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INVESTOR PERCEPTIONS TOWARDS COMMODITIES MARKETS: A STUDY WITH SPECIAL REFERENCE TO CHENNAI CITY

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ABSTRACT

India's commodity trading market is positioned as one of the most major and growth-oriented markets globally. It is a key factor in driving the economy and offers investors great opportunity to broaden their investment portfolios. Currently, both the government and business organizations in the country are employing their most talented individuals to establish a reliable and effective commodity trading market. A commodity market is a marketplace where investors engage in the trading of various commodities, such as spices, energy, precious metals, and crude oil, inside a certain country. Recently, the Forward Market of Commissions in India has enabled the trading of approximately 120 commodities through futures contracts. In 2024, it is anticipated that the nominal value in the Commodities market for India will reach US$998.30bn. The predicted compound annual growth rate (CAGR 2024-2028) is expected to be 1.00%, leading to a total projected sum of US$1,039.00bn by 2028.

The commodity market is a significant and enduring component of the financial sector in every country. Various products such as precious metals, basic metals, crude oil, energy, and soft commodities like palm oil and coffee are traded in this market. Developing a dynamic, energetic, and fluid commodity market is crucial. Investors are seeking to allocate funds in the commodity market, although they lack knowledge on investment strategies and the related risks.

A comprehensive perception study can aid in formulating policies and raising knowledge among potential investors regarding commodities markets, hence fostering the emergence of a dynamic market in the future. The present study aimed to ascertain the factors influencing the behavior of commodity market investors and their investment decisions among individual investors in Chennai city.

The findings suggested that investor behavior is strongly correlated with the economic profile, awareness, investment market atmosphere, regulatory protection, and active participation in encouraging commodity market investments through reliable and stakeholder protection standards and supervision. The primary factors that have the most significant impact on investment decisions, in order of importance, are the risk tolerance of individuals, awareness of commodity market investments, investment attitude, and behavior of independent investors.

These factors are observed to have coefficient values of 0.332, 0.315, 0.224, and 0.168, respectively. This suggests that the investors are exercising greater caution when making investing decisions. Each investment relies on the individual's capacity to tolerate risk and their knowledge of a specific investment opportunity. The sensible investors' trustworthy and long-term investment selections are a favorable indication that the markets will see sustainable growth.
Index terms: Risk- Sustainability- Market trends-operating mechanism-Rural network

INTRODUCTION

In addition to equity, the Indian financial market provides several opportunities to invest, diversify, and maintain a robust portfolio. Commodity trading is a specific method that can be used. The commodity market in India has a history of over 100 years, although it was formally formed with a legal trading structure in 2003. Commodities markets play a crucial role in propelling a country's economy and providing opportunities for investors to make profits, as every country depends on raw materials for its growth. A commodity market is a marketplace where investors engage in the trading of various commodities such as spices, energy, precious metals, and crude oil within a certain country. Recently, the Forward Market of Commissions in India has facilitated future trade for over 120 different commodities. In 2024, it is anticipated that the nominal value in the Commodities market for India will reach US$998.30 billion. The predicted compound annual growth rate (CAGR) for the period 2024-2028 is expected to be 1.00%, leading to a total projected sum of US$1,039.00bn by 2028. SEBI has been responsible for overseeing and controlling the Commodity Derivative Markets since September 2015. Before the establishment of the Forward Market Commission, the regulation of commodities was overseen by the Ministry of Consumer Affairs. Commodity trading usually takes place in either futures markets or spot markets. Spot markets, usually referred to as "cash markets" or "physical markets," include the instantaneous exchange of physical commodities.

