

**THE EFFECT OF RISK AND RETURN ON STUDENTS'
INTEREST IN INVESTING IN MUTUAL FUNDS WITH
INVESTMENT KNOWLEDGE AS
MODERATION VARIABLES
(Study on Students of the Faculty of Economics
and Islamic Business UIN Raden Intan Lampung)**

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ABSTRACT

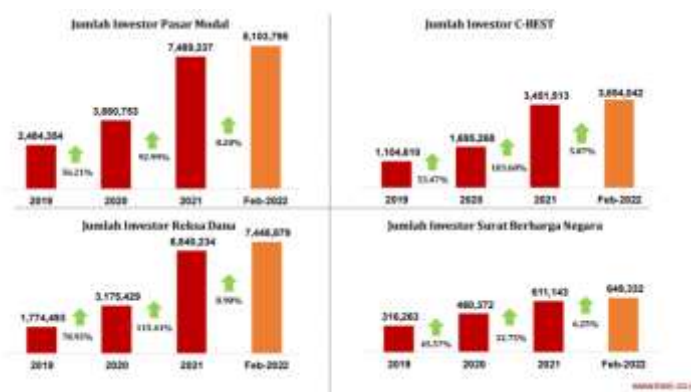
Based on KSEI data, capital market investors continue to show improvement in recent years. Until February 2022, the number of capital market investors is dominated by the younger generation, but based on observations from pre-research data from researchers at UIN Raden Intan Lampung Students regarding Mutual Fund Investment, it turns out that they are still ordinary and some are even reluctant to invest in mutual funds, which shows that their investment interest is still low. The formulation of the problem in this study is whether risk and return have a partial effect on student interest in investing in mutual funds, whether investment knowledge moderates the relationship between risk to student interest in investing in mutual funds, does investment knowledge moderate the relationship between return on student interest in investing in mutual funds and how student interest in investing in mutual funds in an Islamic economic perspective. This study used a quantitative approach. This research was conducted on students who are or have taken the Financial Management course at the Faculty of Economics and Islamic Business UIN Raden Intan Lampung, the sample in this study was 96 respondents. Sampling is done by purposive sampling. The data analysis method uses SEM (Structural equation modeling) using Partial Least Square (PLS) and data management is carried out using SmartPLS 3 software. The results of this study show that the variables Risk and Return partially have a positive and significant effect on Student Interest in Investing in Mutual Funds. The R^2 test shows that the R^2 value of Investment Interest is 0.546 which means that the value shows that Risk and Return contribute 54.6% and the remaining 46.4% to other variables. Then for variable moderation, investment knowledge weakens the relationship between risk and investment interest significantly, this shows that investment knowledge weakens the relationship between risk and student interest in investing in mutual funds, meaning that investment knowledge moderates the relationship between risk and student interest in investing in mutual funds. Furthermore, investment knowledge strengthens the relationship between return and investment interest insignificantly, this shows that investment knowledge strengthens the relationship between return and student interest in investing in mutual funds but the effect is not large, meaning that investment knowledge does

not moderate the relationship between return and student interest in investing in mutual funds.

Keywords: *Risk, Return, Investment knowledge, Student Interest in investing, Mutual funds.*

INTRODUCTION

Public statistical data released by PT Kustodian Sentral Efek Indonesia (KSEI) in January 2021 shows a significant increase in the number of capital market investors. Data from the end of 2018 to the end of 2019 shows an increase in the number of investors from 1,619,372 to 2,484,354. This increase of 53.41% is still lower than the data from the end of 2019 to 2020. At the end of 2020, the number of investors had reached 3,880,753 even though the pandemic was ongoing. Based on investor demographic data at the Indonesian Central Securities Depository, the growth of the mutual fund industry will continue to grow positively in 2021 in line with national economic conditions which are starting to recover from the crisis caused by the Covid-19 pandemic. Data shows that more than half of investors have investment accounts with Selling Agent Fintech. Interestingly, now there are more than 70% of investors between 30 and 40 years old. Chairman of the Presidium Council of the Association of Mutual Funds & Investment Players, Prihatmo Hari Mulyanto, said that digital mutual fund sales agents (Aperd) will continue to play an important role in spurring the growth of the mutual fund industry. The presence of Aperd digital is considered successful in encouraging the younger generation, millennials and digital savvy individuals to start investing in funds in the last two years. Prihatmo said there would be 3.2 million mutual fund investors in 2020, up 78% from December 2019. Meanwhile, the number increased once again to 3.5 million in March 2021. The increase in the number of retail investors during the pandemic could be due to a shift in millennial behavior in spending their money. The travel ban encourages young people to allocate their vacation budget to investment accounts.



Source: www.ksei.co.id

Picture 2
 Statistical Data on the Number of Investors

Capital market investors have continued to increase in recent years. The total SID of capital market investors as of February 2022 will reach 8.1 million SID, growing 8.2 percent from 7.5 million SID at the end of December 2021. When the Indonesian Central Securities Depository (KSEI) website goes live on Saturday, March 5 2022, the majority capital market investors are young people. In line with the increase in capital market investors, this trend has also been experienced in various recent years. As of February, 60.32 percent of all investors were under 30 years old. Followed by 21.49 percent of investors aged between 31 and 40 years. Investors aged between 41 and 50 make up 10.34% of the next group, followed by investors aged between 51 and 60 (5.04%), and investors over 60 (2.8%). 3.65 million SID was recorded in February 2022, up 5.87 percent from the position at the end of 2021 for stock investors. Then, investors in mutual funds increased 8.9% to 7, So the most significant increase in capital market investors occurred during the pandemic. Where in 2020, there was an increase of 56.2 percent. Meanwhile, the following year there was an increase of up to 92.99 percent.

