FINANCIAL MARKET MODELS

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Abstract. Through the mechanism of the financial market, the most effective areas of financial resource injection are determined. In the financial market, money participates as a specific commodity, and in this capacity, in the following markets, namely, the credit market, the financial market, the fund (securities) market, the foreign exchange market, the money market, the market for insurance and pension funds, traded in the stock market, derivatives market, etc. The composition of financial markets is still the subject of expert debate.

Key words: Financial market, financial resources, market, money, bank credit, Islamic finance, securities, banking model.

The financial market model is a type of market organization based on the role of different financial intermediaries and the importance of different methods of financing the economy.

There are two main methods of financing the economy:

1. Financing with bank loans (the main method of financing in Europe). In this case, the company applies to the bank for resources, the bank checks the company's condition, project goals and efficiency, and only after that - in the case of a positive assessment - grants a loan. Of course, not all applications end with a positive result, banks prefer not to finance risky projects. In addition, it is very difficult and sometimes impossible to get multiple loans. Bank rates are high, and sometimes a bank cannot provide a large amount of credit on its own.

All these are disadvantages of bank loans and encourage companies to attract funds from the stock market.

2. Financing through the stock market (the main method of financing in the United States). In this case, the company issues securities and raises capital by selling them on the market. The conditions for attracting funds in the stock market are undoubtedly more attractive for the borrower, but why do not all borrowers use this tool to finance their projects? Because in this case, it will be necessary to convince not only one investor (bank), but a large number of investors that the projects of this company are effective and that their investment will be profitable. In other words, it is required to win the trust of investors. Fund raising in the stock market is associated with the following features:

- the company should be known to investors, i.e. sufficiently open, its projects should be covered in the mass media, and its indicators and reports should be open for review;

- the amount of funds to be attracted should be quite large, otherwise the costs of arranging such a loan will be very high and it will be even more expensive than a loan.

Due to the fact that finance and economy in different countries have developed at different rates and according to different schemes, two main models of financial markets have historically been formed around the world - bank-based and stock-based financial markets (sometimes they are insider and outsider models, also called the German and English model).

Later (with the development of a variety of financial schemes and relationships) the Islamic model of the market also emerged.

1. Bank model (other names: bank-based financial system, continental, insider, German model) - a system focused on financing by banks; It is typical for many countries of the world, such as Germany, France, and Japan.

Main features:

- commercial banks perform the function of financial intermediaries (brokers, dealers);
- debt financing of companies through lending mechanisms prevails;
- a large share of property is embodied in the hands of a group of individuals, in which the share of property of state and large corporate structures - "stakeholder capitalism" ("capitalism of owners of large packages of shares") is high;
- additional placement of securities will be closed;
- control packages and vertical participation are of great importance in the structure of share capital;
- collective investment institutions in the ownership structure of a small number of retail shareholders (having less than 1% of the capital) and their interests.

2. The non-bank model (other names: market-based financial system, outsider, Anglo-American model) is a system focused on the stock market and the system of institutional investors (insurance companies, investment and pension funds).

Main features:

- non-bank financial institutions, securities companies perform the function of financial intermediaries in the securities market;
- banks and their subsidiaries are prohibited from conducting operations for clients on the securities market;
- securities are mainly placed in the hands of a large number of small property owners through stock market mechanisms;
- share ownership structure - retail, more than half of the share capital is owned by small private investors;
- stock exchanges have developed as markets where financial assets are exchanged between private investors;

- the stock market dominates debt obligations in the structure of financing companies ("shareholder capitalism").

At the end of the 20th century and the beginning of the 21st century, the financial markets in many European countries began to have aspects of the Anglo-American model, and the continental and Anglo-American financial market models are gradually converging and becoming similar. .

3. Material and economic moral values in the Islamic model superiority over blessings is emphasized. The creation of this system is related to the large amount of income from oil exports in the Arab countries in the middle and end of the 20th century. Then there was the question of where and how to store these revenues. Until now, when revenues were low, the governments of Arab countries kept their funds in traditional banks, that is, interest-bearing banks. It should be noted that even in Islamic countries there are two types of banks - traditional banks and Islamic banks, that is, both systems exist simultaneously.

Main features:

- Prohibition of receiving interest. However, this ban applies only to guaranteed income for the bank. Lender to borrower reward has the right to claim, but in any case it should not be agreed in the form of an interest rate to be paid, but represents the creditor's participation on the basis of a share in the income of the borrower. In case of loss of the project, the fee for using the loan may be zero.

- Possibility of income from participation on the basis of rent and share.

- Absence of bond market. However, in the Islamic model a specific form of bonds - sukuk - is widespread, in which income is provided from participation in a jointly financed project based on a share.

- Prohibition of investing in gambling-related businesses or businesses that promote inappropriate behavior, such as alcohol production.

- Prohibition of any form of speculation, absence of derivative financial instruments in the market (for example, sale of uncultivated wheat crop, which is considered a common practice in Western countries).