Need for the Study

In recent years, commodity markets have become increasingly significant, providing investors with the chance to engage in forward contracting and hedging. Derivative markets have achieved a trading volume that is more than eighteen times greater than that of the spot markets. The commodities market in India is of significant importance to the country's economy, as well as to individuals who rely on commodities for their livelihoods and to investors. The key characteristics of the commodities market encompass: Price Discovery: The commodities market in India provides a clear mechanism for determining the actual price of commodities such as pulses, spices, cotton, and so on. High Quality: The commodities market enforces stringent standards about the quality of the commodities traded on the exchanges. Farmers and extractors of various commodities can effectively reduce their losses by utilizing the commodities market for hedging purposes. One can engage in the sale of commodities futures and options in order to secure a predetermined price for their commodity, regardless of any fluctuations in price. Diversification: Investing in the commodities market in India provides investors with an excellent opportunity to broaden the range of assets in their portfolios. Leverage: Trading in commodities futures entails utilizing leverage via margin, which is upheld with the broker. Therefore, a significant transaction can be carried out with a reduced amount of physical currency.

Back Ground of the Study

The significance of the commodities market in India is crucial for the country's development and protection of the welfare of its residents and investors. The market functions through the following factors: The commodities market in India plays a vital role in safeguarding commodity suppliers against price declines, hence maintaining food security. Improved agricultural infrastructure: Farmers face challenges due to insufficient post-harvest infrastructure in the commodities market. Hence, seeking to attract investments in the agriculture industry with the expectation of achieving superior long-term earnings. An organized platform: Prior to the establishment of the commodities market, farmers and commodity providers were solely dependent on intermediaries to sell their products. They were compelled to accept whatever amount the intermediaries proposed. Today, the commodity market provides a structured platform for trading commodities and achieving a fair price.

The commodities market serves as a new asset class that goes beyond its traditional duty of serving farmers or suppliers, providing an opportunity for investors to seek profits. Engaging in commodity trading allows individuals to mitigate potential losses from other asset classes, diversify their investment portfolio, and contribute to the general expansion of the commodity sector in India. Reduces or lessens Volatility refers to the degree of variation or fluctuation in the price or value of a financial instrument or market. It is a measure of the uncertainty or the commodity market plays a crucial role in India. It provides protection for the person who initially takes on the risk and leads to the general spread of the risk exposure. The commodity market in India plays a pivotal role as it has a direct impact on the country's economic growth and significantly influences the agriculture sector. While the commodity markets in India offer a wide range of trading options, these commodities have been categorized into specific sectors. Presented below is a comprehensive compilation of many industries, along by the commodities that are frequently exchanged within each sector:

Commodity sectors	**Constituents**
Agriculture	**Grains:** Rice, Basmati rice, wheat, maize, jeera. **Oil and oilseeds:** Castor seeds, soy seeds, **Spices:** Pepper, red chili, jeera, turmeric, and cardamom. **Pulses:** Chana, urad, yellow peas, tur dal.
Metals and materials	**Base metals:** Aluminum, copper, nickel, zinc, tin. **Bulk commodities:** Iron ore, coking coal, bauxite, steel. **Others:** Soda ash, chemicals, rare earth metals.
Precious metals and materials	Gold, silver, platinum, and palladium.
Energy	Crude oil, natural gas, Brent crude, thermal coal, alternate energy.
Services	Oil services, mining services, and others.

Mechanism of trade in the Commodities market:

Forwards Contracts: This contract is an agreement between two parties to sell or buy a certain commodity at a fixed price in the future. This contract hedges the risk for the buyer against price fluctuations, and the seller can get a guaranteed price for his product at a specified date.
Futures Contract: A futures contract is a legally binding agreement between two parties to acquire or sell a certain asset on a predetermined date and at a prearranged price. The asset is paid for and delivered on a future date, which is referred to as the delivery date. The purchaser in the futures contract is referred to as having a long position, whereas the seller in the futures contract is described as having a short position.

