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SECTION 31. Economic research, finance, innovation, risk management.

PRACTICE OF INVESTMENT FUNDS DEVELOPMENT IN DEVELOPED COUNTRIES

Abstract: *In this article has been analyzed the development of investment funds, which are the main factor of the country's financial market. In particular, the factors influencing the number of investment funds and the volume of assets in the US were discussed, an author's conclusion was worked out. The tendencies of development of investment funds in the European countries have been analyzed. In addition, the author proposed recommendations on the development of household activity in the stock market.*

Key words: *fund, investment, investment fund, financial institutions, stock exchange, assets.*
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Introduction

Investment companies are a new form of credit and financial institutions, actively developing in the last few decades in Western countries, as well as in the United States. Priority in the development of these companies belongs to the United States. Investment companies, by issuing their own shares, attract funds, which are then invested in securities of industrial and other corporations. Thus, through the acquisition of securities, they are carried out on an equal basis with other credit and financial institutions and financing of the economy. At present, investment companies are divided into two types: closed and open. Closed-type investment companies issue their shares at once in a certain amount. A new buyer can only buy them from previous holders at a market price. Investment companies of the open type, called mutual funds, issue their shares gradually in certain portions mainly to new customers. These shares, as a rule, can be transferred or resold. A more convenient organizational form is an open-type company, since a permanent issue allows them to constantly increase their money capital and thus constantly increase investments in corporate securities. In general, the organizational form of investment companies, both open and closed, is mainly based on a joint-stock form.

Literature review

Development finance institutions (DFIs) play a fundamental role in emerging markets and developing economies. DFIs provide a broad range of financial services in developing countries, such as loans or guarantees to investors and entrepreneurs, equity participation in firms or investment funds and financing for public infrastructure projects. [17] The global economy needs development support from different sources of financing in diverse geographic areas to bridge the expanding gap in development status of countries. Initially, the Bretton Woods institutions paved the pathway of development finance by investing in and supporting the developing societies to keep pace with developed counterparts. In a short time frame, successful lending and cofinancing projects revealed the impact of development financing tools on infrastructure and living conditions of the population. Problems of development assistance and development finance was researched by Addison T., Mavrotas G.[1], Atkinson A, [2], Scientists as Dollar, D. and Thornton, J. investigated China's Development Finance [3]. Some economists, as well as Greenhill R. and Prizzon, A [4], Head J.[5] Jha R. [7], Mirkin Ya.M. [8-9], Nissanke M. [11], Shafik, N. [14], Strange A., Parks B. [15] founded solutions to financing problems.

Review of world experience

The peculiarity of investment companies is that among the buyers of their securities, the share of credit financial institutions and commercial industrial corporations increases. Each investor of an investment fund is required to pay commissions when buying shares for him and managing the deposit. The amount of commissions varies by company and depends, as a rule, on the financial strength and reputation of the latter. In general, the development of investment companies is closely linked to the dynamics and scale of the securities market: the higher the level of development of the securities market, the higher the level of development of the company. Therefore, investment companies received the most strong development in the leading industrialized capitalist countries, especially in the USA, Canada, England, Germany and Japan.

Analyzes based on average values often cause a smile from experienced experts, but when it comes to aggregate performance of funds, the average performance in the industry begins to play the role of indicators, which should be based on conclusions about the profitability of a fund. It will be reasonable to recall that in Western practice, there is often a relationship between the type of fund created by certain characteristics and the maximum possible return that such a fund can bring. In part, this dependence is logically explained by a change in the market situation. For example, after March 2012, the shares of funds investing in enterprises of the US military industrial complex rose sharply, as the government of this country increased the volume of state orders, but at the same time, securities of funds that invested in high technology fell in price. Approximately the same logic explains the changes in the value of fund units with large, small and medium capitalization. Simply put, funds respond to market changes in accordance with the restrictions that the management companies imposed on them when the funds were created. The investment declaration and the description of the strategy of the funds are not accidentally necessarily the information disclosed. Such information encourages investors to become acquainted with the procedures of the fund and adequately react to changes in market conditions.