Return the advantage in mutual funds is that mutual fund transaction costs are relatively low and can be purchased in relatively small amounts, then mutual funds are generally suitable for beginners with limited capital and investors with financial capabilities that are not too large and do not really master portfolio techniques and do not can follow market developments, and mutual funds are generally managed by professional investment managers and manage large amounts of funds. Mutual funds can provide profits for investors if the securities portfolio managed by the investment manager gets results as expected. However, if the securities portfolio experiences losses, the mutual fund may also experience losses. Therefore, it is necessary to balance this with knowledge about mutual

fund investments to minimize losses. In QS. Yusuf (12) Verses 46-49 contain the story of the Prophet Yusuf's devotion to the dream of the Egyptian king who saw seven fat cows being eaten by seven thin cows. The result of Prophet Yusuf's takwil at that time was a program to build barns during the seven fertile seasons to anticipate food supplies when a long drought struck. This story can be a motivation to start investing. The investment philosophy taken from Prophet Yusuf's interpretation of the king's dream seems relevant to current global conditions. When we are in the gemah ripah loh jinawi phase (serene, prosperous and very fertile), we should not exploit it to the max, but set aside some of the results for a brighter and more blessed future.

QS Lukman (31) Verse 34

إِنَّ اللَّهَ عِنْدَهُ عِلْمُ السَّاعَةِ وَيُنزِلُ الْغَيْثَ وَيَعْلَمُ مَا فِي الْأَرْحَامِ ۗ وَمَا تَدْرِي نَفْسٌ
مَّاذَا تَكْسِبُ غَدًا ۗ وَمَا تَدْرِي نَفْسٌ بِأَيِّ أَرْضٍ تَمُوتُ ۗ إِنَّ اللَّهَ عَلِيمٌ خَبِيرٌ

Meaning: Verily, Allah, only with Him is the knowledge of the Day of Judgment; and He is the One who sends down rain, and knows what is in the womb. and no one can know (for sure) what he will undertake tomorrow [1187]. And no one can know where on earth He will die. Indeed, Allah is All-Knowing, All-Knowing.

[1187] Namely: People cannot be sure what they will try or find tomorrow. However, they have to try.

The paragraph above refers to investment, The verse above clearly states that no one in this world can predict what they will try or do tomorrow. Because of this ignorance, humans are ordered to try, one of which is by investing as a provision for facing an uncertain tomorrow, the results are God's right, but the important thing is to try by following religious standards in every activity, including investment. Therefore, the point can be drawn if Islam sees investment as an activity that is so crucial as to be an anticipatory stage for future events. The call for believers to prepare themselves (anticipate) for tomorrow indicates that everything must be prepared with full calculation and accuracy. From an economic perspective, tomorrow in the verses above can be interpreted as the future, when students are said to be educated but are not interested and do not know about investment. So this can be considered a problem, because in Islam it is recommended that we invest or set aside for the future and the next generation.

Table I
Pre-Research Data Regarding Mutual Fund Investments for Students

NO	QUESTION	ANSWER (Yes/No) / REASON
I	Do students know about mutual fund investment? Have you ever invested in mutual funds?	<ul style="list-style-type: none"> - No, never tried it. - No, it's really different from shares, isn't it? - You know, I've never invested

		because I'm afraid of losing.
2	If you have the opportunity, would you like to try investing in mutual funds?	<ul style="list-style-type: none"> - Yes, he said the profits could be big. - No, not interested yet. - No, I'm afraid of losing because I don't understand.
3	Are you worried if the income you get from investing in mutual funds does not match your expectations?	<ul style="list-style-type: none"> - Yes, afraid of losing. - Yes, not ready for the risk. - Yes, I'm afraid of losing and not making a profit and even losing my capital.
4	If you invest in mutual funds, do you think investing in mutual funds provides profits (profit sharing) that are more attractive and profitable compared to saving in a bank?	<ul style="list-style-type: none"> - Yes, he said the profits from investment are more attractive. - I don't know, I think it's safer at the bank. - Yes, but the losses can also be greater.
5	As a potential investor, basic knowledge about mutual funds is very important?	<ul style="list-style-type: none"> - Yes, because it can minimize losses. - Yes, so you can get maximum profits. - Yes, very important.

For this pre-research interview, the target was students at UIN Raden Intan Lampung, Faculty of Economics. Of the 37 students, around 84%, to be precise, 31 research students concluded that they had minimal interest in investing, especially mutual funds. The answers given by respondents varied, some of them said that they were not ready for the risks, they were afraid of losing to the dealer, they were afraid of a lack of security guarantees. Those who say they are interested are on average because of the large profits, but they are also not ready to become investors because they are not ready financially, with consequences and consistency.

Based on the explanation above, students as part of one of the young people who dominate the capital market show that they are interested in investing, but based on the results of observations from pre-research data from researchers on UIN Raden Intan Lampung students regarding mutual fund investment, it turns out that they are still laypeople and some are even reluctant to investing in mutual funds shows that their interest in investing is still low, because they assume that investment must have a big risk because when students hear the word

investment they tend to focus on stocks. No one likes losses, what everyone likes is profits. Unfortunately, in the world of investment, risk and return have a unidirectional relationship, namely "high risk, high return", which means that the higher the return, the higher the risk, and vice versa. The problem with student interest is that students think that investment is too risky to make a profit. So they choose to delay or even be reluctant to invest, which is due to the lack of information or knowledge they have to be able to manage or consider the risks and returns in investment, causing their investment interest to decrease.

