

ABSTRACT

The Indonesian Financial Literacy Index based on the financial services sector is still found to be quite far between the percentages of the banking sector and the capital market sector and the Indonesian Financial Literacy Index is still minimal. Therefore, through the Financial Services Authority (OJK) the government focuses on increasing financial literacy and inclusion, especially for people of productive age. The city of Jakarta is one of the cities with the majority of people of productive age, a lifestyle that is royal or lavish compared to an increase in investment and savings in financial service products.

This research aims to determine the effect of financial literacy, risk tolerance, and overconfidence on investment decision making in people of productive age in the city of Jakarta. The choice of the type of investment invested will be influenced by the individual investor's tolerance for risk which is often called risk tolerance. And one of the factors that can affect the psychological factors of individual investors in making investment decisions is overconfidence.

This research was conducted using quantitative methods, the number of samples used in the study was 400 respondents. Data analysis in this study used descriptive analysis techniques, multiple linear regression analysis, partial test analysis, simultaneous testing to answer the proposed hypothesis and analysis of the coefficient of determination.

The results of this research indicate that financial literacy, risk tolerance and overconfidence have a significant effect partially or simultaneously on investment decisions in the city of Jakarta.

Keyword: *Financial Literacy, Investment Decisions, Overconfidence, Risk Tolerance*