Under the circumstances of the deepening of the global financial crisis, the world's leading stock exchanges index fell sharply and there was a tendency to decline in the value of securities, which attracted investors and households' resources and their investment funds mainly investing in securities.

Studies show that in 2008, the net assets of openly-funded investment funds in the context of the global financial crisis dropped sharply compared to 2007. In particular, net assets of open joint-stock investment funds decreased by 27.6% in comparison with 2007. The largest decline (44.6%) fell on the share of Asia and Pacific investment funds. Nevertheless, the assets of regulated investment funds increased in 2009. An analysis of international mutual funds for the period 2008-2015 has shown that the assets of investment funds regulated in Asia and the Pacific have grown at relatively high rates in other parts of the globe (132%; Table-1.).

The trend of investment funds development in the US

In 2015, net assets of all regulated open joint-stock investment funds increased by 80.3% compared to 2008 and amounted to about 37.2 trillion soums. US Dollars. In 2015, the share of US regulated open joint stock investment funds in net assets was 47.7%. The European average was 34.3%. Luxemburg is one of the leading countries in the development of European investment funds. Net assets of its regulated investment funds will amount to 3.6 trln in 2015. At the same time, the net inflow of openly regulated European investment funds amounted to 27.9%. The US publicly traded fixed investment funds require a thorough analysis of its practice, with the largest share of net assets available.

Table-1.

Dynamics of Gross Domestic Assets of Open Traded Funds, Bn. USD at the end of the year

World kits and countries	2008	2009	2010	2011	2012	2013	2014	2015	2015/ 2008 change, percent in your account
The whole world	20631,0	25088,9	27374,4	26578,6	30213,6	34462,5	37072,4	37190,5	+80,3
America continent	11130,3	13355,4	14591,5	14583,2	16488,6	18864,2	20009,5	19557,3	+75,7
Including the United States	10151,9	1 1889,7	12825,4	12680,5	14393,8	16725,4	17849,6	17752,4	+74,9

Europe	7393,8	8912,1	9573,9	8949,1	10257,6	11715,5	12858,6	12772,3	+72,7
Including Luxembourg	2042,3	2538,9	2799,0	2587,1	3007,4	3453,4	3518,6	3565,8	+74,6
Asia and the Pacific	2037,5	2715,2	3067,3	2921,3	3322,2	3740,0	4057,8	4738,8	+132,6
Africa	69,4	106,3	141,6	125,0	145,2	142,9	146,5	122,1	+75,9

Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

In 2015, the total number of investment funds in the United States was 16860. This is by 2016 less than in 1997. The number of unified investment incentives in the US investment funds has sharply decreased from 1997 to 2015 (from 11,593 to 5,188), which has led to a decrease in the number of joint investment funds. The number of open funds has grown in the last five years and has reached 9520 in 2015. The number of stock market quotations on the stock exchange also has a tendency to grow, and in 2015 it was 1594, which is 2 times more than in 2009 (table-2). At the same time, despite the fact that the stock market has increased at higher rates, however, the largest share in the number of US investment funds in 2015 to various types of investment funds.

Table-2.

Change in the number of US investment funds

Years	Open kind of foundations	Closed-type funds	Stock market quotations on the stock exchange	Integrated Investment Trusts	Total investment funds
1997	**6778**	**486**	**19**	**11593**	**18876**
1998	**7489**	**491**	**29**	**10966**	**18975**
1999	**8003**	**511**	**30**	**10414**	**18958**
2000	**8370**	**481**	**80**	**10072**	**19003**
2001	**8518**	**489**	**102**	**9295**	**18404**
2002	**8511**	**543**	**113**	**8303**	**17470**
2003	**8426**	**581**	**119**	**7233**	**16359**
2004	**8417**	**618**	**152**	**6499**	**15686**
2005	**8449**	**634**	**204**	**6019**	**15306**
2006	**8721**	**645**	**359**	**5907**	**15632**
2007	**8745**	**662**	**629**	**6030**	**16066**
2008	**8879**	**642**	**728**	**5984**	**16233**
2009	**8611**	**627**	**797**	**6049**	**16084**
2010	**8535**	**624**	**923**	**5971**	**16053**
2011	**8673**	**632**	**1134**	**6043**	**16482**
2012	**8744**	**602**	**1194**	**5787**	**16327**
2013	**8972**	**599**	**1294**	**5552**	**16417**
2014	**9259**	**568**	**1411**	**5381**	**16619**
2015	**9520**	**558**	**1594**	**5188**	**16860**
2016	**9524**	**549**	**1604**	5203	16901

Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

In the United States, they must be ready to buy back their open-end equity securities at their fair value. A net asset value is determined by dividing the market value of the aggregate assets into the number of outstanding stock quotes without deducting the fund's liabilities. Unlike investment funds, the closed type of investment funds does not deal with the redeemable shares. In other words, the shares of closed-type investment funds are not redeemed directly by the stock, but its shares are traded in the open market by investors. Closed-type funds are traded on a daily basis at stock market-based traded stocks, with a fixed rate of return.

Therefore, it does not need sufficient cash backfall or sale of securities in its portfolio of assets to buy shares of closed type investment funds.

Because of the regular sales at the ETG stock exchange, the value of the shares acquired by the two investors at different times can vary and these two estimates may differ from their net realizable value. Investors can make orders during the day to buy or sell shares of an open type investment trust. However, all orders are satisfied at the same price.

In 1998, assets of US investment funds totaled

Impact Factor:
ISRA (India) = 1.344 | SIS (USA) = 0.912 | ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829 | РИНЦ (Russia) = 0.207 | PIF (India) = 1.940
GIF (Australia) = 0.564 | ESJI (KZ) = 4.102 | IBI (India) = 4.260
JIF = 1.500 | SJIF (Morocco) = 2.031

5.79 trillion. At the end of 2007, the global financial crisis, which is about $ 13.0 trillion, US dollars. In 2008, the assets of the funds dropped significantly (-20%) and amounted to 10.4 trillion. dollars. As a result of the global economic recovery, assets of investment funds started to grow in 2009 and beyond, and exceeded the level of the crisis by 18.1 trillion. US dollars.

In 2015, the share of total net assets of open investment funds in total assets of investment funds made up 86.4% (Table-3). During the period from 2010 to 2015, the US has seen an increase in assets of all types of investment funds. In particular, in comparison with 2009, the growth of open investment funds, closed-type investment funds, investment incidents 40.8 percent, 17.0 percent, 170.0 percent and 147.4 percent respectively.

Our analysis shows that over the past decade the assets of the funds, which are traded on the stock exchange, have risen sharply. This, in turn, indicates an increase in the role of EITI in recent years. In 2015, the assets of such investment funds increased by almost 7 times in comparison with 2005.

Recently, competition for financial intermediaries has become even more pronounced, with the share of commercial banks having a tendency to decline, the share of investment funds, and vice versa. This is driven by the increase in the sustainability of investment funds' financial markets, reducing the risk for private investors, increasing investment funds, raising savings profits, and increasing the demand for new forms of investment.

In addition, the development of investment funds plays an important role in mitigating the negative impact of the global financial crisis on the stability of the financial market, particularly in increasing the share of households in the stock market.

In 2015, nearly half of the assets (56%) of open-type investment funds accounted for shares in the United States. Also, in the structure of open type investment funds, the money market funds had 21%, bonds funds - 16%, and other hybrid funds - 8%.

Table-3.

Total net assets of U.S. investment funds at the end of the year billion In US dollars [40]

Years	Funds of open type (ti (ia1 Gypsum 1 $)	Closed type foundations (s1o $ es1-eps1 GipsTs)	Stock market quotations (exs1gap§e- (gas1s1 GipsTs, ETG ')	Integrated Investment Tips (IPK TueTweet * 1g "Ts)		Total investment funds
1998	5525	156	16		94	5790
1999	6846	147	34		92	7119
2000	6965	143	66		74	7247
2001	6975	141	83		49	7248
2002	6383	159	102		36	6680
2003	7402	214	151		36	7803
2004	8096	253	228		37	8614
2005	8891	276	301		41	9509
2006	10398	297	423		50	11168
2007	12000	312	608		53	12974
2008	9621	184	531		29	10365
2009	11113	223	777		38	12151
2010	11833	238	992		51	13114
2011	11632	242	1048		60	12983
2012	13057	264	1337		72	14729
2013	15051	279	1675		87	17091
2014	15875	289	1974		101	18240
2015	15652	261	2100		94	18107

Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

Assets of all regulated open investment funds in the world will reach 37.2 trillion yuan in 2015. US dollars. Of these, 47.7% were US, 34.3% European countries, 13.0% - Asian and African countries, and 5.0% - the rest of the Americas. The United States has invested 17.8 trillion. The United States dollar has maintained a leading position in the structure of internationally-adjusted open type investment funds (see Table 3.1).

Our analysis shows that the largest share of 5, 10, and 25 funds in the total assets of publicly traded assets in the United States has a tendency to grow over the years. Particularly, the share of five largest investment funds in total assets of investment funds makes 45% in 2015 and 13% in comparison with 2000. (Table-4).

Funds, which are one of the types of open type investment funds (GipsE oG' Ishbz), are investing in shares of other investment funds. At the same time, the share of the assets of hybrid funds in the fund of funds is 91.6%. Funds of hybrid funds are mainly invested in the basic asset, stock, and other hybrid funds.

Leading world mutual funds

At present, the mutual funds represented in Table 1 occupy a leading position in the United States. Such funds as Fidelity, Dreyfus, Vangard and Franklin have gained wide acceptance in the US and in the Western world due to their investment activities. their power they are at the top of the pyramid of investment companies of an open type. In other Western countries there are also mutual funds. However, in the US they are distinguished by great dynamism and ingenuity of their actions. A number of specialists in the United States believe that "funds have become a kind of alternative to the banking system of the country." They create free movement of capital, which can not be done by banks whose activities are limited by various rights. At present, mutual funds are an ingenious mechanism for accumulating the savings of the population and turning them into investments.

At the same time, the fund has one serious drawback. If huge funds are in the hands of a limited number of legal entities (mutual funds), then the destabilization of the securities market and especially stock exchanges is possible, if all funds simultaneously start buying a sale. This is evidenced by a number of recent stock market shocks. A similar picture can also be observed in the municipal bond market, where the impact of the funds is quite significant. Such a market can collapse instantly, if the funds, say, urgently need money and they will throw out a large batch of these bonds. In addition, in the practice of mutual funds, there is no "incentive for long-term ownership of shares or a calm state of capital," which is due to the variable nature of their capital.

Table-4.

The largest mutual funds of the USA

Mutual funds	Assets billion.	Market share, %
1. Фиделити Инвестмайтс	164,3	10,2
2. Merrill Lynch	107,6	6,7
3. Vengard	92,6	5,8
4. Dreyfus	75,8	4,7
5. Franklin California Tex Free Incom Foundation	64,6	4,0
6. Capital Research	62,1	3,9
7. Dean Witter	52,9	3,3
8. Camper	45,4	2,8
9. Federated	45,2	2,8
10. Shiarson	45,1	2,8

Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

Therefore, managers of investment funds, in contrast to their counterparts on pension funds, operate fairly quickly and are mainly oriented to the near future. So, holders of certificates of deposit after expiration of their validity transfer money to mutual funds. The fact is that the deposit certificate is guaranteed by the state, and the obligations of mutual funds do not have such guarantees. However, the funds have won too high the confidence of investors, often neglecting guarantees. In addition, investment funds, unlike banks, brokerage firms, savings and loan associations and insurance companies, were not seen in various kinds of abuse and scandals. At the same time, the development of funds over time somewhat outpaced the emergence of regulations governing their activities. The heads of the largest groups of mutual fund companies operate with billions of dollars, and the fund companies own large amounts of securities. At the same time in each group there are dozens of funds that manage their assets independently, pursuing their own investment goals. Experts believe that due to the rapid growth in the number of funds, in the end, they will gain tremendous power over corporations and companies in the United States.

