

## **ABSTRACT**

This study sought to understand the market factors that influence the youths in making investment decisions at the Nairobi securities exchange market. The youths in Kenya are specifically looked at because of the pivotal role that they play in the Kenyan economy and the emphasis the government has put on youth empowerment programs to enable them to improve their financial welfare and participate in economic development as a way of achieving the tenets of Vision 2030. The government through the youth enterprise fund has invested heavily in providing seed capital for youth willing to start their own businesses. The Nairobi securities exchange provides lucrative investment opportunities following the revolution that has taken place in the market. However, the number of youth investing through it is still low. The specific objectives of the study were to; establish the extent to which price changes contribute to investment decision amongst the youth investors, examine the contribution of the market information to investment decision amongst the youth investors, assess the contribution of the past trends of the stock to investment decision among the youth investors and investigate how customer preference contribute to investment decisions amongst the youth investors. The researcher adopted descriptive survey design on youth groups registered by Youth Enterprise Development Fund in Kisumu County. In 2016 there are 380 youth groups registered and financed by Youth Enterprise Fund in Kisumu County. The study targeted the chairpersons of the youth groups or their representatives who were knowledgeable on the group investment strategies. The target population therefore was 380 chairpersons of youth groups from which a sample of 69 chairpersons was selected using stratified and random sampling method. Secondary data was obtained from the Youth Enterprise Fund, Nyanza Region for the four constituencies in Kisumu County while primary data was collected using questionnaires administered to the chair persons. The data collected was analyzed using descriptive statistics while inferential statistics was employed to determine the significance and the strength of the relationship for two independence samples. It was found that: price changes and market trends did not significantly influence youth decisions to invest through the Nairobi Securities Exchange. On the other hand, customer preferences and market information were found to significantly influence youth investment decisions. It is recommended that there is need for youth groups interested in investing through the NSE to be well trained on how market volatility influence returns on investment and the possible measures to cushion their investments in a volatile market environment, market trends analysis and the projection of market behavior. Furthermore, there is need for the capital markets authority to link the youth to platforms for accessing real-time capital markets data as well as empowering them on how to use the data in making investment decisions.