Due to inconsistencies in the results of previous research regarding Risk and Return, the researcher feels it is important to place the Investment Knowledge variable as a moderating variable. Because knowledge can be another factor that can influence investment interest besides risk and return, whether it strengthens or weakens it. Investment knowledge is a basic understanding of various aspects of investment including basic knowledge of investment assessment, the level of risk and the rate of return on investment which is important for someone to have before making an investment with the aim of making it easier for investors to make decisions and minimizing the risk of loss when investing. In line with what was stated by the Director of Panin Asset Management, Rudiyanto, that the increase in investors in the mutual fund industry every year, related to people's knowledge about finance, especially investment, which is getting better. This means that there is a need for adequate information to make it easier for investors to practice investing, because an investor's ability to face risks and reduce the impact of losses that may be experienced when working in the world of capital markets is based on adequate knowledge about investment. According to Luh Komang Merawati, investment knowledge is insight that forms the basis of a person's investment. So, investment knowledge is knowledge gained when someone understands and studies the field of investment and then applies it. Similar research was conducted in Ponorogo by Husna Fitri Amalia with the title "The Influence of Return and Risk on Student Investment Interest in the Diponegoro State Islamic Religious Institution Investment Gallery." Researchers are interested in carrying out similar research at UIN Raden Intan Lampung but by using a specific subject (variable Y), namely Mutual Fund Investment Interest, then adding a moderating variable, namely Investment Knowledge. Researchers feel it is important to conduct this research considering that there has been an increase in the number of young investors during the pandemic, while students' investment interest at UIN Raden Intan Lampung is still minimal.

THEORY

Investment Management

Investment Management as a grand theory in this research, which generally involves the willingness to release or sacrifice valuable resources in the present, with the intention of receiving economically valuable income in the

future. And in line with the business context, namely the process of managing funds or investing funds or capital in the present with the hope of receiving a number of profitable payments in the future. This theory is used to support the correlation between risk and return on investment interest.

Theory of Planned Behavior

Theory of Planned Behavior is a theory that links beliefs and behavior. This theory was developed to be able to predict an individual's intention to engage in behavior at a certain place, time and also behavioral control. Intention is the beginning of the formation of a behavior which is determined by three things, namely behavior, behavioral control and subjective norms. Humans basically behave consciously, they consider available information including risk and return in the capital market.

Decision Usefulness

The decision usefulness approach says that investors are basically rational. When faced with a situation of uncertainty, investors will tend to choose to avoid the risk with rational actions. Because investors are responsible for making investment decisions, one of the bases for decision making is information or knowledge. The decision usefulness approach assumes that investors are rational in making decisions when faced with conditions of uncertainty. So it can be concluded why investors choose to respond negatively when investors see that the rate of return is not getting better as expected, despite that investment is part of an effort to take anticipatory steps.

Fiqh Muamalah Maliyah

The scope of muamalah fiqh is all human muamalah activities based on Islamic laws in the form of regulations containing commands or prohibitions such as obligatory, sunnah, haram, makruh and permissible. The basis for economic activity, including investment, is the Al-Qur'an and the hadith of the Prophet SAW. In addition, because investment is part of economic activity (muamalah māliyah), the rules of muamalah fiqh based on DSN-MUI Fatwa No. 07/DSN-MUI/IV/2000 ie "Basically, all forms of muamalah, including economic activities, are permissible unless there is an argument that forbids it.

Risk

Risk or loss, in the decision usefulness approach, assumes that investors are rational individuals, namely individuals who consider the trade-off between the expected return and the risks they will face in their interests and investment decisions, and choose actions that will produce the highest expected utility. Nobody likes risk. The difference is only in how much each person is able to accept the risk. There are those who are only able to accept low risks, but there

are also those who are able or ready to bear high risks. Investment risk means deviation from expected profits. The existence of uncertainty means that investors will receive returns in the future whose value is unknown.

Return

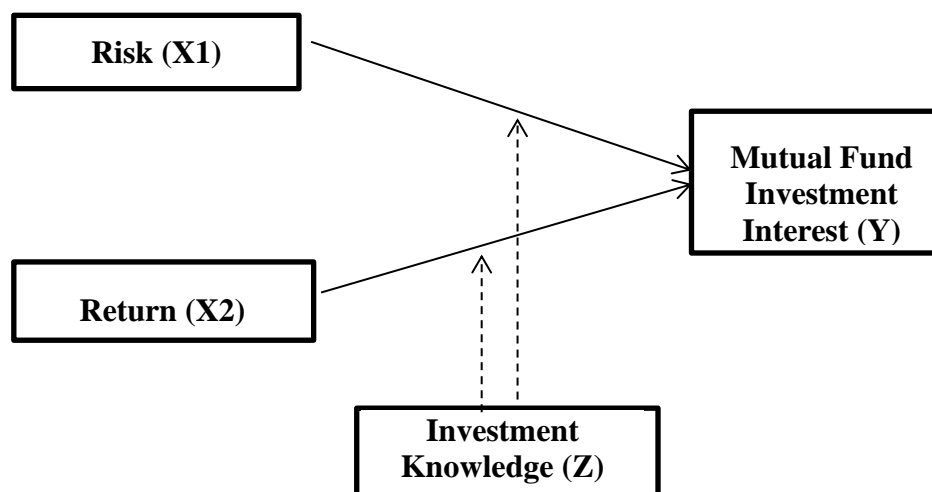
Return according to KBBI, Return (profit) is profit. Dr. Puji Wahono, a lecturer in management and entrepreneurship, said that when investing, people should not only be tempted by the returns they will receive. Because, behind the profits there are risks that can arise. Risk and return are two things that have very thin boundaries. Both are components that are closely attached to every type of investment. The greater the potential return, the greater the risk posed. Investors will look for the lowest risk for investments that have the same level of return, whereas investors will choose the highest return for investments that have the same risk.

Knowledge

Investment Knowledge is the basic concept possessed in making investments. Investment knowledge is an understanding that must be generated by people regarding several points of view regarding investment, originating from the basic understanding of investment assessment, the level of risk, and the benefits that will be obtained. A basic understanding of investment makes it easier for someone to make a decision. The understanding in question is how to use some of the funds and resources from the learning received so that it can be absorbed by humans. Basic knowledge about investment is needed because most people in this country consider investment to be something they rarely know about.