Thus, the largest group of mutual funds "Fidelity" encourages its securities portfolio managers to set requirements for the management of companies and corporations to update the board of directors, increase pay rates and take decisions against acquisitions. Such examples are followed by other groups of mutual funds. Thanks to the new rules developed by the Securities and Exchange Commission (SEC), mutual funds are not difficult to pursue such a policy. However, this policy is not always feasible if the funds are not represented on the board of directors of corporations. According to the existing legislation in the US, mutual funds are deprived of the opportunity either to control the activities of a particular company. Only when the portfolio manager becomes a member of the board of the company, then he gets access to her internal information, but in this case he can not participate in making decisions about the sale or purchase of securities for his fund, without violating the law prohibiting the use of "inside information" "In carrying out such operations. As a result, he is not entitled to serve the shareholders of his fund and any other company. However, the impact of funds on corporate policies is significant, since the cost of capital on the market depends on their investment decisions. The following data testify to the power of mutual funds in the United States. Only in the first half of 1998, the funds purchased securities worth $ 243.5 billion, while other financial institutions combined, purchased securities for only $ 12 billion. Thus, 95% of all investments in shares in In 1998, the funds were provided. In addition, it is necessary to emphasize the trend: the share of shares in individual ownership decreased from 71% in 1980 to 42.2% in 2000. At the same time, indirect ownership of them through funds is growing. Thus, during the same period, the share of mutual funds' assets, formed by shares of individual individuals, increased from 5 to 35%. The increased importance of funds in the accumulation of capital is evidenced by their growing share in US financial assets. A greater role is played by funds on the securities market for newly established companies. As a rule, the outcome of trading for them depends largely on the reaction of mutual funds.

Usually the pace of sales of newly issued shares and the acquisition of their mutual funds almost coincide. Mutual funds have always had a big impact on companies in rapidly developing new industries. So, the financing of biotechnology is mainly carried out by mutual funds. Those of them, whose activities are primarily focused on the health sector, control about 7 billion dollars. Besides, hundreds of other funds have shares of this industry for many billions of dollars. Thus, funds from the Fidelity group own $ 2.4 billion in biotech companies, i.e. 7% of the total value of shares in this industry, with half of them in the hands of "Fidelity". The inflow and outflow of cash into funds with high-yielding bonds has a powerful impact on the junk bond market. The funds invested $ 60 billion in them, and, in fact, became the main protagonist in a fairly profitable market, since many of those who in the 1980s, played a significant role there, in fact, in the early 1990s, they recognized themselves as defeated. Since 1991, from 50 to 80% of daily transactions are made with the participation of mutual funds. The main direction of their activity is not connected with shares or with junk bonds. Investors of funds now prefer to buy bonds that are subject to a small tax or not taxed at all. The value of these government securities reached $ 350 billion in 1999. Therefore, mutual funds represent a significant force in this market, helping to cover the budget deficit. If pension funds, insurance companies and foreign investors occupy a prominent place in the US government securities market, then mutual funds are the first place in the market of mutual funds, although banks and insurance companies occupied the leading position here 10 years ago. But when profitability in this area has shrunk and changes in taxes have been introduced, banks and insurance companies have drastically reduced activity and currently mutual funds have remained almost the only market in this market. The funds have done quite a lot of work to establish and organize the market of municipal bonds that have movement within one state. Today, funds specializing in transactions with such municipal bonds are developing quite quickly. One of the reasons is that they offer local investors income that is not levied either by state taxes or federal taxes. For example, the Franklin Fund, with securities of local governments and the government of California at $ 18 billion, has concentrated in its hands about a third of the assets of all state funds working with bonds. Therefore, in California, almost all transactions with bonds are carried out under the control of the Franklin Foundation. Issuers and bankers are constantly consulting this fund. Almost continuously changing the terms of transactions with municipal securities to take into account the interests of depositors of mutual funds. Portfolio managers of securities, leading transactions with these bonds are wary of new types of financial transactions and agreements, including options, futures and swaps. Issuers can save money by using these financial instruments. At the same time, they are rather complicated for private investors, who are unlikely to resort to urgent transactions without the participation of mutual funds.

