Influence Herding and Loss Aversion to Stock Investment Decisions with Fear of Missing Out (FOMO) as a Mediating Variable in the Young Generation in Jakarta

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Abstract: This research aims to analyze the influence of loss aversion and herd behavior on stock investment decisions through fear of missing out (FOMO) with the object of young generation investors who are a maximum of 30 years old and domiciled in DKI Jakarta who have carried out stock buying and selling transactions in the last year. Hypothesis testing in this research uses the PLS method or Partial Least Square with software SmartPLS 3.0. The data collection technique uses a questionnaire using the media googleform to collect data from respondents. The results of this research Herding and Loss Aversion does not have a significant effect on investment decisions. Shares of the younger generation of DKI Jakarta are different from the variables Fear of Missing Out which has a significant influence on the stock investment decisions of the younger generation of DKI Jakarta. Herding and Loss Aversion significant effect on Fear of Missing Out young generation of DKI Jakarta. For mediating variables, results can be drawn, namely for Herd Behavior has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out whereas for. Loss Aversion No has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out.

Keywords: Herding, Loss Aversion, Fear of Missing Out (FOMO), Stock Investment Decisions

INTRODUCTION

The capital market is an effective means of supporting economic growth and national development (Ferdinand & Purwanto, 2022). This is also supported by data, namely that the Financial Services Authority (OJK) recorded that the daily transaction frequency in the capital market reached 1.31 million times and the market capitalization was recorded at IDR 9,500 trillion or US$ 600 billion throughout 2022. The market capitalization value contributed 50%

to Indonesia's GDP (Idnfinancials.com). As of December 30 2022, the composite stock price index (IHSG) was at 6,850.62 points or managed to grow by 4.09% year-to-date. Along with the growth of the JCI, market capitalization also grew by 15.06% year-to-date (swa.co.id). Based on records from the Indonesian Stock Exchange (BEI), in the last 10 years the JCI has experienced a decline 4 times in 2013, 2015, 2018 and 2020. If we refer to 2013 data, at that time the IHSG growth fell by 0.98% due to the interest rate policy of the The Fed has become a negative sentiment for the Indonesian stock market. For 2015, the JCI fell again by 12.13% due to the economic slowdown in China. In 2018, the Indonesian stock market was shocked by trade issues between America and China, causing the JCI to fall 2.54%. During the pandemic, in 2020 the JCI was rocked by the Covid-19 pandemic which had a domino effect on company performance. At that time the JCI fell 5.09%. For now, the Indonesian Stock Exchange (BEI) has normalized stock trading hours as of April 3 2023 after being hit by the pandemic (cnbcindonesia.com).
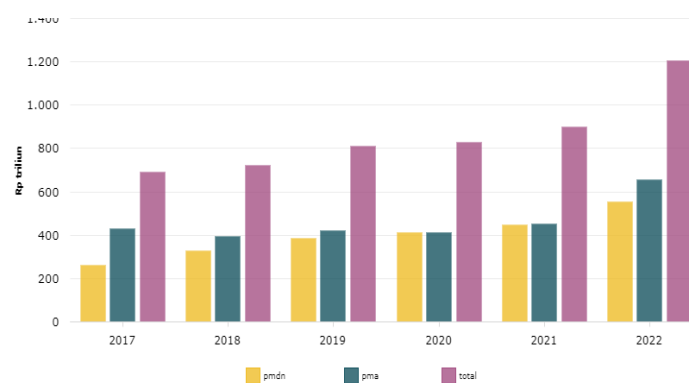

Figure 1. Graph of Investment Realization Annually in Indonesia (2017-2022)
Source: databoks.katadata (2023)

Since 2020 until the latest data, namely February 2023, the graphic movement of the number of capital market investors shows a positive trend as it continues to increase. Based on the graph in Figure 1.1, investment realization throughout 2022 reached IDR 1,207.2 trillion. This realization rose 34% on an annual basis (year-on-year/yoy) and became a new record high. (databoks.katadata.co.id)

The increasing level of investment realization is also based on the increase in the number of investors in the capital market. According to the President Director of PT Kustodian Sentral Efek Indonesia (KSEI), Uriep Budhi Prasetyo, the achievement of the number of capital market investors reaching 10 million is good news for the Indonesian capital market, especially as this number is dominated by local investors. Apart from indicating that local investors are increasingly confident and aware of the importance of capital market investment, the dominance of local investors is expected to provide resilience for the Indonesian capital market if it is hit by global issues (KSEI Press Release, 2023).