Trading in Commodities

Commodities encompass a wide range of moveable products that are utilized in our daily lives, including wheat, cotton, gasoline, sugar, as well as metals like gold, copper, and zinc. Commodities are unprocessed resources that are utilized in the production of various final products. Commodities refer to tangible products, specifically physical goods, that can be bought and exchanged. Commodity prices are determined by the interplay of demand and supply. The demand for a commodity is positively correlated with its price, while the supply of a commodity is negatively correlated with its price. The pricing of a commodity is subject to fluctuations influenced by government policies, geopolitical conflicts, the global economy, and factors of production, among other variables. Commodity trading encompasses many contracts that derive their value from the underlying commodity. Commodity contracts differ from shares and stocks in that they require the delivery of goods or a monetary settlement at the conclusion of the transaction. Delivery is the process of physically transferring the goods when the contract ends. Cash settlement refers to the resolution of the price difference between the parties involved in a contract. Delivery is less frequently favored compared to cash settlements. Commodity trading in India occurs only on the MCX Exchange. In order to engage in trading on MCX, it is necessary to possess a commodity trading account with an MCX broker. The broker will facilitate the decision-making process in your trade. Furthermore, it is necessary for the commodities trading account to be connected to the trader's DEMAT account. The majority of contracts made by commodities traders are commodity futures that are resolved through cash settlement.

REVIEW OF LITERATURE

Bhushan (2014) to assess the level of knowledge and the investment patterns of employed individuals in relation to financial products. Statistical analysis of data that involves summarizing and describing the main characteristics of a dataset. Respondents exhibit a high level of understanding and choose to invest their money in conventional and secure financial goods. Conversely, the general community has a low level of awareness regarding modern financial products.
Hood et al (2014) to analyze the elements that impact the investment choices of socially conscious investors. Comprehensive compilation of stock brokerage businesses operating throughout the entire country between the years 1991 and 1996. The topics covered in this analysis include descriptive statistics, logistic regression, correlation, and the clustered standard error approach. The equities owned by individual inversonal ideals.
In a study conducted by Jagongo and Mutswenje (2014), to ascertain the factors that influence investment decisions at the Nairobi Stock Exchange. This text covers the concepts of

descriptive analysis, Friedman's test, and factor analysis. The main factors that influence individual investment decisions include the reputation of the firm, its position in the industry, projected corporate earnings, profitability and financial health, historical performance of the firm's stock, share price, sentiment towards the economy, and expected dividends from investors.
In the study conducted by Chhabra and Mundra (2014), To understand and give a concise summary of the research carried out on investment behavior Analysis of current literature Individuals commonly opt for various investment options such as cash, bank deposits, non-banking deposits, life insurance funds, provident funds and pension funds, government claims, shares and debentures, units of UTI, and national saving certificates.
Jagongo and Mutswenje (2014) To determine the variables that affect investing choices at the Nairobi Stock Exchange Descriptive analysis, Friedman's test, and Factor analysis. The primary determinants that impact individual investment choices are the reputation of the firm, the firm's standing within the industry, projected corporate earnings, profitability and financial condition, historical performance of the firm's stock, share price, sentiment towards the economy, and anticipated dividends by investors.
In the study conducted by Chhabra and Mundra (2014) To comprehend and provide a brief overview of the research conducted on investment behavior An examination and analysis of existing literature Common investment alternatives chosen by individuals include currency, bank deposits, non-banking deposits, life insurance funds, provident funds and pension funds, government claims, shares and debentures, units of UTI, and national saving certificates.

Research questions

What is the awareness on commodity markets among the individual investors?
What is the investor’s behaviour towards commodity market investments?
What is the role of investor’s attitude in the commodity market investments?
How risk bearing capacity influences the commodity investment decisions?