Investment Interest

According to the KBBI, interest is defined as attention, liking, inclination of the heart. Interest is related to something that is profitable and can give rise to satisfaction for him. Pleasure is an interest that is temporary. As for persistent interests, there is an element of fulfilling needs and providing satisfaction. Interest in investment does not develop from birth but is developed through education and experience to increase knowledge.



Source: By Researchers (2022)

Figure 3
Framework of thinking

Information :

- The independent variable (X1), namely Risk, has a direct effect on the dependent variable (Y), namely Mutual Fund Investment Interest, forming hypothesis 1.
- The independent variable (X2), namely Return, has a direct effect on the dependent variable (Y), namely Mutual Fund Investment Interest, forming hypothesis 2.
- The independent variable (X1), namely Risk, has a direct effect on the dependent variable (Y), namely Mutual Fund Investment Interest with Investment Knowledge as the moderating variable (Z) forming hypothesis 3.
- The independent variable (X2), namely Return, has a direct effect on the dependent variable (Y), namely Investment Interest in Mutual Funds with Investment Knowledge as the moderating variable (Z) forming hypothesis 4.

Based on the framework above, to facilitate the research to be carried out, the researcher wants to clarify the roots of the thinking in this research, where Risk as a variable (X1), and Return Payment Facilities as a variable (X2) with Investment Knowledge as a moderating variable (Z) with Investment Interest as a variable (Y). In this case, Risk, Return and Investment Knowledge will be tested to see whether they influence students' interest in investing in mutual funds at the 2019 and 2020 Islamic economics and business faculties with data

processing techniques using multiple linear regression analysis techniques and will be tested using the Smart PLS application.

Review of Islamic Economic Perspectives Regarding Students' Interest in Investing in Mutual Funds

According to the KBBI, interest is defined as attention, liking, inclination of the heart. Interest is related to something that is profitable and can give rise to satisfaction for him. Pleasure is an interest that is temporary. As for persistent interests, there is an element of fulfilling needs and providing satisfaction. Interest in investment does not develop from birth but is developed through education and experience to increase knowledge. Investment generally involves the willingness to relinquish or sacrifice valuable resources in the present, with the intention of receiving economically valuable income in the future. And in line with the business context, namely the process of managing funds or investing funds or capital in the present with the hope of receiving a number of profitable payments in the future. In Islamic economics, investment is a muamalah activity that is highly recommended, because by investing the assets you own become productive and also bring benefits to other people. The Qur'an strictly prohibits the activity of hoarding (*iḥtikār*) of owned property. Islam has an economic system that is organized in order to realize the welfare of human life both materially and non-materially.

Allah says in QS Lukman (31) Verse 34:

إِنَّ اللَّهَ عِنْدَهُ عِلْمُ السَّاعَةِ وَيُنزِلُ الْغَيْثَ وَيَعْلَمُ مَا فِي الْأَرْحَامِ ۗ وَمَا تَدْرِي نَفْسٌ مَّاذَا
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[1187] This means: humans cannot know for sure what they will try for tomorrow or what they will obtain, however they are obliged to try.

The verse above refers to investment, Allah firmly states that no one in this world can know what they will do or try and what events will happen tomorrow. Because of this ignorance, humans are ordered to try, one of which is by investing as a provision for facing an uncertain tomorrow, the results are God's prerogative, but the important thing is to follow religious standards in every activity, including investment. So, from this it can be concluded that Islam views investment as very important as an anticipatory step towards future events. The call for believers to prepare themselves (anticipate) for tomorrow indicates that everything must be prepared with full calculation and accuracy. From an economic perspective,

tomorrow in the verses above can be interpreted as the future. The call for believers to prepare themselves (anticipate) for tomorrow indicates that everything must be prepared with full calculation and accuracy. So it is necessary to grow interest in investing. The basis for economic activity, including investment, is the Al-Qur'an and the hadith of the Prophet SAW. Apart from that, because investment is part of economic activity (muamalah maliyah), so that the rules of muamalah fiqh based on DSN-MUI Fatwa No. 07/DSN-MUI/IV/2000 ie "Basically, all forms of muamalah, including economic activities, are permissible unless there is an argument that forbids it.

METHODOLOGY

The type of research used in writing this thesis is quantitative research, the relationship used in this research is a causal relationship. A causal relationship is a causal relationship, consisting of independent variables (variables that influence) and dependent (variables that are influenced). The population in this study were all students Faculty of Islamic Economics and Business UIN Raden Intan Lampung Class of 2019 and 2020 who are currently or have received Financial Management courses as a basic investment knowledge. This research will use a purposive sampling technique with sampling based on certain criteria. Purposive sampling is non-random sampling, that is, samples are taken based on certain considerations. According to Sugiyono, purposive sampling is a method of sampling that is carried out by selecting subjects based on specific criteria set by the researcher.

The data collection technique in this research is by using a questionnaire distributed online via Google Form. The questionnaire is presented in the form of a statement with 5 answers that will be chosen by respondents using a Likert scale. This Likert scale means that the variables to be calculated are broken down into indicator variables, then these indicators will become the statement items that will be contained in the questionnaire. The questionnaire is presented in the form of questions with answers to be chosen by respondents using a Likert scale. This Likert scale means that the variables to be calculated are broken down into indicator variables, then these indicators will become the questions that will be included in the questionnaire.

RESULTS AND DISCUSSION

Results

Description of Research Objects

The description of the research object is a description of the research object. This research was conducted at the Faculty of Economics and Business, Raden Intan Lampung State Islamic University. The Faculty of Islamic

Economics and Business has 4 departments, namely Sharia Economics, Sharia Banking, Sharia Accounting, and Sharia Business Management with the total number of students from the 2019 and 2020 classes being 2,136, then this number is used as the population in this research. The research was conducted to examine the influence of risk and return on students' interest in investing in mutual funds with investment knowledge as a moderating variable at the Islamic economics and business faculty from an Islamic economics perspective. Furthermore, the number of samples in this study was 96 respondents, which is the result of a calculation of 10% of the total population.