Mutual funds, operating with these bonds, require issuers more complete and qualitative financial information than individual investors. Thanks to mutual funds, the level of reporting and publicity regarding the finances of local authorities has become immeasurably higher. And although it is difficult for small issuers to maintain such reports because of the high costs incurred, holders of securities and large issuers are now better informed. Even the most discerning issuers prefer to deal with mutual funds. Currently, it is easier to sell securities to several funds than individual individuals, the number of which can be more than one thousand. So, the Massachusetts Water Resources Authority decided to place its bonds for $ 836 million and organized a meeting with representatives of 25 mutual funds. As a result, all but two funds purchased bonds, and 60% of the bonds issued by the Water Resources Authority were in the hands of the funds. The funds have large capitals and buy these bonds in large packages, so they manage to reduce the cost of sales. The lower cost of bond placement allows issuers to reduce such expenses by 0.06 -0.1 percentage points. Although this economy seems at first small, but in dollar terms it can reach 230 million annually. Although mutual funds work mainly in the stock market and municipal bonds, they are also active in the money market. In the 1970s they allowed individual investors to enter the market of commercial securities, treasury bills and deposit certificates with a capital of 100 thousand dollars. Mutual funds in these years, conducting operations in the money market, lured to themselves not only the best investors, but also the best borrowers of banks.

Funds, taking the largest and most solvent customers from banks, made it more difficult for them to expand lending to small and medium borrowers. Most of the new money goes to the funds from those who are striving to make savings, but are not satisfied with the low banking rate on deposits, or those who invested in shares in the hope of a market for banks. But if interest rates crawl up or the stock market crashes, investors will start giving away their securities at bargain prices. However, most likely they will change the funds, but they will not leave them. So, during the exchange crash of 1987, mutual funds made less than 1% of the invested money, and this is due to their reliable protection from this kind of cataclysms.

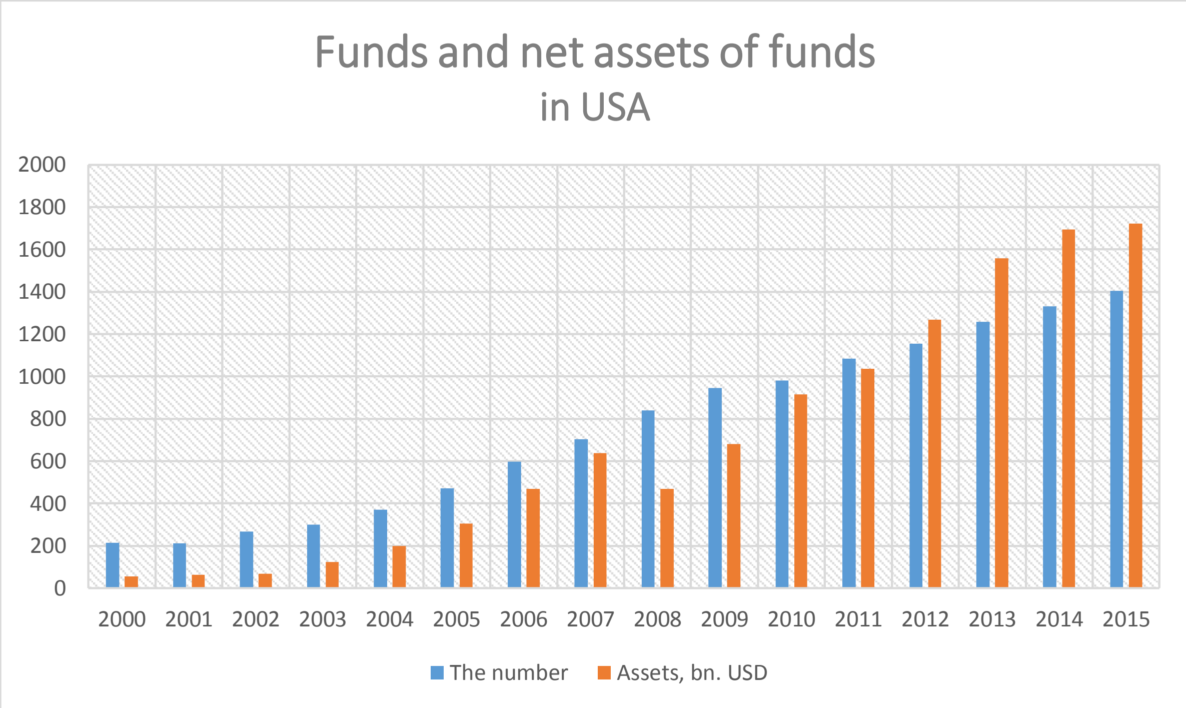
In this regard, for banks, the only way to compete with mutual funds, fighting for the money of the population, is by this business itself. In 1999, the banks managed about 12% of the assets of the funds and accounted for 15% of their sales. Not only banks are likened to mutual fund companies. Most brokerage and investment firms also follow this path. Thus, the largest investment bank Merrill Lynch and Co is the second largest "family" of mutual funds, and three of the ten most significant mutual fund companies are essentially branches or subsidiaries of broker companies. According to the estimation of "Securities Industry", the income from attracting investors to mutual backgrounds for 10 years from 1990 to 2000 increased 10-fold, and payment for fund management services - more than 8 times. It is believed that mutual funds are becoming one of the most profitable goods that brokers have ever dealt with. Investment companies invest in a wide variety of sectors of the economy. Historically, the first form of investment company investment was the acquisition of large stakes in the shares of railway companies. They own stocks of oil companies, office equipment, automotive, electronic, electrical, chemical corporations. This is followed by such industries as aircraft construction, textile, building materials and equipment. In the first of these groups of industries - the highest return and profitability. Owning a significant shareholding in corporations increases the influence of investment companies and in some cases they directly intervene in the affairs of the corporation.