Statement of the Problem

Investors' perception refers to investors' understanding and awareness of their investments. Periodically assessing the investors' knowledge, conduct, mindset, and willingness to take risks or their risk tolerance is necessary for making effective investments in commodity trading. Investment must not only be made, but it must also be effective and acceptable in the current context. The involvement of terribleness and new knowledge in Commodity Trading has led to investors' view and awareness of investing in the market. Increased investment in the company and a large pool of potential investors will ultimately generate wealth. It is a well-established truth that investors' perception, attitude, and behavioral finance play a crucial role in achieving success. Investor perception concerns can lead to uncertainties and increase the danger of misguided investments. Hence, the research challenge entails examining investors' opinion of commodities as a viable investment alternative and their inclination to achieve substantial investment levels. Therefore, it is necessary to periodically verify the aforementioned facts in order to initiate the investigation. The commodity market is a crucial and enduring component of the financial sector in any economy. Various types of items, including precious metals, basic metals, crude oil, energy, and soft commodities such as palm oil and coffee, are traded in this market. Developing a dynamic, bustling, and highly liquid commodity market is crucial. Investors are seeking to allocate funds in the commodity market, although they lack knowledge on investment strategies and the related risks. A comprehensive perception study can facilitate the formulation of policies and raise knowledge among potential investors regarding commodities markets, so fostering the emergence of a dynamic market in the future.

Objectives of the study:

1. To find the level of awareness among the sample towards commodities markets and investment options in the commodities markets.
2. To understand the factors of investment behaviour in the commodity markets.
3. To study the investment attitude of the investors towards commodity market investments.
4. To find out the role of risk bearing capacity in the investment decisions in commodity market investments.
5. To explore the role of Commodity market climate and Regulatory measures towards investors protection influence on the investment decisions.

Theoretical Framework Investment:

Diverse investors may consider various variables when making investments in the commodity market. Therefore, it is crucial to evaluate the extent of investors' knowledge in order to promote and enhance investment prospects. On the other hand, people turn to borrowing when their current income is insufficient to meet their current expenses. Although borrowing will be covered several times, the main emphasis of this text is on ways for investing money. When individuals retrieve their savings from either the mattress or the lawn, they discover that the amount they saved remains same. Another alternative is for individuals to relinquish their current ownership of their funds in return for a greater amount of money in the future, which can be utilized for future expenditures. Investing is deferring present spending to enhance our wealth, enabling us to achieve a higher level of consumption in the future. Therefore, while analyzing the return on an investment, our attention is directed towards the change in wealth that results from that particular investment. The alteration in wealth might arise from either cash inflows, such as interest or dividends, or capital gains resulting from a fluctuation in the asset's price, whether it is positive or negative. Hence, it is crucial to assess the investor's attitudes and views regarding a modern and innovative investment opportunity referred to as Commodities.

RESEARCH METHODOLOGY

Research Design:

The chosen research design is descriptive, as its objective is to provide an accurate representation of the current state of existing information. A descriptive study design aims to offer a comprehensive portrayal of the characteristics of a particular individual or group. The study seeks to ascertain whether there is a correlation between certain variables and the study. The research is centered on generating accurate predictions and delivering objective information and characteristics about an individual, organization, or scenario. Behavioral finance is the field of research that involves conducting descriptive studies and observations to investigate alterations in human behavior. This is accomplished through direct engagement with individuals, followed by the consolidation and verification of data using statistical evidence. The selected approach for this study is the descriptive design.

Methods of Data Collection:

Primary Data:

The study has gathered data by directly communicating with a small number of respondents and discussing their opinions on commodities, their level of awareness, their behavior towards considering commodities as an investment option, their attitude, their risk-taking capacity, and their individual profile as independent variables. Furthermore, this study considers market volatility, climate, and the regulatory function as mediating elements in fostering new investment avenues by instilling trust and confidence among potential investors. The influence of both independent variables and mediating variables, both separately and together, on the investment decision of individuals is regarded as the dependent variable. The level of investor awareness is assessed by examining their knowledge of various activities, including trading operations, future markets, investment options, risks, transaction charges, service charges, sales tax, clearing settlement procedure, and warehousing.

SEBI exchanges, SEBI Act, and investor safety. The study aims to assess the level of awareness and the elements taken into account by investors when making investments in commodity markets. The market seeks to assess the amount of investor awareness in the commodity market. To achieve this objective, an interview schedule is created and validated using a pilot survey and reliability analysis. This schedule is then utilized to conduct a survey of investors in the designated area. The structured interview incorporates precise and targeted questions, while visits are scheduled in advance to provide thorough and patient discussions with investors in person. A rigorous interview schedule program is implemented to get the data.

