

**ANALYSIS OF THE FACTORS THAT AFFECT THE VOLUME OF  
TRADE IN THE STOCK EXCHANGE MARKET**

**A CASE OF THE NAIROBI STOCK EXCHANGE**

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## ABSTRACT

The general objective of these study was to analyze the factors that affect the volume of investment in the stock exchange market .The study specific objectives were to establish how political climate , external investors , availability of alternative sources of finance and investor`s income level influences investment opportunities at the stock market. This study is significant to the Business people- To know which companies are the best to invest in by the look at the companies` share performance, and which shares to buy and when. This study is restricted to The Nairobi Stock Exchange market. The main type of research design used was descriptive. The target population of interest during the study comprises of the 150 employees of the NSE from the different levels of management. The study employs non-probabilistic sampling procedure. The sample of interest to this study was made up of 30 respondents across the fields of interest. The 30 are selected using purposive sampling. Microsoft Excel was used to analyze the primary data that is quantitatively. Qualitative analysis is also employed. Using descriptive statistics, the data was presented and this includes the use of tables and graphs. The researcher examined and codes the data for the purpose of organizing for the analysis. The study evaluated the major factors that determine the level of investment opportunities at the stock market. It surveyed the NSE on a comparative evaluation of a three (3) month period. Several finding and implications of the study have been developed. It concluded that the government, investors and individuals need to strengthen their move to make it a major practice in undertaking investments in the NSE. The study concluded by making by making some valuable recommendations and suggests other areas for further study. From the study, it is recommended that the government should maintain a political environment that is conducive to the investors thus building their confidence and attracting investing opportunities not only within the stock market but the country at large. The study also suggests that mutual funds expansion and listing at the Nairobi stock exchange, management at the NSE and emerging markets, challenges facing investors in the Kenyan stock