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**Dedicated to a brave person,
patriot of the Motherland —
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INTRODUCTION

Considering the investment process, its trends, ways of revitalization, strategic ways for improvement, it should be noted that the solution of the state's economy crisis, its stabilization requires reasonable investment policy and the creation of a favorable investment climate. Decline in investment activity takes place in all sources of investment. The cause of decline is explained by the lack of industrial development. Moreover, it should be noted that the crisis of the Ukrainian economy is caused by its inefficiency and may lead to a prolonged recession and stagnation. Creating a new economic system, capable of stimulating growth on condition of stable self-regulatory prices, is the main task of the economic reform. It is possible to achieve such a growth on the basis of financial stabilization, structural adjustment, privatization, creation of capital markets. Especially difficult is the issue of revival of the financial market as a self-transfusion of the capital, of long-term investment.

Investments are needed for companies and organizations to shift to normal economic activity, to upgrade production, to improve product quality. These processes become of significant importance at the macroeconomic level, where the government should regulate the creation of favorable investment climate, formation and development of stock market, to facilitate the direction of investments into priority productions, etc.

The profound changes in the economic mechanism of Ukraine and Poland, caused by the transition to a market economy, require increased attention to issues of investment activities. As one of the most important areas of expansion and reproduction of fixed assets and capacity management based on science and technology, investment activities enable the regulation of the economy's development, significant increase of its effectiveness. Particular attention to the development of investment activity should be given in the transition to market conditions, when due to the redevelopment needs of most enterprises the economy requires large investments.

Economic growth and investment activity are achieved only through the establishment of a functioning capital market and privatization of resources and capital. The task of the revival of markets of

financial investment and capital includes both short- and medium-term aspects that presuppose the rise of the efficiency of the banking system and long-term aspect related to solving problems of equity capital markets and government securities.

Under modern conditions the primary securities market began to develop in Ukraine and Poland. Issuers of securities are exchanges, investment companies and funds, companies of the manufacturing sector. Development of a set of relevant regulations will accelerate the corporatization of companies, will facilitate a sharp increase in securities. At the same time demand for securities will increase, which can be caused for example by the desire of the population to insure their own savings against devaluation due to inflation.

As the previous practice of industry restructuring has shown, the processes in the financial market both in terms of the development of its individual sectors and segments, and from the position of the development activities of investment institutions are very dynamic. With regard to this, the state plays an important role as a warrantor of stability of the financial market. On the basis of the movement of the financial capital the government and the participants of the securities market support the private and organized markets, promote economic efficiency and economic growth in general.

Active invasion of entrepreneurs to the financial market, activation of investment activity of the population, which is poorly aware of the objective laws of development of financial capital and market, with no experience of market self-regulation can lead to large losses of individual accumulations and savings, and to market crisis in general. Entrepreneurship in market economy is conducted under market conditions. The entrepreneur must be able to foresee, calculate and evaluate. The risk greatly modifies the concept of investment and financial decisions in the market economy.

Capital formation and functioning of an enterprise is closely connected with the financial market. One of the problems that an entrepreneur faces is the creation of an optimal capital structure of an enterprise in the new environment.

Therefore, taking care of the establishment of a civilized market, it is essential to investigate the objective properties of financial capital, investment market, considering them in relation to the practice of the development of the financial market. In this case it is

necessary to analyze the processes of capital accumulation of different categories of custodians, identify tendencies in market sectors.

Particular attention to the development of investment activities, as indicated above, should be paid under the transition to a market economy, when the economy, due to the need of redevelopment of most companies, requires large investments. Significant investment demand is also caused by privatization processes. Under the economic crisis that Ukraine and Poland are going through, domestic investment opportunities have decreased significantly, which is primarily connected with the reduction of investment opportunities of the state budget. The hope is given to the arrival of foreign investments, but this process is being yet hampered by privatization, unstable political system.

During the transition to the market economy the subjects of investment activities can be public, cooperative, joint-stock and other institutions, as well as individuals. Whereby, all of them have the same rights, social and economic guarantees. Because of such a variety of their activities it is already impossible to regulate with the help of administrative methods, it is necessary to work out and implement as soon as possible such an investment mechanism, which would make this process efficient.

Efficiency of investment activity is determined by the level of capital construction development, investment, industrial and building complexes, which, in turn, depends on production potential of

their logistics, qualification of agents, scientific and technical level of project solutions, the state of the organization and planning of investment process, provision of it by financial resources.

In Ukraine and Poland the essential condition of investment efficiency at the present stage of economic development is the revival of financial-credit and investment markets, as already discussed. It is possible to achieve economic reinforcement and activation of investment only with the creation of capital market. This task is multifaceted and includes both short- and long-term aspects, which are connected with the solution of the problems of equity capital and government securities market development. The latter is achieved by the encouragement of earnings and investments, as well as funds from privatization.

The existing mechanism of investment activity is so far incomplete and has no any methodological basis. Such directions as the financial mechanism of capital reproduction of investment process, the mechanism of formation of resources and sources of investment in an enterprise, formation of the stock market and others are not quite worked out.

It is necessary to deepen the study of capital accumulation, the mechanism of the stock market and to join the economy of construction industry to other branch economies into a collaborative process, adjusting it to economic conditions in Ukraine. The suggested tutorial aims to provide scientific and practical contribution to the further development of the important economic science – investment studies.