Secondary Data: Secondary data has been collected from; Books and journals at the organization and the college library, through the internet.

Sampling Technique: Sampling is that part of statistical practice concerned with the selection of individual observations intended to yield some knowledge about a population of concern, especially for the purposes of statistical inference.

Judgment sampling:

Judgment sampling is a method of analysis and probability sampling that involves selecting a sample from the investor's population that is readily available in commodities considered as investment options, either through a direct DEMAT account or through commodity trading agents. This is a sample population that was chosen because it is easily accessible and convenient. One way to connect with investors is by meeting them directly or by include them in the sample group. Another approach is to discover them through the investor's network. A strict criterion for selecting the sample respondents is that they must have at least one investment in equities or financial assets, as well as modern securities, in their portfolio. Additionally, they should possess basic understanding or information regarding commodities as an investment option.

Sample Size:

Due to the unknown sample size, a conventional statistical model is employed and determined. The sample size is determined to ensure the reliability of the data set and is set at a fixed value of 442 using the scientific method. The investors are selected from the Commodity trading company's database after obtaining previous approvals and consent. The specified territory is Tamilnadu-Greater Chennai Corporation, which consists of 15 zones and 226 wards. Some examples of intermediaries are Sky Commodities trading, Motilal Vora Securities, Oswal Securities, Anand Rati securities, ICICI, HDFC, AXIS, and SBI banks, KArvey Financial services, Montblanc Financial services, and Sundaram Futures and options.

DATA ANALYSIS USING REGRESSION

The aim is to examine the correlation between an unpredictable variable Y and a group of other variables.This study focuses on the variable of investor decision in commodities markets, with the independent factors being awareness, behavior, attitude, and risk-bearing ability. The relationships between these variables are discussed as follows:

Table -1: Relationship among constructs

	Sum of Squares	Mean	F value	p value
Regression	5704.72	814.96	87.06	.000(a)
Residual	6427.13	10.85		
Totality	12131.8			

Table-2: Showing the Coefficients (a)

Factors	Unstandardized Coefficients		t- value
	B	Std. E	
(Constant)	10.036	1.183	8.480
Awareness (X_1)	.315	.018	6.277
Behaviour (X_2)	.168	.026	2.657
Attitude (X_3)	.224	.036	6.183
Risk capacity (X_4)	.332	.031	4.304

a Dependent Variable: Commodity market investment decision

The multiple correlation coefficient, with a value of 0.786, quantifies the extent of the association between the specific values and the predicted standards of adjustment. The predicted values are obtained by using a linear combination of Awareness (X1), Behaviour (X2), Attitude (X3), and Risk bearing capacity (X4). The coefficient value of 0.786 indicates that the association between modification and the four independent variables is strong and positive.

The resilience coefficient R-squared measures the degree to which the predicted Sample set Regression Plane (SRP) accurately represents the variation in the dependent variables, as indicated by the percentage of the difference explained by the fitted sample set regression equation. Therefore, the R-squared value of 0.690 indicates that approximately 69% of the variation in the adjustment can be explained by the predictable SRP that utilizes Awareness (X1), Behaviour (X2), Attitude (X3), and Risk bearing capacity (X4) as independent variables. The R-squared value is statistically significant at the 1% level for X1, X3, and X4, and at the 5% level for X2, in the given illustration.

