

Fundamental Analysis on Financing Investment

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Abstract. This research aims to provide insight into the importance of investing and to find out how conscious millennial generation wants to invest their money in the future. This research uses a qualitative approach with the basic theory method (Grounded Theory). Meta Trader 4 provides many benefits for instruments to invest their money. This application can see how much we lose and how much profit we get, many indicators that we can use, then we can monitor the movement of couples in multi-windows, and this investment application also does not require large capital with a minimum capital of 100 k we have can invest. The results of this study are expected for millennial young people to be able to start managing and investing their finances for things that provide financial benefits that can be directly seen, and can be directly controlled from a smartphone.

1. Introduction

In the rapid development of technology, especially information and communication technology, there are the Y Generation that also known as Millennial Generation. The millennial generation is considered to be a generation that is more familiar with technology when compared with previous generations such as the X Generation and Baby Boom Generation [1]. It is undeniable that the development of technology and information has made every millennial able to access various information easily and get an item that they want quickly so that it is difficult for them to distinguish what is called a need and desire. This raises the negative side for millennials as they become difficult to manage their finances and becoming wasteful. Investment is a commitment to invest several funds that currently owned to obtain large profits in the future. In other words, it is a commitment of a person whose purpose is to increase consumption in the future, hence, they must sacrifice consumption and desire at this time. Investment relates to several funds held in financial and real assets. Investments in real assets are investments in land, gold, or houses, while investments in financial assets are investing funds in deposits, stocks, bonds, and securities [2]. Investment is a commitment of funds to one or more assets that will be held for a certain period [3].

Investment, in general, is divided into two broad categories, namely real asset investment and financial asset investment. Real asset investment is a commitment to tie up the assets into the real sector, such as trade, industry, agriculture, and others outside the financial sector. On the other hand, financial asset investment or often also called portfolio investment is a commitment to tie up the assets to securities, which are issued. The existence of an intermediary is one of the characteristics of investment in the financial sector [4]. The purpose of doing investment activities is to get the benefits that will be obtained in the future. The type of investment is divided into two, namely active and passive investment. Active investment is an investment that requires investor intervention in its management because it will be managed by investment managers or investment will move up by itself

[5]. The global Foreign Exchange Markets, also known as Forex or FX, represents the platform by which currency from one country can be exchanged into the currency from another. The value of currencies around the globe constantly fluctuates depending upon a whole variety of factors and will range upwards or downwards depending upon the economic stability or instability of the countries which issue them. It is these fluctuations in value that present the opportunities to make money [6].

Forex business is a digital business by making purchases or sales to make a profit using Meta Trader 4. In the forex market, most people started by looking only at price charts. This is called technical analysis. Those who focus on technical analysis are often called chartists. However, the study and analysis of what moves those charts are called fundamental analysis. The goal is to identify the components of fundamental analysis regarding the forex, then provide a recipe for developing your fundamental analysis of a currency pair [7]. Therefore, this study aims to find out the importance of investing in future living needs, using Grounded Theory. And this research uses a qualitative approach with the basic theory method.

2. Method

This study used a qualitative method using the basic theory method (Grounded Theory). This research was conducted by a literature study, namely studying books, journals, and articles or other scientific sources to strengthen the theory, as well as doing a direct observation.

3. Results and Discussion

MetaTrader 4 (MT 4) is an electronic trading platform used by traders in online retail foreign exchange. This MetaTrader was created by MetaQuotes Software and released in 2005. This software is licensed as a foreign exchange broker that provides software for clients. This software consists of two components, namely the client and server component. The server component runs its broker and the client component is for the client to see the prices, graphs, place orders, and manage their account [8]. Technical traders who only place their prices are incapable of doing the decision-making process. The great technical traders are always aware of the news and they know how to utilize it with technical tools [9].

• Main Menu and Login Form

First, we should log in on our Meta Trader 4 by filling in the username and password, as well as which broker server we chose before we registered the Meta Trader 4 account.

