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DEVELOPMENT OF THE SECURITIES MARKET OF THE REPUBLIC OF UZBEKISTAN

Abstract: This article is devoted to the crucial role of the securities market, as the most important mechanism for the redistribution of funds between sectors of the economy. The purpose of this article is, firstly, to consider the essence of the securities market - the object of research. Further, in order to objectively understand the role of the securities market for the country's economy, it is necessary to disassemble the structure and identify the functions inherent in this market. The article reflects the economic content, the specific role and place of the securities market in the financial market.

Key words: securities market, financial market, stock, investment, industry, macroeconomics, capital, factors, profit.

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Introduction

The classic function of the securities market is that, being an integral part of the modern market economy, it allows you to organically link the interests of investors with free financial resources and the interests of issuers in need of investment, thereby performing the role of a mechanism for overflowing savings into investments. However, along with this, the stock market can be an instrument of speculation and, ultimately, a catalyst for crisis phenomena. As the current crisis in the financial market has shown, which, in the opinion of many experts, has not yet ended, the unregulated use of securities leads to the destabilization of the economic system as a whole. [1]

That is why in the Republic of Uzbekistan, from the first days of gaining independence, much attention has been paid to the creation of a stable and balanced securities market, designed to mobilize free investment resources of domestic and foreign investors for the needs of the country's economic and social development.

The economic reforms carried out in Uzbekistan laid the foundation for the birth of the national securities market. The infrastructure of the securities market is being created, which consists of trading

organizers, a two-level depository system, and includes more than two hundred professional participants in the securities market. At the same time, the use of securities market instruments as a mechanism for overflowing savings into investments is not yet significant for the development of the republic's economy, there is an incorrect assessment.

Discussion

The world securities market (WSC) has existed for about 150 years. The first stage of its development began before the First World War, then the process was severely hindered by the Great Depression and World War II. During this period, there were mostly episodic issues of bonds of foreign issuers in need of financial resources.[2]

The second, the main stage of the formation of the World Securities Market, took place in the 50-60 s. XX century. The world securities market has emerged as a result of the massive export of capital, primarily from countries that own major transnational corporations and banks. Its formation was accelerated by the scientific and technological revolution, which gave rise to many grandiose projects, the implementation of which required the use of capital

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from different countries, the development of integration processes, a certain stability of exchange rates, the introduction of common multinational currencies, and advances in the development of banking and stock exchange.

The third stage in the development of the IMSC covers the time when the process of formation of the world economy was intensively going on, strong ties were established between industrialized countries. During this period, fictitious capital retained a clearly expressed national identity. But even then, in the late 60s. XX century, a special superstructure appeared over the national securities markets: the markets of Eurobonds and Euros, the functioning of which is carried out under special laws established by international agreements. [3]

The accumulation of money capital plays an important role in a market economy. Directly the very process of accumulation of money capital is preceded by the stage of its production. After money-capital is created or produced, the bulk of it is sent to production, but some is temporarily released. It represents free funds of enterprises and corporations that can be used in the loan capital market and the securities market.

The securities market can be defined as a set of economic relations regarding the issue and circulation of securities between its participants as instruments of financing and economic development.[4;353]

In this sense, the concept of the securities market does not and cannot differ from the definition of the market for any other commodity, for example, the market for precious metals. Differences appear if you compare the object of the studied market itself. The nomenclature of the securities market does not correspond to the market of any particular commodity, but to the commodity market as a whole. Further, if goods are produced in factories and factories, then securities are released into circulation. In order for a product to reach its consumer, one needs its own organization of commodity circulation, and for a security - its own. A product is sold one or more times, while a security can be bought and sold an unlimited number of times, etc. Securities, in the part in which they are backed by monetary resources, are called stock assets. Hence, the securities market may have a second name - the stock market. The stock market is an institution or mechanism that brings together buyers (bearers of demand) and sellers (suppliers) of stock values, i.e. securities. [4; 364]

The securities market performs a number of functions that can be divided into two groups: general market functions inherent in any market, and specific functions that distinguish it from other markets.

