional Correlation (DCC) version. This look at uses secondary records on each day returns for 3 opportunity asset instructions from June 10, 2005 to June 30, 2011. Therefore, the precise variables are S&P CNX Nifty index accrued from National Stock Exchange (NSE) of India, corporate bond yield collected from Bloomberg, and commodity futures index (Comdex) from the Multi Commodity Exchange (MCX) of India. The sample duration is 1,463 days for all of the composition. The consequences show that each commodity and inventory costs are undoubtedly correlated however commodity and bond fees are negatively correlated. There is better go back with less volatility in commodity rate, which means that it's far extra efficient in asset allocation in comparison to a traditional asset like bond. When there is an growth within the marketplace threat with stock marketplace volatility, the conditional relation among commodity and stock charge declines. It is right news for the investor to make asset allocation to commodity market and vice versa.

Ftiti, Z., Kablan, S., &Guesmi, K. (2016)analyzes the connection among commodity expenses and credit to the personal quarter in commodity-exporting growing countries, particularly 3 nations in Sub-Saharan Africa. It expands the findings of non-empirical studies coping with this difficulty for the case of African countries and complement the literature at the methodological aspect through investigating this dating using wavelet analysis. This frequency technique is appropriate, because it takes under consideration investor heterogeneity and the time-variation function of the studied courting. Further, it explains the lead–lag dating among the studied series. Second, for medium and brief timescales, the interplay is high and massive only in the course of durations of turmoil. In phrases of the lead–lag dating, our results also show that the commodity marketplace causes fluctuations within the credit market.

Periyasamy, S (2016)take a look at examines the effect of Investor Awareness Program and its effect on prospective buyers in India. The study is analytical in nature. The information required for the study is number one in nature. Primary information was amassed through a nicely-structured questionnaire through adopting random sampling approach. This have a look at examines the change in mindset of the participants of this system toward investment in stock markets.

Mellios et al (2016)goal is to cope with, in an a continuous-time framework, the problem of the usage of storable commodity futures as cars for hedging functions whilst, mainly, the convenience yield in addition to the market prices of chance evolve randomly through the years. We endorse diverse decompositions allowing an investor to assess the sensitivity of the

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superior demands to the country variables and to specify the role played by using each unstable asset. Empirical evidence shows that the benefit yield has a sturdy effect on the hypothesis and hedging positions and the interplay amongst time-various threat premia determines the importance and the signal of these positions.

Research Gap

The reviewed literature has no doubt thrown some valuable light on the various strategies evolving in the country's commodity markets. The national level markets in particular, have gained universal admiration and respect. However, they can rise to greater heights. The reviewed literature does not spell out the strategies and remedial measures needed on all the fronts, including the regulatory front, to take the markets to new heights. Towards this end, the reviewed literature suffers from a gap. Many studies have done on the both gender specific investor pattern and their strategies. This gap this study seeks to bridge only women investors in the commodity market.

Statement of the Problem

The challenge is to ascertain the level of awareness towards the women investor in the commodity market. In commodity market there is a change in trend investment in commodity market where lots of women investors wants to actively participate in the commodity market as it has lots of risk in investment. The impact factor for change in the women investor need to identify so that study can be taken in order to evaluate the factor influencing the commodity market and suggest the awareness of investing pattern among women investor in commodity market

Scope of the Study

This study is limited to only Bangalore city the study is carried out to know the awareness level of derivative investors towards commodity futures market. This study also helps to know about trading mechanism of commodity market and the future trading level.

Objectives of the Study

- To study the awareness level of woman investor in commodity market.
- To analyze the potential of woman investor towards the risk management in commodity market.
- To find the factor influencing the women investing pattern in commodity market.
- To suggest the awareness pattern among woman investor in commodity market.

Research Methodology

Research design is the condition for series and analysis of statistics in a way that aims to combine the studies reason which financial system in procedure. The characteristic of studies design is provided for series of applicable facts with minimum expenditure of attempt, time and money. This study is based upon the both primary and secondary data. As the nature of study is descriptive and analytic research. Taken respondents of 100 women investors who are interested in investing in commodity market at one of the stock broking firm in Bangalore for the study like Angel broking, Zerodha, Share khan, Religare, IIFL and Star Fing company. The target respondents were 150 but only 100 women investors respondents responded for the survey. Probability sampling requires complete knowledge about all sampling units in the universe. Due to time constraint non-probability sampling was chosen for the study. Sampling can be defined as the method of acquiring the information about a commodity market place; the records need to be collected from convenient random sampling. Sample type for the study is based on convenient random sample. Sample size taken for the 150 respondents, out of which 100 respondents turned out. Field area for the study is within Bangalore city for the data collection. After the collection of data, the filled-up interview