After the account is successfully logged in, at the bottom of the page we can see the amount of our deposit when we put our money to be traded with the broker. We can also see the profit amount, our transaction history such as what pair we entered, in what price, what size, as well as the stop-loss and our profit target. After that, in the profile table at the bottom right we can see the amount of profit or loss we received. Figure 1 below shows the Main Menu and Login form display.



Figure 1. Main Menu and Login Form

- *Add pairs*

In the add pairs menu we can add any pairs that we want to analyse. Figure 2 below shows the add pairs menu.



Figure 2. Add Pair

- *Add Indicators*

On the Add Indicators menu, we can choose one or many indicators that we want to use to support the results of our analysis. Figure 3 below shows the Add Indicator menu.

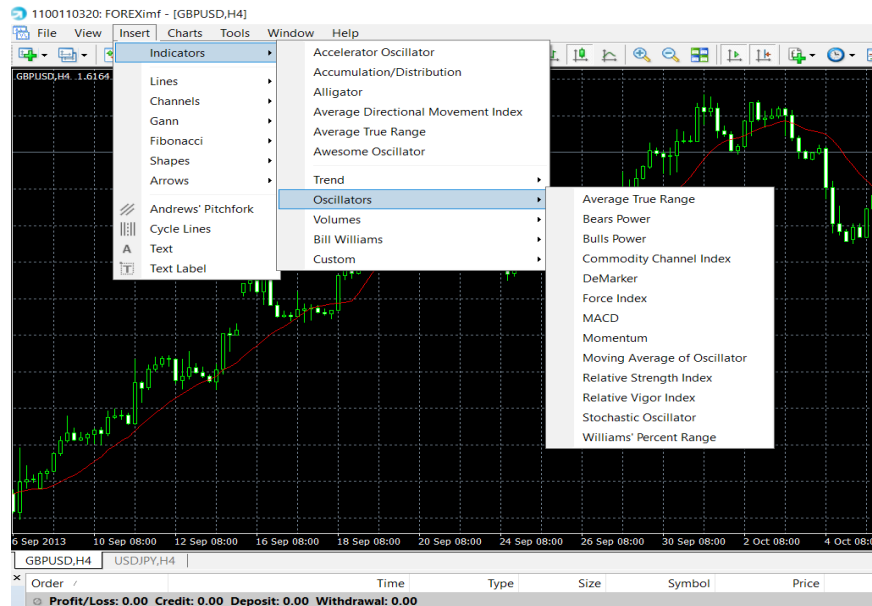


Figure 3. Add Indicator

- *Orders*

In this order menu, there is a symbol for pairs that we will choose, volume or size, stop loss to minimize losses, and take profit to see how much profit we will get from buying or selling transactions in the currency we choose. Figure 4 below shows the Order menu.