Respondent Identity

There were 21 male respondents or 21.9%, while the number of female respondents was 75 respondents or 78.1%. So based on the data above, respondents based on gender are dominated by women with a percentage of 78.1%. Respondents aged 18 years amounted to 1 respondent or 1.4%. There were 4 respondents aged 19 years or 4.2%. Respondents aged 20 years amounted to 25 respondents or 26%. Respondents aged 21 years amounted to 34 respondents or 35%. Respondents aged 22 years were 28 or 29%. There were 3 respondents aged 23 or 3%. Meanwhile, respondents aged 24 years were 0 respondents or 0%. Then respondents aged 25 years amounted to 1 respondent or 1.4%. So based on the data above, respondents based on age are dominated by respondents aged 21 years with a percentage of 35%. There were 6 respondents majoring in Sharia Economics or 6.3%. There were 19 respondents majoring in Sharia Banking or 19.8%. There were 13 respondents majoring in Sharia Accounting or 13.5%. Then there were 58 respondents majoring in Sharia Business Management or 60.4%. So based on the data above, respondents based on majors were dominated by Sharia Business Management majors totaling 58 respondents with a percentage of 60.4%.

DATA ANALYSIS

Evaluation of the Measurement Model (Outer Model)

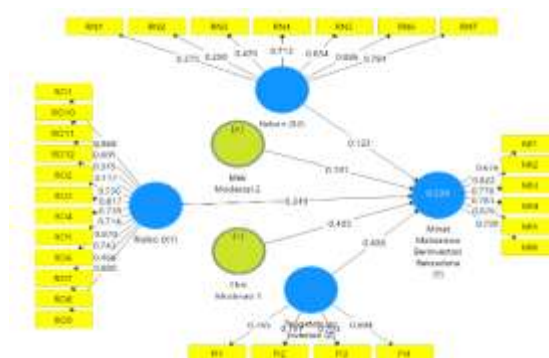


Figure 4
Display of measurement model output (outer model)

Table 2
 Outer Loading 50 respondents

Indicator	Risk	Return	Investment Knowledge	Investment Interest	Information
ROI1	0.868				Valid
RO2	0.556				Invalid
RO3	0.817				Valid
RO4	0.739				Valid
RO5	0.714				Valid
RO6	0.870				Valid
RO7	0.743				Valid
RO8	0.466				Invalid
RO9	0.800				Valid
ROI0	0.685				Valid
ROI1	0.545				Invalid
ROI2	0.172				Invalid
RNI		0.375			Invalid
RN2		0.290			Invalid
RN3		0.470			Invalid
RN4		0.713			Valid
RN5		0.654			Valid
RN6		0.886			Valid
RN7		0.784			Valid
PI1			0.765		Valid
PI2			0.797		Valid
PI3			0.793		Valid
PI4			0.694		Valid
MI1				0.676	Valid
MI2				0.822	Valid
MI3				0.776	Valid
MI4				0.783	Valid
MI5				0.826	Valid
MI6				0.799	Valid

Source: data processed with SmartPLS

Based on the data results above, it can be seen that there are several statement items that do not meet the outer loading value > 0.6 . In the Risk variable (XI) there are 12 items but there are 4 items that are invalid, namely RO2, RO8, ROI1 and ROI2. Furthermore, the Return variable (X2) has 7

items but there are 3 invalid items, namely RNI, RN2 and RN3. Next, distribute questionnaires to 96 respondents, where for the Risk variable statement there are 8 items, the Return variable has 4 items. The results of the outer loading test can be seen in the following table:

Table 3
Outer Loading 96 respondents

Indicator	Risk	<i>Return</i>	Investment Knowledge	Investment Interest	Information
ROI	0.599				Invalid
RO3	0.799				Valid
RO4	0.609				Invalid
RO5	0.655				Valid
RO6	0.758				Valid
RO7	0.645				Valid
RO9	0.782				Valid
ROI0	0.712				Valid
RN4		0.788			Valid
RN5		0.613			Valid
RN6		0.822			Valid
RN7		0.701			Valid
PI1			0.795		Valid
PI2			0.790		Valid
PI3			0.853		Valid
PI4			0.747		Valid
MI1				0.640	Valid
MI2				0.584	Invalid
MI3				0.748	Valid
MI4				0.753	Valid
MI5				0.817	Valid
MI6				0.784	Valid

Source: data processed with SmartPLS

Based on the results of the data above, it is known that there are several statement items that do not meet the outer loading value, so these statement items are deleted and retested with the results:

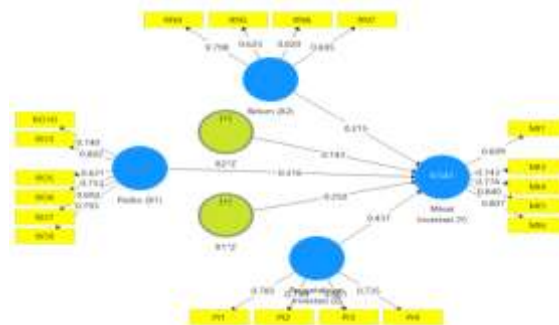


Figure 5
 Display of measurement model output (outer model)

Table 4
 Outer Loading 96 respondents

Indicator	Risk	Return	Investment Knowledge	Investment Interest	Information
RO3	0.799				Valid
RO5	0.655				Valid
RO6	0.758				Valid
RO7	0.645				Valid
RO9	0.782				Valid
RO10	0.712				Valid
RN4		0.788			Valid
RN5		0.613			Valid
RN6		0.822			Valid
RN7		0.701			Valid
PII			0.795		Valid
PI2			0.790		Valid
PI3			0.853		Valid
PI4			0.747		Valid
MII				0.640	Valid
MI3				0.748	Valid
MI4				0.753	Valid
MI5				0.817	Valid
MI6				0.784	Valid

Source: data processed with SmartPLS

Based on the data presented in the table above, it is known that the research items have met the requirements to meet the convergent validity value by looking at the outer loading value which has met the requirements, namely > 0.6 and from table 4.12 it can be seen if all variables have passed the test.