The multiple regression equation is

Y = 10.036 + 0.315X1 +0.168X2 +0.224X3 +0.332X4

The coefficient of awareness (X1) is 0.315, indicating the significant impact of awareness on investing decisions in commodity markets when all other factors are held constant. The predictable positive value indicates that for every unit increase in the awareness of investors set, the positive effect of investment decisions will increase by 31.5 percent. The coefficient value obtained for this measurement is highly significant at the 1% level, indicating a strong relationship between the level of awareness and positive investment decisions in commodity markets among the sample. Therefore, it is crucial to educate individuals at different levels of the education system about the origins of investment opportunities and the related risks. This will ensure that savings are transformed into sources of income and creators of wealth in the long run. The investment awareness programs should be up-to-date and aligned with the current trends and advancements in technology. The optimal resolution to address the issue of awareness is in the involvement of promotional agencies and regulatory agencies inside the market. Regulatory bodies should mandate and corporations involved in commodities trading should proactively spearhead efforts to raise awareness through media campaigns and sector-specific workshops. It is important to clearly and thoroughly communicate the risk concerns connected with each investment option.

The coefficient of X2, denoting the degree of influence of investment decisions, is recorded as 0.168. This value indicates the nominal level of influence while maintaining all other parameters constant. The positive correlation indicates that for each unit increase in individual investor behavior within the sample, the investment choice is expected to increase by 16.8 percent. An individual's behavior is influenced by their learning, observation, experience, awareness, and perception of a certain issue within the investment paradigm. Therefore, by gaining sufficient awareness and understanding the numerous qualities and risk components linked with commodity investments, individual behavior can be transformed into a good one. The level of comprehension and cognition of individuals may vary from person to person. It is certain that increased awareness has a beneficial effect on behavior and this may be witnessed.

The coefficient of X3, attitude, is measured at 0.224, indicating a significant level of influence on the investing decisions of individual investors in the sample. The text the coefficient value shows that a one-unit increase in attitude will result in approximately a 22.4 percent increase in positive investment decisions in the sample. Therefore, fostering a favorable mindset towards commodities markets and products can be achieved through effective communication and safeguarding investors against fraudulent activities and deceit. Furthermore, the favorable investment returns might foster confidence in the investment opportunity.

The coefficient of X4, which represents risk carrying capacity, is measured as 0.332, indicating a significant impact on an individual's investing selections. This is a sample. This also suggests that each increase in the risk-bearing ability can lead to a 33.2 percent improvement in favorable investment decisions for commodity investments in the sample. An individual's risk tolerance is determined by their income level, income stability, personal obligations, savings rate, family background, asset allocation, and understanding of investment risks associated with different investment options. The level of expertise in risk mitigation measures is positively associated with the investment decisions made in commodity markets.

Multiple Regression-2: Analysis of influence of economic profile, awareness, investment climate and regulatory protection on investor behaviour towards commodity markets

In this study, the dependent capricious is organizational development prospects (in terms of augment productivity of the employees, level of skills to resolve issues, expanded vision for development of the firm), Independent variables are economic profile of individual (X1), awareness (X2), investment market climate (X3) regulatory protection (X4) and investigation are discuss as follows:

Table-3: Showing ANOVA(b)

	Sum of Squares	Mean	F	P value
Regression	87.430	27.486	35.580	.000(a)
Residual	245.454	.742		
Totality	332.884			

The correlation coefficient is 0.754. It measures the correlation between the actual values and the expected values of the independent variables' impact on the investing behavior of individual investors in the given sample set. The predicted values are obtained by linearly combining independent variables such as the economic profile of the investor (X1), awareness towards commodity markets (X2), investment climate and market conditions (X3), and regulatory protection (X4). The coefficient value of 0.712 indicates that the relationship between the dependent and independent variables is significantly positive and optimistic.