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schedules were edited properly. A master table was prepared to sum up all the information and tabulated for the analysis. With the help of the master table, classification tables were prepared and they were taken directly for analysis. The sample for the filled survey will be selected through convenient random sampling. A sample of 100 women respondents has been selected as the sample for the field survey due to representation will be given to all sections of woman investors while selecting the sample. Data collection is the process of acquiring data pertaining to the study. While designing about the method of data collection, we should consider the reliabilities and accuracy of data, the classified as primary data and secondary data. Primary data will be obtained through survey conducted with the investors in brokerage firm and questionnaire will be prepared and analyzed. This information has been collected through interactions and observations.Secondary data are those which are already collected the information someone else and which have already been passed through the statistical data. Information is collected though internet, various text books, newspaper and journals. The analysis and interpretation of the study will conduct with the help of various tools like graphs, pie- charts. A structured questionnaires design to take the woman respondents awareness toward commodity market. Based upon the input and data collected suitable, finding, suggestion and conclusion can be drawn for the study.

LIMITATION OF THE STUDY:

1. The survey is restricted to Bangalore city only.
2. Data collection was the one of the challenges as very few women investors are aware of the commodity market but still managed by 100 women respondents.
3. Time and Cost constrain
4. Only women respondents are taken for the study.

Data Analysis and Interpretation

1. Respondents of Age

Age	Number of respondents	Percentage (%)
18-25	12	12
25-38	39	39
38-52	24	24
52-62	17	17
Above- 62	8	8
Total	100	100

[Sources: Primary Data]

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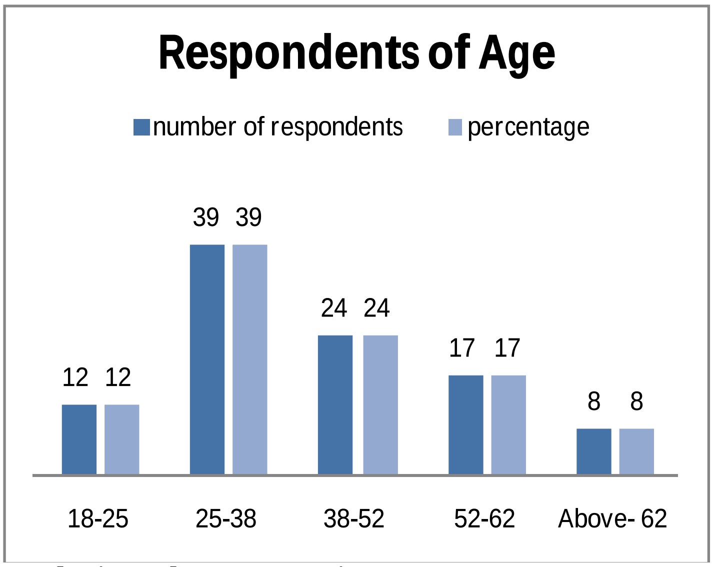


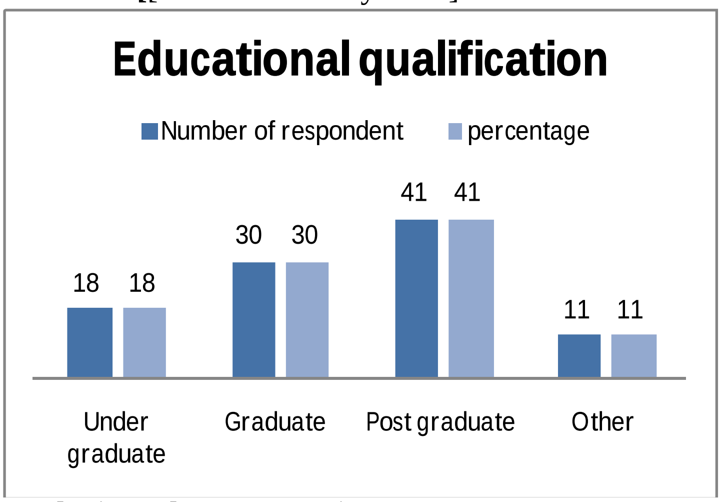
Analysis and Interpretation:

An attempt has been made to find out the proportion of respondent's base on the age. 25-38 age group of investors are more respondents on commodity market, they are young people in nation, 38-52 age group of woman investors are showing second position, 17 % of respondents are given in the age of 52-62 group, who are studying on the age group of 18-25 year people, they also good responding on commodity market and above 62 year age group of woman investors are old people but on that stay age of woman's are interesting on market.