General market ones include:

a) a commercial function related to making a profit from operations in this market, for example,

investing in shares of enterprises in order to generate additional income.

b) the price function, with the help of which the process of formation of market prices, their constant movement, etc., is ensured. This, for example, is the launch of the price detection mechanism, i.e. quotation of a security, its fixation and publication in stock exchange bulletins.

c) information function, on the basis of which the market produces and communicates to its participants information about the objects of trade;

d) a regulatory function related to the creation of rules for trade and participation in it, the procedure for resolving disputes between participants, setting priorities and the formation of management and control bodies.

The specific ones include:

a) a redistributive function that ensures the flow of funds between sectors and spheres of activity and financing of the budget deficit. With the help of it, funds (capital) are redistributed between: branches and spheres of the economy; territories and countries; groups and segments of the population; population and state.

b) the function of insurance of price and financial risks, or hedging, which is carried out on the basis of a new class of industrial securities: futures and options contracts. Investing in the securities market cannot but be accompanied by risk. Intuitively, everyone understands risk as a certain probability of events deviating from the average expected result, and this is true. This function allows you to reduce losses in the securities market. In general, the task of the securities market is to achieve stabilization of the financial situation at individual enterprises and industries, as well as in the national economy as a whole, due to the prompt and competent redistribution of funds to those areas and objects where the greatest need for them is felt. The Russian securities market, along with its main functions, has a number of specific tasks. It must replace the system of centralized financing of the national economy and inter-sectoral redistribution of resources, which has proved to be ineffective, satisfy the demand for investments of market structures and become a regulator of inter-sectoral capital flows. [5]

It should be noted that the securities market is an objective mechanism for regulating financial flows to priority sectors of the economy and the most promising and efficiently operating enterprises; the securities market helps to stimulate foreign investment, simplify mutual settlements, improve the payment system, etc. Thus, the securities market is part of the financial market and serves as an alternative source of financing and economic development.

In accordance with the Decree of the President of the Republic of Uzbekistan Shavkat Mirziyoyev "On measures to radically improve the system of

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management of state assets, antimonopoly regulation of the capital market", on the basis of the State Committee for Competition of the Republic of Uzbekistan, the Agency for Management of State Assets of the Republic of Uzbekistan, the Antimonopoly Committee of the Republic of Uzbekistan and the Agency for the Development of the Capital Market with the transfer to the latter of staff units, as well as the tasks, functions and powers of the abolished State Competition Committee in terms of regulating the securities market, including organizers of trading in securities, the Central Securities Depository and the development of corporate governance.

The securities market plays a colossal role in the economy of any country, and in the world as a whole.[6]

It is through the mechanisms and instruments of the securities market that the national economies of developed countries attract a significant part of the resources for their development.

That is why the advanced, developed countries of the world, such as the USA, Germany, Japan and others, have well-functioning and developed stock market systems that allow attracting temporarily free money and other funds of the population, enterprises, organizations and the state itself and directing them to finance the development of their national economies.

The aforementioned Decree of the President of the country is also significant in that it, for the first time in recent years, indicates the huge role that the securities market should finally play in the socio-economic development of the country. The preamble of the document says: "The country is undergoing large-scale transformations aimed at ensuring economic growth, increasing competitiveness, deepening the processes of modernization and diversification of the economy, creating favorable conditions for attracting investments, primarily in basic, structure-forming industries. At the same time, a further reduction in the participation of the state in the economy, the development of the stock market and the creation of a healthy competitive environment are the basis for an active investment policy, dynamic and sustainable development of all spheres of society and the state. "

This gives reason to believe that we are at that critical stage of reforms when, finally, the stock market begins to perform its most important function - the function of mobilizing temporarily free funds from the population, enterprises and the state itself and channeling them to finance the development of various sectors of the national economy.

In the modern world, the realities are such that securities are no longer just fictitious capital, but with the proper organization of their market, they can serve as the most powerful financial lever that can bring the economy to a new, much higher level of development.

In Uzbekistan, from the moment of gaining independence, the main attention as a source of financing of the economy was paid to bank loans. It was banks, as institutions for attracting funds from the population and enterprises and organizations, as well as the state, on a borrowed basis, that made colossal investments in the real sector of the economy. The banks concentrated significant financial resources and skilled human resources left over from the Soviet system. The state provided all kinds of comprehensive support to the banking sector. Banks received huge funds and preferences from the state.