Table-4: Showing Coefficient values

	Unstandardized Coefficients		t- value	P value
	B	Std. Error		
(Constant)	-4.166	.672	-6.198	0.000**
Economic profile	.172	.022	5.145	0.002**
Awareness	.315	.023	5.965	0.000**
Investment climate	.227	.018	7.213	0.004**
Regulatory protection	.379	.020	3.952	0.000**

a. Dependent Variable: investor behaviour

The coefficient of determination, R-square, measures the extent to which the variance in the dependent variable is explained by the regression equation fitted to the sample set. It serves as an indicator of the goodness-of-fit of the regression plane. Therefore, the R-squared value of 0.693 indicates that approximately 69.3% of the changes in modification can be explained by the predictable SRP, which utilizes the economic profile of individuals (X1), awareness (X2), investment market climate (X3), and regulatory protection (X4) as independent variables. The R-squared value is statistically significant at the 1% level.The multiple regression equation is

$$Y= 4.166 +0.172X1+0.315X2+0.227X3 +0.379X4$$

The coefficient of X1, which is 0.172, indicates the significant impact of an individual's economic profile on their investment behavior within the sample set, while holding all other variables constant. The positive sign indicates that the effect is encouraging. It suggests that for every unit increase in the economic profile of individual investors in the sample set, the prospects for commodities investment decisions would increase by 0.172. This coefficient value is highly significant at the 1% level. The fundamental factor for making any investment decision is to have excess money generated from consistent economic activity. Therefore, an individual's economic profile plays a crucial role in facilitating saves and investments, as well as in establishing a high-income earning portfolio over time.

The coefficient of X2, which is 0.315, indicates a significant impact of awareness on the investing decisions of individual investors in the commodity markets. This finding holds true even when all other variables are held constant. The consistent and encouraging indication suggests that the increase in awareness stimuli, influenced by external and internal forces as well as investment gains, leads to a significant increase of 0.315 in commodity investment decisions. This coefficient value is highly significant at the 1% level, as indicated by the p value of less than 0.001 obtained from data analytics. This unequivocally suggests that having knowledge and understanding of commodity market investments, including their risk elements, operational methods, and associated repercussions, can provide a clearer perspective for making investment decisions. Moreover, this can also serve as an incentive for others to invest in the identical portfolio, so enhancing profits and diversifying risks.

The coefficient of X3, which is 0.227, indicates a significant impact of the investment market climate on the investment decisions of the individuals in the sample, while holding all other variables constant. The consistent positive indicator suggests that an optimistic effect is expected, where the likelihood of positive investment decisions increasing by 0.227 for each unit increase in a favorable investment climate and stable market conditions in the sample set. This coefficient value is highly significant at the 1% level, as evidenced by the observed p-value from the data analytics being less than 0.001. Therefore, the investment market atmosphere and its durability play a crucial role in boosting investor confidence and encouraging them to participate in commodity markets.

The coefficient of X4, which is 0.379, indicates a significant impact of regulatory measures on protecting investors from fraud and cheating in commodity investment decisions. This effect remains consistent after controlling for other variables in the sample set. The consistent positive sign indicates that this outcome is beneficial, as the likelihood of positive investment decisions in commodity market investments increases by 0.379 for each unit increase in regulatory protection for investors. This coefficient value is highly significant at the 1% level, with an observed p-value of less than 0.001. Therefore, regulatory bodies serve as both promotional institutions and regulatory entities, diligently monitoring the operations of intermediaries to safeguard investors' interests consistently. The victims shall receive redress from any deceptive behavior conducted by the intermediary, and the duty to provide such protection lies solely with the regulators in the system. This might bolster the confidence in commodity market investments and increase their credibility among individual investors.

FINDINGS OF THE STUDY

The factors that influence investment decisions, in order of priority, are the risk bearing capacity of individuals, awareness towards commodity market investments, and the investment attitude and behavior of independent investors. These factors have coefficient values of 0.332, 0.315, 0.224, and 0.168, respectively. This suggests that the investors are exercising caution in their investing decisions. Each investment relies on the individual's ability to tolerate risk and their knowledge of a specific investment opportunity. The sensible investors' trustworthy and long-term investment selections are a favorable indication that the markets will see sustainable growth.