2. Respondents of educational qualification

Educational qualification	Number of respondent	Percentage (%)
Under graduate	18	18
Graduate	30	30
Post graduate	41	41
Other	11	11
Total	**100**	**100**

[[Sources: Primary Data]



Analysis and Interpretation:

The above chart shows the graphical presentation of education qualification of investors who invest in commodity market. From the graph, I can say that majority of the respondent are post graduate.

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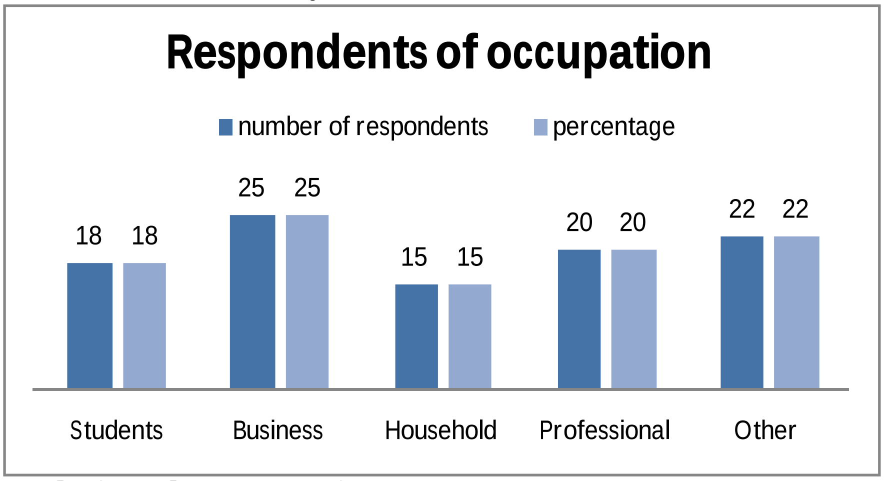
3. Respondents of occupation

Occupation	**Number of respondents**	**Percentage** (%)
Students	18	18
Business	25	25
Household	15	15
Professional	20	20
Other	22	22
Total	**100**	**100**

[Sources: Primary Data]



Analysis and Interpretation:

The above graphical presentation shows the occupation of respondents. Out of total of respondent, 25% are business, 20% professional, 18% are students, 15% are Household, and 22%are other respondents.

4. Various mode of that Respondents aware about commodity market

About commodity market	**Number of respondents**	**Percentage (%)**
Friends/colleagues	11	11
Brokerage firm	30	30
Agents	22	22
Online/ advertisement	25	25
Others	12	12
Total	**100**	**100**

[Sources: Primary Data]

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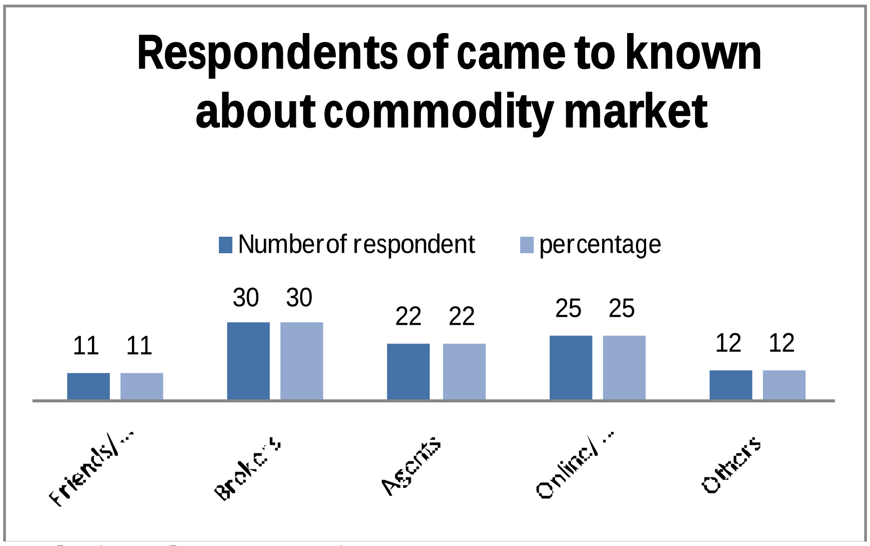