Based on KSEI data, since 2020 the number of capital market investors in Indonesia has increased sharply from 3.8 million to 7.4 million or an increase of up to 92.99 percent and then increased again in the following year, 2022, to 10.3 million. with a percentage increase of 37.68 percent and for the latest data in February 2023 there is still an increase with a percentage of 3.03%.

Demographically based on data, Indonesian investors are dominated by those aged under 30 years as much as 60.32 percent of the total with total assets of 47.87 trillion Rupiah and the second largest are those aged 31 to 40 years, namely 21.49 percent. (KSEI, 2023). According to Law Number 40 of 2009 concerning Youth, Youth or Young Generation are Indonesian citizens who are entering an important period of growth and development aged 16

(sixteen) to 30 (thirty) years so it can be somewhat concluded that Indonesian investors are dominated by the younger generation. The increase in the number of capital market investors is also supported by intensive education carried out by the Indonesian Stock Exchange and related parties as well as ease of access supported by technological developments. The IDX distribution network is recorded as being spread across 30 representative offices, 710 investment galleries and 448 investment communities. IDX is also targeting the addition of 100 new investment galleries in 2023, this is driven by the continued growth of retail investors from year to year. Apart from that, IDX also continues to provide education via digital platforms such as YouTube. The increase in the number of investors also occurred in line with the ease of access to purchasing and transacting in the capital market provided by a number of related parties (dataindonesia.id).
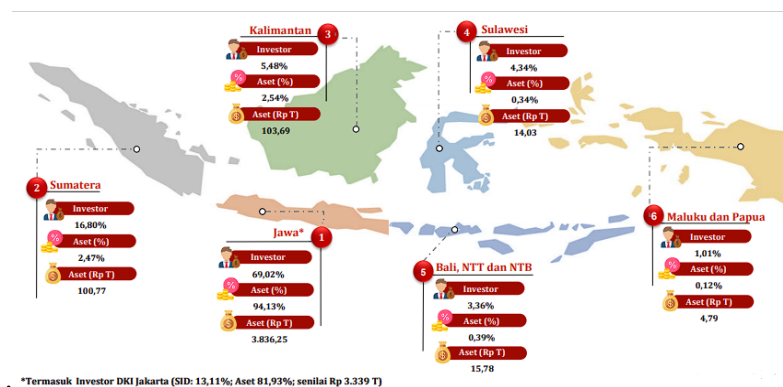

Figure 2. Graph of Domestic Investor Distribution
Source: KSEI (2023)

Still referring to data from PT Kustodian Sentral Efek Indonesia (KSEI) regarding the distribution of domestic investors as of February 2023, it can be seen that stock investors are still concentrated on the island of Java, namely 69.02% with an asset value of 94.13% and total assets at 3,836.25 Trillions of Rupiah which are also included in the data include investors domiciled in DKI Jakarta with asset values reaching 3,339 trillion Rupiah. The largest distribution of stock investors outside Java comes from Sumatra, amounting to 16.70% and total assets of 100.77 trillion Rupiah.

An economy that continues to develop along with changing times requires people to know the aspects that exist in the economy, one of the aspects that must be studied is the aspect of knowledge and management of personal finances and their influence on investment decisions (Ferli et.al, 2022). Investment decisions are the process of choosing investments from various alternatives which are generally influenced by past investment returns and expected returns in the future (Subash, 2012). There are two types of investors in making investment decisions, namely rational investors and irrational investors. Rational investors are those who make decisions based only on logical thinking and information about investment prospects. Meanwhile, irrational investors decide based on their psychological aspects which cause bias in investment decisions (Kartini & Nahda, 2021).