Factors determine. Investor behavior is strongly linked to factors such as the economic profile, awareness, investment market conditions, regulatory protection, and the active role of fostering commodity market investments through dependable rules and supervision that safeguard stakeholders. Therefore, the favorable attitude of investors towards commodity markets can be fostered by the implementation of cautious regulations and investor protection measures by regulatory authorities. The statistical evidence supports this claim, as demonstrated by the recorded factor coefficient values of 0.172, 0.315, 0.227, and 0.379, respectively.

SUGGESTIONS

Provide education and foster awareness among individual investors and future investors- Gaining a comprehensive understanding of the many categories of commodities helps facilitate investment decisions and discern the distinctions between them, as well as identify the variables that can influence their prices. A comprehensive comprehension of the market is crucial for achieving success. This knowledge empowers investors to make well-informed judgments.

Individual investors can employ behavioral methods to mitigate the significant risk associated with investing in the commodity market. These strategies include making careful and selective investments, as well as closely monitoring worldwide market developments. Instead of assuming high levels of risk and focusing primarily on the process of selecting individual stocks in the equity market, there is an alternative option in the investment market to generate income with reduced risk: the commodity market. Although investments in the commodity market may be considered minimal risk, modern finance presents investment decision making as a rational choice. The investment decisions made by investors in the commodity market are heavily influenced by their behavioral tactics, namely the practical implications of behavioral finance, which include the investors' knowledge, perception, and attitude.

The regulatory protection criteria and time frame for obtaining relief are crucial considerations for individuals who have invested their hard-earned resources. They want their investments to provide better returns, liquidity, and safety as smart features in both the short and long term. In order to strengthen trust in the system and preserve a sustainable market environment, it is crucial for regulatory authorities to enhance their protective measures to safeguard the interests of investors. The promptness of providing assistance to victims is more crucial than the specific measures implemented. Typically, when a decision is delayed, it results in a denial of justice for the investor. An investment that is not readily accessible when needed holds no value for the investor. Therefore, the time frame aspect plays a significant part in the protection and remedy claims of the investors. The protracted resolution of financial frauds and scandals leads to investor dissatisfaction, resulting in negative investment decisions regarding high-risk investment markets.

The institutional framework refers to the structure and regulations that govern the availability, accessibility, awareness, and affordability of products in the market. These four factors, known as the 4As, play a crucial role in determining the success of a product. The same principle applies effectively in financial markets as well. Therefore, the market system, which is restricted to metropolitan areas and the digital world, is unable to facilitate the pooling of savings from rural households for productive investments through commodities markets. Therefore, promoting the implementation of these services and choices by rural banks to their consumers can improve the market sector and so ensure sustainability. Ensuring trust and confidence is crucial for the return and liquidity of investments.

SUMMARY AND CONCLUSION

India's commodity trading market is well placed as one of the most significant and growth-oriented market in the world. It is one of the drivers of the economy and provides excellent opportunities for investors to diversify their portfolios. At present, both the government and the private organizations of the nation are putting their best minds at work to create a secure and efficient commodity trading market. In the current scenario, investing in commodity markets is a major challenge ever for individual investors with increased level of digitalization and cybercrimes. The investors should be aware of the various hedging and speculation strategies, which can be used to mitigate the risk. Investors' may take high risk in investment in commodity market to earned high return since many of the investors are only taking moderate return. The investors" has to be encouraged with new schemes in the commodity market. The investors are suggested to consider both fundamental and technical analysis and followed by market trend before making commodity investments due to effects of high level international market fluctuations. At the same time as the aspects establishing the behaviour of the investors are concerned, it is over and done along with that low risk, category search, informational irregularity, high return, technical analysis, fundamental analysis and updating knowledge are the essential factors. It is realized that investor's spotlight on positive features of an investment and their prospect estimations. The risk mitigation at right time needs some observation and continuous follow-up of the investment markets and price trends for better returns and safety of the investments. To sum up a detailed level of awareness, continuous follow-up of markets, investor protection measures of the regulatory bodies can definitely play a positive role in the investor behaviour and positive investment decisions towards commodity market investments in the market.

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