Composite Reability, Cronbach Alpha

Table 5
Composite Reability, Cronbach Alpha

Variable	Composite Reliability	Cronbach's Alpha
Risk	0.876	0.831
Return	0.823	0.716
Investment Knowledge	0.874	0.811
Investment Interest	0.869	0.811

Source: Data processed with SmartPLS

1) *Composite Reliability*

The research results need to be tested for reliability, one of which is by looking at the composite reliability value which can be declared to meet the requirements if the value is > 0.7 . Based on table 4.13, it shows that each variable in this study has met the requirements for the next test.

2) *Cronbach's Alpha*

Each variable is declared to have passed the Cronbach's alpha application, so the value must be > 0.6 . Based on the research data presented in table 4.13, it shows that each variable in this research has met the minimum Cronbach's Alpha requirements and all variables have a high level of reliability.

Structural Model Evaluation (Inner Model)

Evaluation of the structural model (inner model) is used to predict causal relationships between latent variables. The following is the Inner Model in SmartPLS:

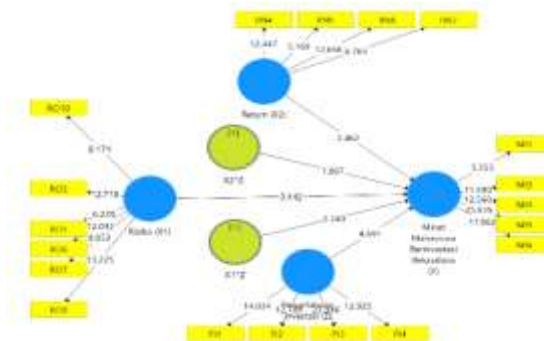


Figure 6
Display of structural model output (Inner Model)

Determination Coefficient (R²)

Coefficient of determination(R-Square) is used to measure how much the independent variable is able to explain the dependent variable. The following are the R-Square values in the following table:

Table 6 R-Square

Items	R-Square
Investment Interest	0.546

Source: data processed with SmartPLS

These results show that the Risk and Return variables are able to explain the Investment Interest variable by 54.6% of the contribution and the remaining 46.4% to other variables outside those examined in this research.

Hypothesis testing

Hypothesis testing is used to test the truth of a statement. Hypothesis testing aims to establish a basis for determining whether the decision is rejected or accepted. Hypothesis testing can be seen from the t-statistic and p-value. If the t-statistic > 1.96 and p-value < 0.05 then the hypothesis is accepted, whereas if the t-statistic < 1.96 and p-value > 0.05 then the hypothesis is rejected. The following are the results of data analysis in this research:

Table 7 Total effects table

Hypothesis	Influence	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics	P-Value
H1	Risk (X1) → Investment Interest (Y)	0.314	0.322	0.091	3,442	0.001
H2	Return(X2) → Investment Interest (Y)	0.219	0.219	0.089	2,462	0.014
H3	Investment Knowledge (Z) → Investment Interest	0.437	0.436	0.093	4,691	0,000
	Investment Knowledge moderates the Risk → Investment Interest relationship	-0.245	-0.223	0.105	2,340	0.020
H4	Investment Knowledge moderates the	0.142	0.138	0.076	1,867	0.063

	Return → Investment Interest relationship					
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Source: data processed with SmartPLS

The hypothesis in this study tests whether Risk has a significant positive effect on Investment Interest, whether Return has a significant positive effect on Investment Interest, then tests whether Investment Knowledge moderates the relationship between risk and investment interest and tests whether Investment Knowledge moderates the relationship between return and interest investment.

- 1) The test results on Risk show that the original sample value is 0.314. From these results it can be concluded that Risk has a positive effect on Investment Interest. T-statistic value $3,442 > 1.96$ and P-values $0.001 < 0.05$. This proves that risk significantly influences investment interest. The research results prove that risk has a positive and significant effect on investment interest.
- 2) The test results on Return show that the original sample value is 0.219. From these results it can be concluded that Return has a positive effect on Investment Interest. T-statistic value $2,462 > 1.96$ and P-values $0.014 < 0.05$. This proves that Return has a positive and significant effect on Investment Interest.

The moderation hypothesis in this research can be carried out if the independent variable has a significant effect on the dependent variable and the moderating variable must be significant on the dependent variable. The results of this research show that the independent variable has a significant effect on the dependent variable. The Investment Knowledge variable has a positive influence on the Investment Interest variable because the original sample value is 0.437 and the T-statistic value is $4.691 > 1.96$ and P-values $0.000 < 0.05$, this shows that Investment Knowledge has a significant effect on Investment Interest.

- 1) The moderation test for the Risk variable shows that the original sample value is -0.245, thus Investment Knowledge has a negative effect in moderating the relationship between Risk and Investment Interest. The T-statistic value of $2,340 > 1.96$ and P-values $0.020 < 0.05$ indicate that Investment Knowledge significantly influences the relationship between Risk and Investment Interest.
- 2) The moderation test for the Return variable shows that the original sample value is 0.142, thus Investment Knowledge has a positive effect in moderating the relationship between Return and Investment Interest. The T-statistic value is $1,867 < 1.96$ and P-values $0.063 > 0.05$, this shows that Investment Knowledge has no effect when moderating the relationship between Return and Investment Interest.

Table 8
Recapitulation of Hypothesis Test results

	Hypothesis	Information
H1	Risk has a significant positive effect on Investment Interest	Supported
H2	<i>Returns</i> significant positive effect on Investment Interest	Supported
H3	Investment Knowledge moderates the relationship between Risk and Investment Interest	Supported
H4	Investment Knowledge moderates the relationship between Return and Investment Interest	Not supported

Discussion

Risk has a positive and significant effect on students' interest in investing through mutual funds

The research results show that Risk (XI) has a positive and significant effect on Investment Interest (Y). The coefficient value of increases and vice versa. The T-Statistic value is $3.442 > 1.96$ and the P-Value is $0.001 < 0.05$. With these values it is known that risk significantly influences students' interest in investing in mutual funds. These results indicate that the hypothesis which states that Risk has a significant positive effect on Investment Interest is accepted.