With the increase in the number of investors under 30 years of age, this can highlight how an investor behaves in making decisions when making an investment. According to Budiarto & Susanti (2017), theoretically in decision making, every investor always tries to make decisions rationally, but as time goes by psychological factors also determine when making investment decisions. Investors can sort shares before investing in a company so that they can get big profits in the future (Sari & Veterina, 2021)

Quoted from investor.id written by Olivia & Aziz (2021) Founder of Emtrade, Ellen May said that not all generation Z and Millennials have a good understanding of investing in shares. This generation itself has two characters, the first is young people who are thirsty for knowledge, thirsty for learning and have high curiosity. But Generation Z and Millennials have another side to their character, namely that they want to invest in the stock market by taking shortcuts. Quoted from tirto.id written by Syafina (2019), the results of research entitled "The Future of Money" conducted by Luno and Dalia Research also revealed that 69% of the millennial generation in Indonesia do not have an investment strategy.

Because many investors make investment decisions influenced by psychological factors which can cause investors to become irrational, finally many financial researchers began to develop theories behavioral finance (Ackert & Deaves, 2010). Behavioral finance has emerged over time as a result of fluctuations in security prices and the impact of psychological and behavioral elements on investor decisions. The goal of behavioral finance studies is to understand how investor behavior influences the way market participants make decisions. When trading equities in the capital market, investors often act irrationally because their choices are unconsciously shaped by psychological factors. (Wang & Nuangjamnong, 2022). Investments that are growing rapidly cannot be free from risks, therefore prospective investors must be able to gain insight, dig up information or see investments that will be profitable in the future. (Wijaya & Ferrari, 2020). In Indonesia, the largest number of investors come from the younger generation. However, surveys show that there are still many of them who invest without a clear plan. This is unfortunate considering the current situation, where the Indonesian and ASEAN governments are actively highlighting the importance of infrastructure development. Investment in infrastructure is a strategic long-term step. Therefore, now should be an opportunity for young investors to take the right steps.

Investment decisions are the process of choosing investments from various alternatives which are generally influenced by past investment returns and expected returns in the future (Subash, 2012). There are two types of investors in making investment decisions, namely rational investors and irrational investors. Rational investors are those who make decisions based only on logical thinking and information about investment prospects. Meanwhile, irrational investors decide based on their psychological aspects which cause bias in investment decisions (Kartini & Nahda, 2021). Herding is behavior that tends to follow other people's actions caused by the influence of public information about group or individual decisions (Areiqat et al., 2019). This behavior describes a situation where someone does something to be the same as what many people do (Asri, 2015). Behavior herding can occur because investors feel that there is no clear information available which encourages investors to follow the commotion that occurs in the market (Fityani & Arfinto, 2015). Loss Aversion is a condition where investors feel that they have experienced a loss in investing. According to Areiqat et al., (2019), loss aversion is the dominant feeling of investors to avoid losses rather than profits. This behavior also causes someone to tend to hold onto their investment when they experience a loss and immediately sell when their investment is in a profitable position. This happens because investors feel they will experience greater disappointment when their investment is lost compared to when their investment conditions are obtained (Ardini & Achyani, 2023). Fear Of Missing Out or FOMO is an uncomfortable and sometimes draining feeling that arises or is felt when your colleagues do, or have more or something better than you (Thompson, 2011). According to research (Gupta & Shrivastava, 2021), it was found that there is an influence from herd behavior and loss aversion on stock investment decisions and revealed that FOMO mediates this relationship. The mediation is complementary because the presence of FOMO increases the influence loss aversion and herd behavior on investment decisions of retail investors.

METHOD

The object of this research is young generation investors with a maximum age of 30 years and domiciled in DKI Jakarta who have carried out stock buying and selling transactions in the last year. The type of research used in this research is quantitative descriptive research which will be carried out once in one period (cross sectional design). This research uses guidelines from Hair, et.al (2014) for measuring sample size by multiplying the sample size by the number of indicators which produces 85 respondents, but in accordance with the same guidelines, namely Hair, et.al (2014), the maximum sample for a study is amounting to one hundred samples so that the researchers increased the number of samples to be studied from 85 to 100 with the aim and hope of obtaining more accurate data.

Table 1. Respondent Profile

Characteristics	Group	Frequency	Percentage
Gender	Woman	51	51%
	Man	49	49%
Age	17 - 20 Years	71	71%
	21 - 24 Years	16	16%
	25 - 27 Years	14	14%
Work	Student/Students	77	77%
	Officials (Private/ State)	18	18%
	Businessman	5	5%
Education	High School/Equivalent	14	14%
	D1	2	2%
	D3	6	6%
	D4	3	3%
	S1	65	65%

The analytical method used in this research is the Partial Least Square (PLS) data analysis method. Research data will be calculated using SmartPLS 3.0 software, using PLS – SEM to develop theory in exploratory research which has a focus on explaining variance in dependent variables when explaining the model, PLS – SEM also has the advantage of being able to work efficiently even though the sample is relatively small and the model is complex (Hair et.al, 2014).

