

ABSTRACT

Islamic mutual funds that have several characteristics such as cost and time efficiency because they will be managed by Investment Managers, affordable initial capital, and investments that are in accordance with sharia principles make this one of the investment instruments in the Islamic capital market attractive. The process of screening and cleansing of non-halal elements which is prohibited by sharia principles is the difference between sharia mutual funds and conventional mutual funds. The development of sharia mutual funds from year to year is increasing, certainly accompanied by an increasing number of investors who invest in sharia mutual funds. This study aims to determine the factors that influence investors' decisions in investing in Islamic mutual funds in Indonesia.

The type of data used in this study is primary data, with data collection methods using a questionnaire. The population in this study is investors who invest in Islamic mutual funds in Indonesia. The exact population is unknown, so researchers took a sample of 100 people to become respondents with a purposive sampling approach. The analysis technique used is multiple linear regression analysis which is calculated using the SPSS 23.0 application.

The analysis showed that product information, consideration of sharia principles, and development of sharia mutual funds partially had a positive effect on investors' decisions to invest in sharia mutual funds. While investment risk and economic considerations do not affect investors' decisions to invest in Islamic mutual funds. Simultaneously, product information, investment risk, consideration of sharia principles, economic considerations, and development of sharia mutual funds have a positive effect on investors' decisions to invest in sharia mutual funds.

Keywords: Product Information, Investment Risk, Sharia Principles Considerations, Economic Considerations, and Sharia Mutual Fund Development.