Thus, investment companies contribute to the even greater multistep and entanglement of the whole mechanism of control over the activities of corporations. By investing huge amounts of money in ordinary shares, they become practically holdings for individual corporations. Moreover, several companies concentrate their shareholdings in corporations (one or several) in sufficient amount to control. Investments of investment companies are not limited to the national framework, as they also invest in securities of foreign corporations. All major US investment companies conduct their operations abroad.

Their international activities are characterized by a great mobility of capital, which allows them to quickly transfer capital to various sectors of the economy of different countries. In addition, there are also multinational companies, formed from investment companies of different countries. As a result, there are counter-crossing investment flows. The creation of international investment companies is conditioned by a number of circumstances: firstly, it is a flexible way of transferring private capital from one country to another, and secondly, these companies have the opportunity to enjoy favorable conditions for investments in other countries, unlike the domestic domestic market, securities in the market of one industry can be accompanied by a reverse process - a fall in another. These fluctuations can be used to increase profits.

Therefore, multinational investment companies play a big role in the system of control over the economy not only of their country, but also of other countries. In the postwar years, investment companies played an important role in the intertwining of American, West European and Japanese financial and industrial groups. They act as an important link in the management of various financial and industrial groups, concentrating in their own huge stakes in corporations.

By the end of 2015, assets of the funds' funds amounted to 1721.6 billion soums. The total number of US dollars was 1404. Its assets increased by 30 times in 2015 compared to 2000. Accordingly, their number increased to 1189 in this periodic period (Fig.1).



Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

Fig.1. Funds and net assets of funds in USA

Index funds are also popular among open-type investment funds. Their assets have significantly increased over the past few years: from $ 327 billion in 2002. From the US dollar to 2.2 trln in 2015 Up to USD. In 2015, the number of index funds reached 406, 33% of its assets were securities of 8 & R 500.

In 2015, 258 EGs in the United States were rebuilt and 75 were abolished. Their net sales in 2015 will be 231 billion soums. (US $ 244 billion), which was achieved in 201444 45.

In the United States, a substantial part of assets of closed type of investment funds is placed in bonds and their share is 62% in 2015. Of these, 34% are local municipal bonds. In terms of history, the share of bond funds in the structure of assets of closed type of investment funds is high. For example, in 2000, 75% of assets of all types of closed-type investment funds were owned by bonds.

Closed-type investment funds may, in addition to ordinary shares, also utilize preferential stocks to increase capitalization. In 2015, all shares of closed type investment funds worth 261 billion soums. US dollars.