RESULTS AND DISCUSSION

Theory Behavioral Finance

Behavioral Finance is a study that examines the psychological behavior of financial practitioners who have an impact on the market which helps to explain why and how markets become inefficient (Sewell, 2007). Theory behavioral finance emerged and tried to explain investors' irrationality and decision-making processes based on psychology (Subramaniam & Velnampy, 2017). When investors want to make an investment, they not only look at the investment prospects, the level of return or the risks that will be obtained, but psychological factors also greatly determine investment decision making. Kahneman and Tversky (1979) found that individual behavior differs when making decisions and classical financial theory cannot predict all financial decisions that will be taken. This happens because each individual behaves differently towards the same problem, so different individual behavioral factors must be taken into account.

Stock Investment Decisions

Talking about investment, an investor is expected to be able to make plans, make observations, and analyze various information and have a realistic and rational way of thinking in making decisions. To obtain appropriate expectations from decisions taken regarding investment, an investor needs to make investment decisions. In reality, there are two ways in

the decision making process, the first is rational decision making and the second is decision making using intuition or irrationality (Rona & Sinarwati, 2021). Investment decisions are the process of choosing investments from various alternatives which are generally influenced by past investment returns and expected returns in the future (Subash, 2012). There are two types of investors in making investment decisions, namely rational investors and irrational investors. Rational investors are those who make decisions based only on logical thinking and information about investment prospects. Meanwhile, irrational investors decide based on their psychological aspects which cause bias in investment decisions, (Kartini & Nahda, 2021).

Herding

Herding is the behavior of following the movements of the majority of groups and institutions in determining investment decisions (Grover & Singh, 2015). Activity herding ignoring the investor's own abilities and beliefs and aiming to socialize and gain acceptance and recognition from the group (Yuwono & Elmadiani, 2021). Investors who are not well informed feel safe when they imitate the investment patterns of other investors or the masses (Dar & Hakeem, 2015).

Loss Aversion

Loss aversion is the view of investors who try to avoid losses and prefer to approach profits. Rational investors would trade more if they were less risk averse (Barber & Odean, 2001). According to Areiqat et al., (2019), loss aversion is the dominant feeling of investors to avoid losses rather than profits. This behavior also causes someone to tend to hold onto their investment when they experience a loss and immediately sell when their investment is in a profitable position. This happens because investors feel they will experience greater disappointment when their investment is lost compared to when their investment conditions are obtained (Ardini & Achyani, 2022). According to Pompian (2006), loss aversion is the tendency to prefer avoiding a loss to obtaining an equivalent gain. Loss aversion is a tendency in which investors are so afraid of losses that they focus more on avoiding losses than on making profits.

Fear of Missing Out (FOMO)

FOMO is an uncomfortable and sometimes draining feeling that arises or is felt when your colleagues do, or have more or something better than you (Thompson, 2011). It can also be described as 'emotional anxiety', or 'a pervasive worry that others may have a rewarding experience in which one is not', or 'a desire to remain connected to peer activities as a byproduct of knowing about those activities (Dykman, 2012; Przybylski et al., 2013). Concerns about not engaging in an experience or not acquiring a product praised by others create the phenomenon of 'missing out'. Fear of Missing Out or FOMO is also seen and witnessed in individual shopping behavior, especially due to the outbreak of the global pandemic behavior into panic buying (Good & Hyman, 2021), sustainable consumption and switching to online shopping (Gupta & Mukherjee, 2022). FOMO can also occur when we make a decision just because everyone else is doing it and you ignore your digital presence (Tandon et.al, 2021).
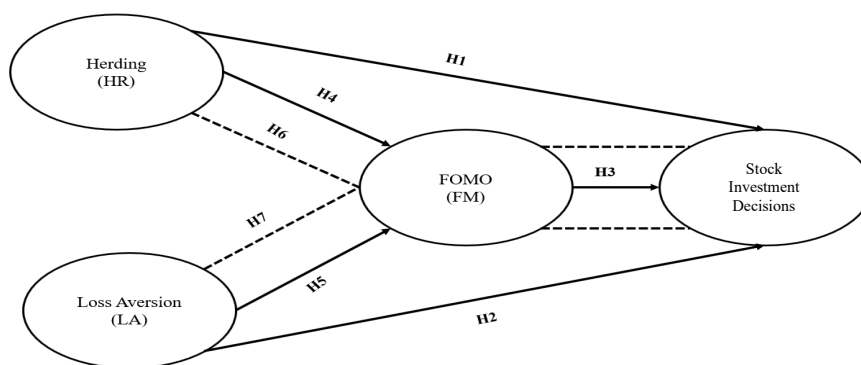
Research Framework