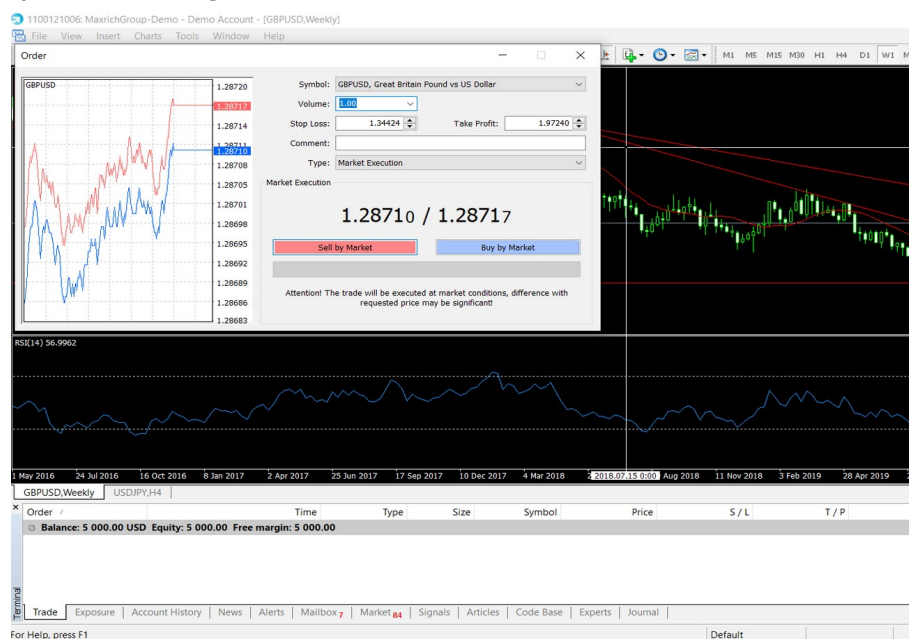


Figure 4. Orders

- *Time Frame*

In the time frame menu, we can choose what time frame we want to see. There are monthly, weekly, daily, hours, and minutes. The longer time frame we used, the more profit we can get. The shorter time frame we used, the less profit we get. Figure 5 below shows Time Frame menu.



Figure 5. Time Frame

- *Market Watch*

In the left side, there is a market watch, which includes almost all currency in forex market. It also displays the bid. Each currency represented by a three-letter currency code according to the Internal [10]. Figure 6 below shows Market Watch menu.

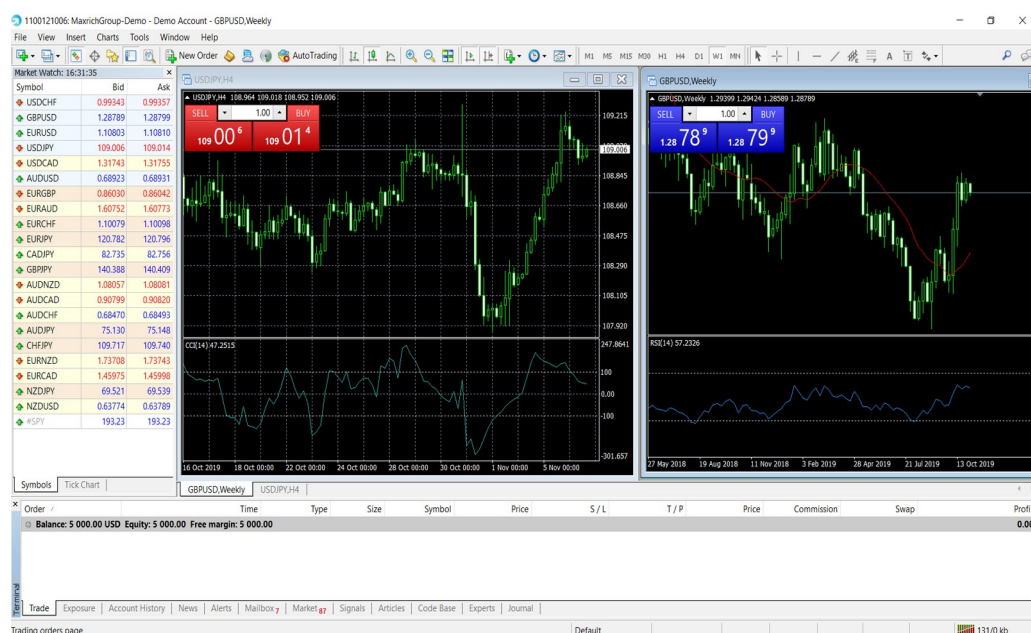


Figure 6. Market Watch

4. Conclusion

This Meta Trader 4 (MT 4) application is important and useful for traders especially for the millennial generation to invest because this application is easy to learn and download. This application can see how much we lose and get the profit, how many indicators that we can use, monitor the movement of pairs in multi-windows, and does not require large capital, with only 100 k, we can already invest using this application.

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