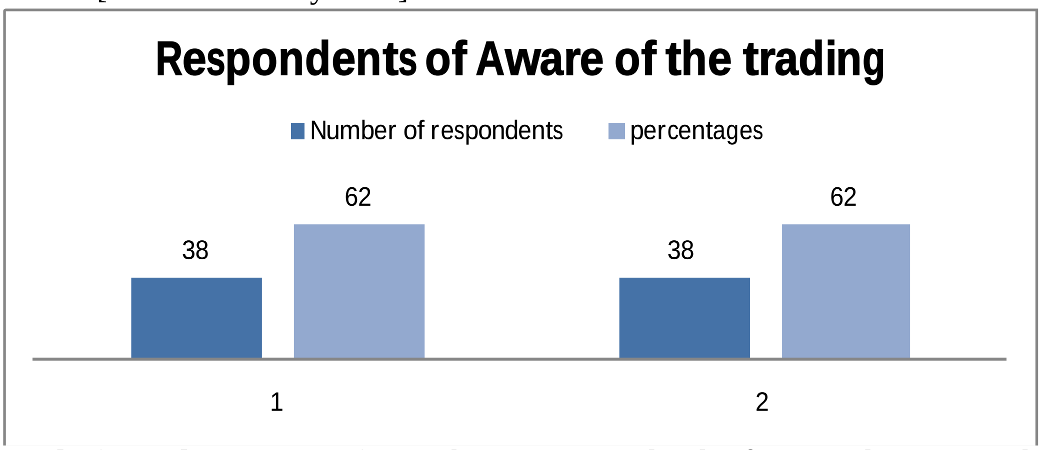
Analysis and Interpretation:

Most of the investors came to know about the commodity by agents the respondents who have invested in commodity market from them 22% of the people came to know by agents, 25% from the online/ advertisement and 30% people came to know by their brokers. 11% people came to know by their colleagues/friends. Here other indicates the people who have not invested in commodity market have other this question.

5. Is women investor are of aware commodity market

Aware of the commodity market	**Number of respondents**	**Percentage** (%)
Yes	38	38
No	62	62
Total	**100**	**100**

[Sources: Primary Data]



Analysis and Interpretation: The awareness level of respondents towards commodity trading is 38% and 62% of the respondents are not aware of the commodity trading. So majority of women's respondents are not aware of this commodity trading. So awareness has to be made.

6. Preference of commodity of women respondents for trading

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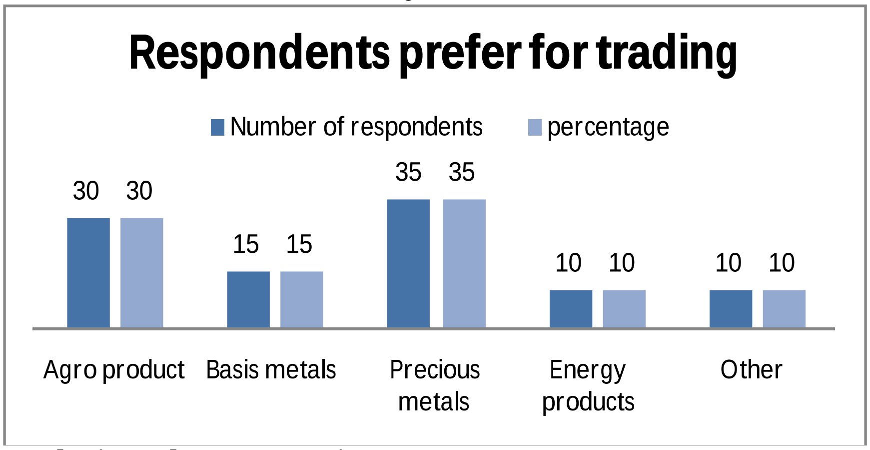
Prefer for trading	**Number of respondents**	**Percentage (%)**
Agro product	30	30
Basis metals	15	25
Precious metals	35	35
Energy products	10	10
Other	10	10
Total	**100**	**100**

[Sources: Primary Data]