Figure 3. Research Framework
Source: Replication of research by Gupta & Shrivastava (2021)

a) H1: *Herd Behavior* has a significant influence on the stock investment decisions of the younger generation of DKI Jakarta
b) H2: *Loss Aversion* has a significant influence on the stock investment decisions of the younger generation of DKI Jakarta
c) H3: *Fear of Missing Out* has a significant influence on the stock investment decisions of the younger generation of DKI Jakarta
d) H4: *Herd Behavior* significant effect on *Fear of Missing Out* young generation of DKI Jakarta
e) H5: *Loss Aversion* significant effect on *Fear of Missing Out* young generation of DKI Jakarta
f) H6: *Herd Behavior* has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through *Fear of Missing Out*
g) H7: *Loss Aversion* has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through *Fear of Missing Out*

Validity Test and Reliability Test

These validity test and reliability test measurements were processed after researchers distributed questionnaires and analyzed respondent data from 100 young generation investor respondents in DKI Jakarta.   Based on the results of the validity test using SmartPLS 3.0 software, it is known that the indicators for each variable in this research instrument meet the requirements or are said to be valid so that they can be used to measure all the variables to be studied and can be continued to the next stage.

Evaluation of the Measurement Model (Outer Model)

Table 2. Construct Validity

Variable	Indicator	Outer Loadings	Conclusion
Herding	HR1	0.880	Valid
	HR2	0.728	Valid
	HR3	0.872	Valid
	HR4	0.722	Valid
Loss Aversion	LA1	0.916	Valid
	LA2	0.782	Valid
	LA3	0.869	Valid
FOMO	FM1	0.818	Valid
	FM2	0.852	Valid
	FM3	0.821	Valid
	FM4	0.799	Valid
	FM5	0.718	Valid

Variable	Indicator	Outer Loadings	Conclusion
	FM6	0.823	Valid
Stock Investment Decisions	KI1	0.704	Valid
	KI2	0.656	Not Valid
	KI3	0.747	Valid
	KI4	0.791	Valid

Table 3. Convergent Validity

Variabel	AVE	Criteria
Herding	0.522	Valid
Loss Aversion	0.555	Valid
FOMO	0.581	Valid
Stock Investment Decisions	0.506	Valid

Table 4. Construct Validity

Construct	Cronbach's Alpha	Composite Reliability	Criteria
Herding	0.732	0.833	*Reliable*
Loss Aversion	0.713	0.754	*Reliable*
FOMO	0.817	0.867	*Reliable*
Stock Investment Decisions	0.758	0.847	*Reliable*

In testing the outer model, almost all indicators were declared valid in the research because the AVE value was more than 0.5 and the value loading factor more than 0.70 except for the indicator of the stock investment decision variable, namely KI2, which has a value of 0.656, which means below 0.70. The Rule of Thumb for evaluating reflective measurement models, namely composite reliability must be more than 0.70, but if the research is in the exploration stage, it is 0.60 to 0.70 still acceptable. For convergent validity the AVE value must be higher than 0.50. For discriminant validity, it refers to the cross loading factor value and the Fornell-Larcker value. The outer model or specific measure includes composite reliability, convergent validity and discriminant validity (Hair et al., 2014). So it can be concluded that the value outer loading and AVE is good for each construct herding, loss aversion, fear of missing out (FOMO) and stock investment decisions. A construct is declared reliable if the Composite Reliability and Cronbach's Alpha values are above 0.70. In the table above, Composite Reliability and Cronbach's Alpha for all constructs are above 0.70, this shows that all constructs in the estimated model have met the reliability criteria.