Risk is the opportunity (possibility) of the difference between the expected return and the actual return. Risk is an important thing for individuals or students when investing, because risk can be something that influences a person's actions. Every individual definitely has a different perception regarding risk, including students also have different perceptions regarding risk even though they are equipped with knowledge about the capital market. There are two possible responses from investors regarding risk, namely fear of risk and courage to take risk. Based on the decision usefulness approach, it assumes investors are rational individuals, namely individuals who consider the trade-off between the expected return and the risks they will face in their interests and investment decisions, and choose actions that will produce the highest expected utility. If you dare to take high risks in investing, it is possible that the return you will get will also be higher. When students dare to take risks in investing, it means that students have interest in investing because investment offers higher returns.

Return has a positive and significant effect on students' interest in investing through mutual funds

The research results show that Return (X2) has a positive and significant effect on Investment Interest (Y). The coefficient value of vice versa. The T-Statistic value is $2,462 > 1.96$ and the P-Value is $0.014 < 0.05$. With these values it is known that Return significantly influences students' interest in investing in mutual funds. These results indicate that the hypothesis which states that Return has a significant positive effect on Investment Interest is accepted.

Return is the opportunity for profit obtained by investors from the risks they take. The goal of every investor or student in investing is to get maximum profit or return. This is what makes returns a consideration for investors/students to have an interest in investing. Based on the theory of planned behavior, it states that humans basically behave consciously, they consider available information including risk and return in the capital market. Risk and return are two things that have very thin boundaries. Both are components that are closely attached to every type of investment. The greater the potential return, the greater the risk posed. Investors will look for the lowest risk for investments that have the same level of return, Conversely, investors will choose the highest return for investments that have the same risk. The decision usefulness approach assumes investors are rational individuals. For rational investors, they will expect high returns even though this means the risks they face are also high. Based on this statement, it can be interpreted that the student's goal in investing is to obtain a profit or return. So returns are one of the considerations for students to have an interest in investing in the capital market. Based on this statement, it can be interpreted that the student's goal in investing is to obtain a profit or return. So returns are one of the considerations for students to have an interest in investing in the capital market. Based on this statement, it can be interpreted that the student's goal in investing is to obtain a profit or return. So returns are one of the considerations for students to have an interest in investing in the capital market.

Investment Knowledge Moderates the Relationship between Risk and Student Interest in Investing through Mutual Funds.

The results of the research conducted show that Investment Knowledge moderates the relationship between Risk and Investment Interest negatively and significantly. The original sample value is -0.245 , so Investment Knowledge has a negative effect, which means it weakens the moderating relationship between Risk and Investment Interest. The T-statistic value is $2,340 > 1.96$ and P-values $0.020 < 0.05$ so it can be concluded that Investment Knowledge has a significant effect in moderating the relationship between Risk and Investment Interest so that the research results show that the third hypothesis, namely Investment Knowledge moderates the relationship between Risk and Investment Interest, is supported.

Based on the theory of planned behavior, investment knowledge is included in the attitude towards behavior aspect so that the Investment Knowledge variable can also interact with the relationship between risk and investment interest in

certain conditions. Based on the theory of planned behavior, it states that humans basically behave consciously, they consider available information including risk and return in the capital market. Based on the decision usefulness approach, it assumes that investors are rational individuals when faced with situations of uncertainty, where risk is related to students' interest in investing. The higher the risk, the higher the interest in investing because the possibility of profit is also higher. However, when faced with a situation of uncertainty, investors will tend to choose to avoid the risk with rational actions. So, with higher investment knowledge regarding risk, interest in investing will also decrease because in the same conditions investors are faced with a situation of uncertainty.

Investment Knowledge Moderates the Relationship between Return and Student Interest in Investing through Mutual Funds.

The results of the research conducted show that Investment Knowledge moderates the relationship between Return and Investment Interest positively but not significantly. The original sample value is 0.142, so Investment Knowledge has a positive effect, which means it strengthens and moderates the relationship between Return and Investment Interest. The T-statistic value is $1,867 > 1,96$ and P-values $0,063 > 0,05$ so it can be concluded that Investment Knowledge does not have a significant effect in moderating the relationship between Return and Investment Interest so that the research results show that the fourth hypothesis, namely Investment Knowledge, moderates the relationship between Return and Investment Interest. not supported.

Based on the theory of planned behavior, investment knowledge is included in the attitude towards behavior aspect so that the Investment Knowledge variable can also interact with the relationship between Return and investment interest in certain conditions. Based on the theory of planned behavior, it states that humans basically behave consciously, they consider available information including risk and return in the capital market. Everyone who invests some of their money in the capital market with the hope of getting high returns, it cannot be denied and is certain that everyone expects a return on their investment. Investment never separates risk and return, Therefore, investment knowledge can act as a support for the interaction of returns on interest in investing, but under certain conditions basic knowledge about investment alone is not enough to act as a support for the interaction of returns on interest in investing. The particular condition referred to is when investors according to the decision usefulness approach are rational individuals when faced with situations of uncertainty, where investment knowledge and returns are related to students' interest in investing. The higher the knowledge regarding returns, the interest in investing will also increase, but in the same conditions, uncertainty is found, namely the higher the risk that will be faced because returns and risk have a unidirectional relationship.

Review of Islamic Economic Perspectives in Students' Interest in Investing in Mutual Funds.