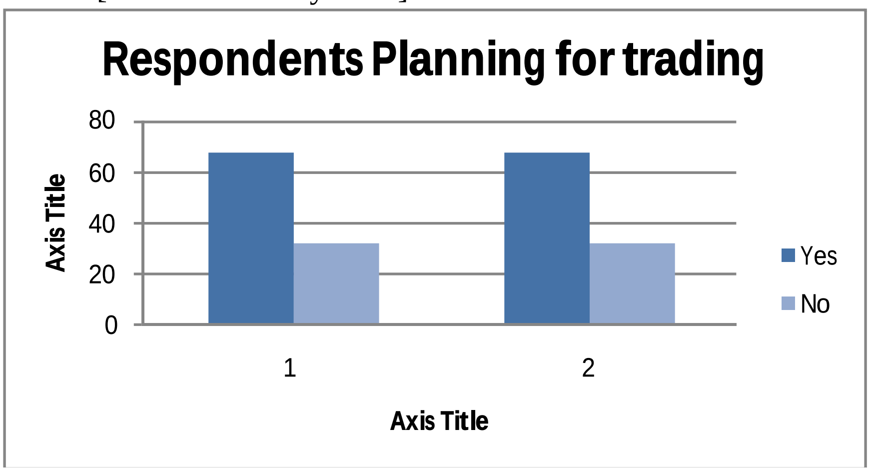
Analysis and Interpretation:

Among the investors who have invested in commodity in them 10% prefer to trade in energy products and other products, 15% in base metals,30% in agro products and 35% in precious metals, here precious products indicates the investors are more interesting in that products and second preference giving in agro products.

7. Is women investor are planning for trading in commodity market in future

Planning for trading	**Number of respondents**	**Percentage (%)**
Yes	68	68
No	32	32
Total	**100**	**100**

[Sources: Primary Data]



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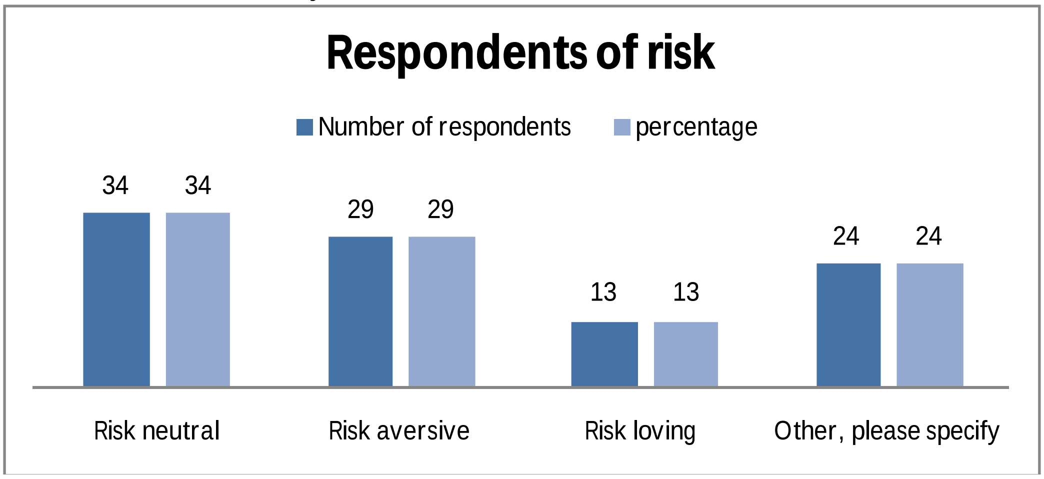
Analysis and Interpretation:

From the above graph we conclude that most of the traders are interested to invest in commodity market in future if proper knowledge or awareness is created among them and other 32% are not interested to invest. These 68% of traders are the latent customers for the company.

8. Therisklevel of the respondents to seek better return

Risk Level	Number of respondents	Percentage (%)
Risk neutral	34	34
Risk aversive	29	29
Risk loving	13	13
Other, please specify	24	24
Total	**100**	**100**

[Sources: Primary Data]



Analysis and Interpretation:

The 34 percent of the traders are not willing to take the risk and 13 percent of the traders are willing to take risk but they are expecting more profit.

