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STATE AND INVESTMENT OPPORTUNITIES OF THE POPULATION IN THE FINANCIAL MARKET OF UKRAINE

The financial market of Ukraine operates in conditions of low investment activity of the population. Investment activity of the population in the financial market is a multifactorial category that reflects the ability and desire of entities to invest in financial instruments in order to save, capitalize and generate income. The key forms of accumulation of money and formation of private savings by citizens of our country today are: storage of savings in the form of cash (in national and foreign currency); opening a deposit in banking institutions; formation of a portfolio of securities; consumption of investment services of financial institutions outside the banking system.

Bank deposits are a classic method of saving and increasing the value of money savings. The deposit portfolio of individuals in Ukrainian banks increased in 2019 compared to previous years. Deposits of households are growing more slowly than incomes (15.5% vs. 39.5%). Return on deposits in 2020 ranges from 9-13% per annum in hryvnia and 2-3% in foreign currency, depending on the terms of the deposit. Unfortunately, such profitability only protects money from devaluation [1,2].

In 2019 year the participants of Non-state pension fund were 860 thousands of persons, it only 5 % officially employed population [4]. Domestic pension fund, practically does not invest the attracted money in the real sector through forming the briefcase of action, but inlay them in a bank segment and state securities, that finance a budgetary debt. Real income of pension accumulations subzero and dissatisfies potential depositors.

The investment direction of placement of free funds of citizens is possible in non-banking financial institutions, which include credit unions, private pension funds, insurance companies, mutual investment institutions, etc. Due to various objective and subjective factors, the level of development of non-bank financial institutions in Ukraine remains quite low.

The restraining factors to increase the investment activity of the population in the financial market are: low income of the majority of the population with a high level of consumer spending; preservation of significant savings of households outside the banking system; macroeconomic and political instability in the country; shadowing and dollarization of the economy; high inflation; low confidence in financial intermediation institutions; low efficiency of non-bank financial institutions in the market, lack of interest in them from the population; lack of a developed, transparent, efficient securities market and low availability of investment instruments for citizens; low financial literacy of the population, lack of motives and incentives to invest.

Scaling-up the participation of citizens to investment through financial market instruments and services requires the implementation of specific measures aimed at rapid and efficient the use of free funds in economic circulation, promotion of investments,

development of effective programs (both state and regional) for development of real sector of economy.

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