Structural Model Evaluation

Table 5. R-Square

Construct	R- Square	Adjusted R-Square	Criteria
FOMO	0.434	0.422	Moderate
Stock Investment Decisions	0.302	0.280	Moderate

Fear of Missing Out (FOMO) has an R-Square value of 0.434, which means that 43.4% of the variation in the FOMO variable is represented by the herding and loss aversion variables which are able to explain and the remaining 56.6% is represented by other variables outside the research model. Apart from that, Stock Investment Decisions have an R-Square value of 0.302, which means that 30.2% of the variation in the Stock Investment Decision variable is represented by the variable herding and loss aversion able to explain and the remaining 69.8% is represented by other variables outside the research model.

Hypothesis Testing

<div align="center">Table 6. Hypothesis Testing</div>

Construct	Original Sample	T-Statistics ($|$O/STDEV$|$)	P-Values	Conclusion
Herding ⟶ Stock Investment Decisions	0.249	1.105	0.270	H1 Not supported by data
Loss Aversion ⟶ Stock Investment Decisions	0.120	0.993	0.321	H2 Not supported by data
FOMO ⟶ Stock Investment Decisions	0.295	2.081	0.038	H3 is supported by data
Herding ⟶ FOMO	0.527	5.434	0.000	H4 is supported by data
Loss Aversion ⟶ FOMO	0.263	3.526	0.000	H5 is supported by data
Herding ⟶ FOMO ⟶ Stock Investment Decisions	0.156	2.086	0.038	H6 is supported by data
Loss Aversion ⟶ FOMO ⟶ Stock Investment Decisions	0.078	1.532	0.126	H7 is not supported by data

Based on the table above, it shows that the P-Values value is 0.270 > 0.05. [OF3] Mark path coefficient amounting to 0.270 which indicates that there is no significant influence between herding on stock investment decisions of the younger generation of DKI Jakarta. The conclusion that the hypothesis Ho1 in this study cannot be rejected, which is meaningful herding does not have a significant effect on the stock investment decisions of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value from the original sample which shows a positive value of 0.247 according to research from Pranyoto et al., (2020) who examined the influence Herding Behavior and Experienced Regret regarding bitcoin investment decisions in Lampung stated that herding behavior did not have a significant positive effect on investment decisions. These results indicate that investors tend to receive information and carry out good analysis to choose shares.

For the next hypothesis, it is shown that the P-Values value is 0.321 > 0.05[OF4] . Mark path coefficient amounting to 0.321 which indicates that there is no significant influence between loss aversion on stock investment decisions of the younger generation of DKI Jakarta. The conclusion that the Ho2 hypothesis in this study cannot be rejected is meaningful loss aversion does not have a significant effect on the stock investment decisions of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value from the original sample which shows a positive value of 0.295 according to research from Pradhana (2018) who examined the influence financialliteracy, cognitive bias, and emotional bias regarding stock investment decisions among investors in the Surabaya State University investment gallery stated that loss aversion has no effect on investment decisions.

The third hypothesis is based on the P-Values value of 0.038 < 0.05.[OF5] Mark path coefficient amounting to 0.038 which indicates that there is a significant influence between fear of missing out on stock investment decisions of the younger generation of DKI Jakarta. The conclusion that the hypothesis Ho3 in the research is rejected, which means fear of missing out (FOMO) has a significant influence on stock investment decisions of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value of original sample which shows a positive value of 0.295 according to research from Abel et al., (2016) which states that FOMO applies to individuals when they

see, read, or learn about other people's actions and feel lost. FOMO has also been studied in the context of consumer behavior and how it influences on the consumer decision making process. The same can be said about investors who are under the influence of the desire for higher returns and feel they may miss out on potential opportunities if they do not take immediate action (Dennison, 2018; Kang et al., 2020).