9. Factors that respondents need considered while investing in commodity market

Investing in commodity market	Number of respondents	Percentages (%)
Risk	32	32
Price	21	21
Return	13	13
Demand and supply	34	34
Total	**100**	**100**

[Sources: Primary Data]

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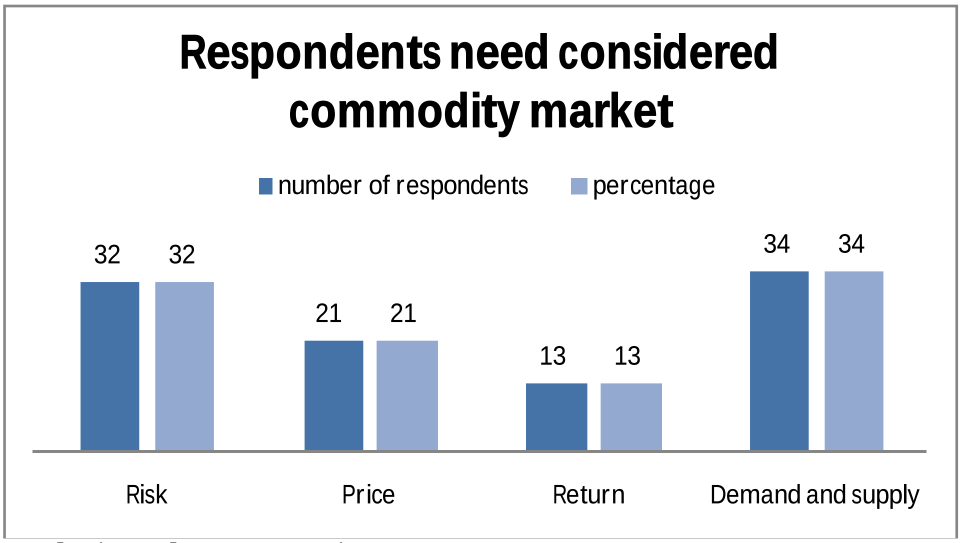


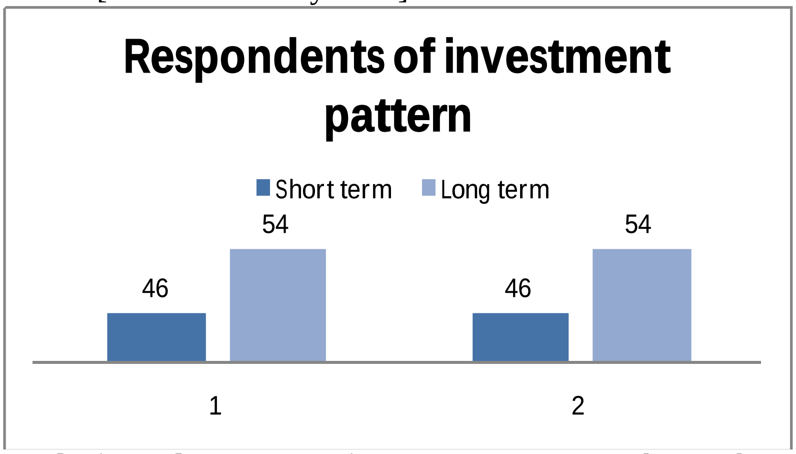
Analysis and Interpretation:

Most of the investors consider 32% of risk, 21% of price, 13% of return and 34% of demand and supply. While investing in commodity market mainly they considered risk and return.

10. The investment pattern of women investor

Investment pattern	Number of respondents	Percentages (%)
Short term	46	46
Long term	54	54
Total	**100**	**100**

[Sources: Primary Data]



Analysis and Interpretation: It's interesting to know that many of the investors prefer to invest their money for short term that is 54%, instead of long term.

Major Findings:

- Largest numbers of the respondents were in between 25-38 year of age.
- Most of the women investor are post graduates
- Many of the women investors are women entrepreneurs having their own business.
- Most of the women investors are preferring to go the brokering firms for investment option
- More than 62% of the investors arenot aware about the commodity market.

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- More number of traders is ready to invest at precious product and second preference to agro products.
- Most of the women investor 69 % are planning for trading in commodity market in future
- More than the women investors are not invested in commodity market as they don't want to take high risk
- Less than 50% of the investors aware of trading in commodity market.
- Most of the respondents to invest in Bank as fixed deposit, mutual funds and real estate.
- Most of the respondents are investing in long terms rather than short terms

CONCLUSION:

Commodity markets are new and emerging market. The awareness of the market is very less among the women investors who can use this trade to sell their products without the middlemen or agents it also helps the actual buyers too. Here trader also can transfer his risk to some other who can handle it or can appetite the risk through hedging techniques. Large number of women investors in commodity wants to earn high return in short term period. The investment avenue of individual investors depends mainly on annual income and risk-taking capacity. The female investor in Bangalore are not much aware of commodity market so proper awareness program should be conducted to improve thee awareness level of among them. Lots of financial products or instruments awareness program need to conduct in order to increase the investors especially in commodity market.

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