As a legacy from the Soviet system, the republic's securities market received only government bonds and savings certificates. After the country gained independence, it began to develop at a seemingly explosive pace. In 1994, the Republican Stock Exchange was established. 1996 to 2011 the government securities market (GKO, GSKO, bonds of the Central Bank) received a certain development. But the stock market was based mainly on the transformation of state-owned enterprises into joint-stock companies, i.e. on privatization. The issue of shares during large-scale privatization, as a result of which about five thousand state-owned enterprises turned into joint-stock companies, did not lead to the involvement of new financial resources in the turnover of enterprises and was not associated with investments, but basically meant only the change of their owner - state to private. The government securities market was considered by the Ministry of Finance only as an instrument to cover the state budget deficit.[7]

Later in the field of the securities market, decisions were made that determined any vector of development in this area, but many of which were later canceled. Due to the fact that important and correct undertakings in this area were not brought to the planned result, to date, it must be admitted, we have not been able to create a full-fledged, actively functioning stock market that could compete with foreign stock markets, and even within the country with others. segments of the domestic financial market.

What is the state of the stock market in the republic today? According to the authorized state body for regulating the securities market, for the entire period of development of the securities market in the country, the number of issued shares amounted to 6.3 trillion. pieces for a total amount at a par value of 59.4 trillion. soums. In the last 2018 alone, records were made in the Unified State Register of Issues of Equity Securities for 155 issues of shares worth 13.4 trillion. soums. The number of issued shares in 2018 amounted to 1.98 trillion. pieces, the total turnover of the stock and corporate bond market amounted to 10.71 trillion. soums, which is 11.53 trillion. soums or 2.07 times less than in the same period in 2017.[8]

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During 2018, the Central Securities Depository and investment intermediaries (acting as depositories since 2015) registered 5,743 transactions with shares and corporate bonds in the amount of RUB 9.89 trillion. soums.

The total turnover of the secondary market for shares and corporate bonds amounted to 1 704.4 billion soums, including: on the organized market - 487.96 billion soums (10 356 transactions); in the unorganized market - 1 216.43 billion soums (4 975 transactions). [8]

Studies of the development of the securities market in Uzbekistan have shown that its history is replete with a significant number of situations when various actions do not agree in time with each other, when, for example, one document is initially adopted aimed at the development of a certain direction, and after a while another - it can be said that it is diametrically opposite to what was originally adopted. As a result, the achieved results are reduced to zero, and the securities market industry loses "precious" time for its development, while participants in the stock market (legal entities and individuals) incur significant material losses. [9] Since a security on the market is simultaneously an investment instrument and an object of property and other rights, as well as relations between the issuer and the investor, it is advisable to talk about an integrated approach to defining the economic essence of a security, combining both economic and legal aspects of this economic phenomenon ... Securities, as an investment tool, provide the property of liquidity and thereby stimulate an increase in the efficiency of the return movement of value, the development of a corporate form of ownership, which allows civilized management of share capital, which ultimately ensures the development of an integral financial market.[10]

Conclusion

Thus, in this article, research was carried out and conclusions were obtained on the corresponding goals and directions set at the beginning of the work. The securities market is an integral part of the market of any country where securities are a commodity, otherwise it is a set of economic relations regarding the issue and circulation of securities between its participants as instruments of financing and economic development.

The securities market performs a number of important functions: general market functions, namely commercial, price, informational, regulatory; specific - redistributive, insurance of price and financial risks.

If we consider the structure of the market under study, we can distinguish the markets: primary and secondary; organized and unorganized; exchange and over-the-counter; traditional and computerized; cash and fixed-term. The securities market is a mechanism for redistributing money savings between sectors of the economy. Its main purpose is to accumulate temporarily free funds and channel them into promising sectors of the economy, for state needs, etc. The purpose of a functioning market is to ensure that investment is attracted to the economy by establishing the necessary contacts between those in need of funds and those who would like to invest surplus income, subject to generally accepted legal rules for dealing with the securities markets.

The securities market of Uzbekistan, which is developing extremely contradictory, is a complex organizational and economic system. Its weak side is acute exposure to economic and political shocks. It is necessary to adopt various strategic programs aimed at improving the stock market of Uzbekistan.

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