Experience in the development of investment funds in Europe

The world value of net assets of unit investment funds in the third quarter of 2016 is 43997946 million US dollars [6]. Of these, 54%, in absolute terms, 23684560 million US dollars, are US mutual funds. The second position in the global NAV structure is occupied by the funds of European countries, their share is determined by 34%, that is, 14879616 million US dollars. A less significant part is the NAV of mutual funds of Asian and Pacific countries. The share they occupy is 12%, which in absolute terms is equal to 5269921 million US dollars. The share of NAV funds of African countries is at the level of 0.4%, that is, 172849 million US dollars. In Europe, Luxembourg, France, Ireland, Germany, and the United Kingdom have developed a wide range of investment funds, especially open types of funds. The share of these five countries in the total volume of open joint-stock investment funds in 2015 was 84.9% (Table-5).

Table-5.

Countries of the open type of investment funds in Europe interest rate

Countries	2008	2009	2010	2011	2012	2013	2014	2015
Luxembourg	**27,6**	**28,5**	**29,2**	**28,9**	**29,3**	**29,5**	**27,4**	**27,9**

Ireland	**9,7**	**9,7**	**13,0**	**14,8**	**15,4**	**15,5**	**15,7**	**16,2**
France	**21,5**	**20,3**	**16,9**	**15,4**	**14,4**	**13,1**	**15,1**	**14,3**
Germany	**15,3**	**15,1**	**14,5**	**15,2**	**15,5**	**15,6**	**14,4**	**14,1**
Great Britain	**6,8**	**8,2**	**8,9**	**9,1**	**9,6**	**10,0**	**11,7**	**12,4**
Other countries	**19,1**	**18,2**	**17,5**	**16,6**	**15,8**	**16,3**	**15,7**	**15,1**
Total European countries	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**

Source: World Bank Documents & Reports. Url: http:// www.documents.worldbank.org.

In general, the tendency of development of investment funds in the developed countries has been slightly reduced due to the global financial and economic crisis.

Conclusion

In 2008, under conditions of the global financial crisis, net assets of openly-funded investment funds declined sharply (by 27.6 percent) compared to 2007. The largest decline (44.6%) fell on the share of Asia and Pacific investment funds. In 2015, net assets of all regulated open joint-stock investment funds increased by 80.3% compared to 2008 and amounted to about 37.2 trillion soums. US Dollars. Of these, 47.7% of US dollars have been invested, and it has maintained a leading position in the global open investment funds. The European average was 34.3%. In 2015, the share of total net investment assets of the United States in the structure of assets of total investment funds amounted to 86.4%.

The largest share of 5, 10, and 25 funds in the total assets of US open-source mutual funds has a tendency to grow over the years. Particularly, the share of five largest investment funds in total assets of investment funds makes 45% in 2015 and 13% in comparison with 2000.

In the United States, a substantial part of assets of closed type of investment funds is placed in bonds and their share is 62% in 2015. Of these, 34% are local municipal bonds.

In Europe, Luxembourg, France, Ireland, Germany, and the United Kingdom have developed a wide range of investment funds, especially open types of funds. The share of these five countries in the total volume of open joint-stock investment funds in 2015 was 84.9 percent.

In the Russian Federation, the share investment funds are developing. The trend of growth has been preserved in their number. In 1997, the number of PIFs increased to 1,374 as of January 1, 2016.

In developing countries, there are adequate conditions for diversification of investment funds' assets in various sectors. Their share is particularly well-developed with sovereign investment funds, particularly those with closed-type investment funds. The transition from a planned economy to a market economy has played a major role in the CIF and XIF.

Evaluation and forecasting of possible economic events as a result of the interaction of stock markets with the economy are among topical issues. Therefore, the dissertation was based on the econometric models that reflect the impact of the stock market index on some economic indicators (gross domestic product, gross domestic product, gross savings, unemployment, inflation rate) and analysis on them. The results obtained from the US data show that the 8 & R500 index and the gross domestic product were not entirely correlated, with the remaining figures being high enough.

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