According to the KBBI, interest is defined as attention, liking, inclination of the heart. Interest is related to something that is profitable and can give rise to satisfaction for him. Pleasure is an interest that is temporary. As for persistent interests, there is an element of fulfilling needs and providing satisfaction. Interest in investment does not develop from birth but is developed through education and experience to increase knowledge. Investment generally involves the willingness to relinquish or sacrifice valuable resources in the present, with the intention of receiving economically valuable income in the future. And in line with the business context, namely the process of managing funds or investing funds or capital in the present with the hope of receiving a number of profitable payments in the future. In Islamic economics, investment is a muamalah activity that is highly recommended, because by investing the assets you own become productive and also bring benefits to other people. The Qur'an strictly prohibits hoarding activities (*ihtikar*) towards assets owned. Islam has an economic system that is organized in order to realize the welfare of human life both materially and non-materially. Allah says in QS Lukman (31) Verse 34:

إِنَّ اللَّهَ عِنْدَهُ عِلْمُ السَّاعَةِ وَيُنَزِّلُ الْغَيْثَ وَيَعْلَمُ مَا فِي الْأَرْحَامِ ۗ وَمَا تَدْرِي نَفْسٌ مَّاذَا تَكْسِبُ غَدًا ۗ وَمَا تَدْرِي نَفْسٌ بِأَيِّ أَرْضٍ تَمُوتُ ۗ إِنَّ اللَّهَ عَلِيمٌ خَبِيرٌ

Meaning: Verily, Allah, only with Him is the knowledge of the Day of Judgment; and He is the One who sends down rain, and knows what is in the womb. and no one can know (for sure) what he will undertake tomorrow [1187]. And no one can know where on earth He will die. Indeed, Allah is All-Knowing, All-Knowing.

[1187] This means: humans cannot know for sure what they will try for tomorrow or what they will obtain, however they are obliged to try.

The verse above refers to investment, Allah firmly states that no one in this world can know what they will do or try and what events will happen tomorrow. Because of this ignorance, humans are ordered to try, one of which is by investing as a provision for facing an uncertain tomorrow, the results are God's prerogative, but the important thing is to follow religious standards in every activity, including investment. So, from this it can be concluded that Islam views investment as very important as an anticipatory step towards future events. The call for believers to prepare themselves (anticipate) for tomorrow indicates that everything must be prepared with full calculation and accuracy. From an economic perspective, tomorrow in the verses above can be interpreted as the future. The call for believers to prepare themselves (anticipate) for tomorrow indicates that everything must be prepared with full calculation and accuracy. So it is necessary to grow interest in investing. The basis for economic activity, including investment, is the

Al-Qur'an and the hadith of the Prophet SAW. Apart from that, because investment is part of economic activity (muamalah maliyah), so that the rules of muamalah fiqh based on DSN-MUI Fatwa No. 07/DSN-MUI/IV/2000, namely "basically all forms of muamalah including economic activities are permissible unless there is an argument that forbids it.

CONCLUSION

Conclusions from research results Influence Risk and Return on Students' Interest in Investing in Mutual Funds with Investment Knowledge as a moderating variable (Study on Students of the Faculty of Economics and Islamic Business, UIN Raden Intan Lampung) are as follows :

1. The test results on Risk show that the original sample value is 0.314. From these results it can be concluded that Risk has a positive effect on Investment Interest. T-statistic value $3,442 > 1.96$ and P-values $0.001 < 0.05$. This proves that risk significantly influences investment interest. The research results prove that risk has a positive and significant effect on student interest in investing in mutual funds among students at the Faculty of Economics and Islamic Business, UIN Raden Intan Lampung. Where the higher the risk, the higher the student's interest in investing in mutual funds.
2. The test results on Return show that the original sample value is 0.219. From these results it can be concluded that Return has a positive effect on Investment Interest. T-statistic value $2,462 > 1.96$ and P-values $0.014 < 0.05$. This proves that Return has a positive and significant effect on Student Interest in investing in Mutual Funds among students at the Faculty of Economics and Islamic Business, UIN Raden Intan Lampung. Where the higher the return, the higher the student's interest in investing in mutual funds.
3. The moderation test for the Risk variable shows that the original sample value is -0.245, thus Investment Knowledge negatively (weakens) moderates the relationship between Risk and Investment Interest. The T-statistic value of $2,340 > 1.96$ and P-values $0.020 < 0.05$ indicate that Investment Knowledge significantly moderates the relationship between Risk and Investment Interest. This shows that investment knowledge weakens the relationship between risk and students' interest in investing in mutual funds, meaning that investment knowledge moderates the relationship between risk and students' interest in investing in mutual funds.
4. The moderation test for the Return variable shows that the original sample value is 0.142, thus Investment Knowledge positively (strengthens) moderates the relationship between Return and Investment Interest. The

T-statistic value is $1,867 < 1,96$ and P-values $0.063 > 0.05$, this shows that Investment Knowledge is not able to moderate the relationship between Return and Investment Interest. This shows that Investment Knowledge strengthens the relationship between Return and Student Interest in Investing in Mutual Funds but the effect is not large, meaning that Investment Knowledge does not moderate the relationship between Return and Student Interest in Investing in Mutual Funds.

5. Interest in Investment from an Islamic economic perspective, Islam provides recommendations in the nature of orders regarding investment based on Islamic laws (fiqh muamalah) in the form of regulations containing commands or prohibitions. The basis for economic activity, including investment, is the Al-Qur'an and the hadith of the Prophet SAW. Therefore, Islam provides a signal to know and understand the risks that exist and the returns generated as the Al-Qur'an and Hadith teach us to make investments with very careful calculations as well as the basic seeds regarding investment orders that are already in the Al-Qur'an. Qur'an (QS. al-Baqarah [2]:261; QS. al-Nisa[4]:9; QS. Yusuf[12]:46-49; QS. Luqman [31]:34 and QS. al- Hasyr[59]:18) and strengthened by the sunnah of the Prophet Muhammad SAW who was once a partner investor and business actor

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