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ASSETS AND LIABILITIES MANAGEMENT IN BANK AS A FACTOR OF FINANCIAL STABILITY

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Summary. The article considers the essence of assets and liabilities management, examines the main goals of this process. The role of assets and liabilities management are substantiated to provide the financial stability of the bank.

Key words: *assets and liabilities management, risk management, liquidity, financial stability, bank.*

The crisis in Ukraine's economy and banking system led to that effective assets and liabilities management should a priority of bank management.

The article aim is to study the theoretical aspects of the nature of the assets and liabilities management, the definition of its goals and role in ensuring the financial stability of the banking institution.

In international and domestic practice assets and liabilities management is one of the fundamental concepts of bank financial management.

The goals of assets and liabilities management in bank are: interest rate risk management; ensuring sufficient liquidity; currency risk management; profit maximization; provide sufficient capital to repay the value of business risks. These goals are interrelated.

Achieving these goals in the assets and liabilities management contributes to financial stability of the bank.

One of the components to ensure the financial stability of the bank is the effective assets and liabilities management in banking crisis conditions.

The resulting basic characteristics that provide the financial stability of each commercial bank are:

- liquidity and solvency;
- profit growth;
- minimizing risks.

These aspects are the goals of assets and liabilities management. That is, effective assets and liabilities management is provided its financial stability through impact on liquidity and risks.

Providing sufficient bank's liquidity is one of the aims of assets and liabilities management of the banking institution and basis of the bank financial stability.

The level of efficiency of assets and liabilities management has been considered as one of the most important factors of financial stability, liquidity and profitability of banks. Only such an approach to management provides the financial stability of the bank and stable functioning of the banking system of Ukraine.

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