For the next hypothesis result, with a P-Values value of 0.000 < 0.05[OF6] . Mark path coefficient of 0.000 which indicates that there is a significant influence between herd behavior to fear of missing out young generation of DKI Jakarta. The conclusion that the hypothesis Ho4 in the research is rejected, which means herd behavior significant effect on fear of missing out (FOMO) of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value from the original sample which shows a positive value of 0.527. According to research by Kang et.al (2020) and Tarjanne (2020) there is a relationship between FOMO and herding. Both studies imply that FOMO leads consumers to collective consumption of products to generate psychological comfort in them. A person's collective consumption decisions are often influenced by others around them. The fifth hypothesis shows that the P-Values value is 0.000 < 0.05. [OF7] Mark path coefficient of 0.000 which indicates that there is a significant influence between loss aversion to fear of missing out young generation of DKI Jakarta. The conclusion that the hypothesis Ho5 in the research is rejected, which means loss aversion significant effect on fear of missing out (FOMO) of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value from the original sample which shows a positive value of 0.236. According to Kahneman et.al (1991) who have explored that investors who feel or uphold loss aversion generally make irrational decisions.

Furthermore, in the sixth hypothesis, the P-Values value is 0.038 < 0.05[OF8] . Mark path coefficient amounting to 0.038 which indicates that there is a significant influence between Herd Behavior regarding Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out The conclusion that the hypothesis Ho6 in the research is rejected, which means herd behavior significant effect on fear of missing out (FOMO) of the younger generation of DKI Jakarta. The direction of the relationship between variables shows a positive value based on the value of original sample which shows a positive value of 0.156. According to research, FOMO is an uncomfortable and sometimes draining feeling that appears or is felt when other people do, or have more or something better than us (Thompson, 2011). Herding is the behavior of investors who tend to follow other investors in investing without first carrying out fundamental analysis so that the market formed becomes inefficient (Fitriyani & Arfinto, 2015). Investors do herding because the unavailability of clear information encourages investors to follow the behavior of other investors or a previously formed consensus.

The last or seventh hypothesis shows that the P-Values value is 0.126 > 0.05[OF9] . Mark path coefficient amounting to 0.126 which indicates that there is no significant influence between Loss Aversion regarding Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out The conclusion that the hypothesis Ho7 in the research cannot be rejected, which means loss aversion has a significant influence on the stock investment decisions of the younger generation of DKI Jakarta through fear of missing out. The direction of the relationship between variables shows a positive value based on the value from the original sample which shows a positive value of 0.078. According to research Loss Aversion describes the tendency to weigh greater losses than similar gains in investment decisions. Research conducted by Alquraan, Alqisie and Al Shorafa (2016), Gupta and Ahmed (2016), Pandey and Jessica (2018) found that loss aversion has a significant positive influence on investment decisions. Falahhati et.al (2012) in their research analyzed the role of mediation loss aversion in the stock market on financial behavior and financial stress. FOMO syndrome

is related to fear and anxiety about missing important information and developments due to not always being connected to social media (Przybylski et al., 2013).

CONCLUSION

This research aims to analyze the influence of loss aversion and herd behavior on Stock Investment Decisions through fear of missing out (FOMO) with the object of young generation investors who are a maximum of 30 years old and domiciled in DKI Jakarta who have carried out stock buying and selling transactions in the last year. The results of this research are Herding and Loss Aversion does not have a significant effect on the Stock Investment Decisions of the younger generation of DKI Jakarta, different from the variables Fear of Missing Out which has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta. Herding and Loss Aversion significant effect on Fear of Missing Out young generation of DKI Jakarta. For mediating variables, results can be drawn, namely for Herd Behavior has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out whereas for . Loss Aversion No has a significant influence on the Stock Investment Decisions of the younger generation of DKI Jakarta through Fear of Missing Out.

There are limitations to this research in the form of this research only taking respondents from the younger generation in DKI Jakarta so that further research can expand or increase respondents with various age ranges and wider geographical locations. Then the Dependent Variable, namely Stock Investment Decisions, only has value R-Square amounting to 30.2% of the independent variable, namely Herding, Loss Aversion and FOMO. Meanwhile, 69.8% is influenced by other variables so that further research is recommended to add or replace variables that do not influence FOMO and Stock Investment Decisions which are still in accordance with theory. behavioral finance, like overconfidence, risk perception or over/under reacting. And suggestions for investors in maintaining or improving investment decisions, young generation investors can carry out top-down fundamental analysis to assess the company's prospects and learn what risks occur when investing in shares so that they don't just rely on feelings or psychology.

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