- Principles of helping the poor and helpless. Each Islamic bank must establish a fund for itself (the tax is taken from the initial and reserve capital of the bank and its profits) and its customers, in the amount of 2.5% of which zakat payments will be made for the benefit of poor Muslims.

The non-banking model, also known as the outsider, Anglo-American model, is a system of institutional investors (insurance companies, investment and mutual funds) focused on the stock market. This model the main features are:

- non-bank functions of financial intermediaries in the securities market

performed by financial institutions, securities organizations (exchanges, brokerage organizations and hokozos);

- banks and their branches or representative offices are prohibited from carrying out operations for clients on the securities market;
- securities are mainly placed among many small owners through exchange mechanisms;
- the share capital is dispersed, the share of small private investors is more than 50% of the share capital;
- the development of stock exchanges as a market for trading financial assets among private investors;
- the preference of the stock market over debt obligations in financing companies.

By the end of the 20th century - the beginning of the 21st century, the financial markets of many European countries began to adopt the features of the Anglo-American model.

As a result Anglo-American and continental models of the financial market are converging gave The Islamic model of the financial market is mainly based on the superiority of moral values before material benefit, economic profit. This system was formed at the end of the 20th century in Arab countries depending on the high income from oil exports. It is the money received due to the high income from oil exports how the issue of storage has arisen. Before that, due to the low amount of receipts, the funds were kept in traditional banks. The main features of the Islamic model are:

- there is a ban on charging interest. But such a ban applies only to banks with guaranteed income;
- opportunities to earn income from participation or rent on the basis of a share;
- non-existence of the bond market. But a special type of bond is to allow you to earn income based on your share in the financing of the project applies through
- it is prohibited to make investments in the business related to gambling, production of alcohol products;
- absence of derivative financial instruments. For example, derivative instruments cannot be used for unripe wheat;
- application of the principles of assistance to the needy. In this, each Islamic bank and its customers establish a special fund on the basis of allocation of Islamic tax for the benefit of poor Muslims at the expense of reserve capital and profits.

In general, it can be noted that financial market models are directly related to corporate culture to some extent.

Model of the financial market of Uzbekistan

The financial market of our country is a product of the reforms that are being carried out at a rapid pace in the country and has its own development path. Modernization of production, attracting investments and ensuring industrial growth can be included among the main problems for our country. The role and functions of the national financial market are of great importance in solving these problems.

It is known from world practice that the financial market is an effective mechanism for attracting investments, modernizing the real sector, and stimulating growth in production and the economy as a whole in order to ensure international competitiveness, security and stability of the national economy.

The openness, attractiveness, stability, overall high level of organization and development of the financial market represent the international competitiveness of the national economy. The financial markets of all countries with such characteristics compete with each other for the opportunity to redistribute financial resources for investment purposes and to ensure trade activity.

In this competition, the financial market of Uzbekistan has a unique, if small, role, and is gradually improving and developing towards the level of properties achieved by the world financial markets. Naturally, the financial markets of most developing (transition economy) countries, like Uzbekistan, are experiencing strong competition for financial resources for investment purposes.

The financial market model in Uzbekistan belongs to the mixed (hybrid, combined) model, incorporating elements of the Anglo-Saxon, continental and Japanese models to a certain extent. Its feature is that there is no particular advantage of banks, financial institutions (investment institutions, insurance organizations, funds), institutional investors, and small retail investors. It has separate segments (markets for money, currencies, corporate and government securities, insurance instruments, credit and other instruments of banks), which are currently not fully connected to each other and each has different powers. are arranged separately by state bodies. Such bodies include the Central Bank, the Ministry of Finance, the Center for Coordination and Control of Securities Market Activities under the State Property Management Committee.

Antimonopoly policy in the financial market is carried out by the State Competition Committee together with the indicated bodies. Currently, the infrastructure of the financial market of Uzbekistan is characterized by the fact that it has a certain level of formation and the existence of various financial instruments, which are important but problematic in the economy. Its problem is that the activity of the market in solving the above-mentioned problems is not felt for Uzbekistan at the moment. Because the activity of financial market participants is relatively slow, there are few types of financial instruments in circulation, high level of risk, low capitalization and liquidity, small volume, slow turnover, the ranking mechanism is not perfect, etc. All this is a temporary situation, and in the future it is inevitable that other developing countries will reach the same level of competitiveness as the financial markets.

Currently, the operational structure of the financial market is sufficiently formed and is developing year by year. In joint-stock companies, as in most developing countries, owners of large blocks of shares have formed, as a result of which a situation of "stakeholder capitalism" (capitalism of "controlling block owners"), different from the Anglo-Saxon model of "shareholder capitalism" has arisen. Their corporate governance mechanism is based on the German (two-tier, insiders) model. It is possible to observe imbalances in emission, interest income and investment policies of companies and banks.

The level of development of banks, companies and insurance organizations is not stable, the level of risk is high. Currently, the segments of term instruments (derivatives), municipal, mortgage and other types of commercial paper (including promissory notes) are being formed in the stock market. State securities are traded on the Republican Currency Exchange. Currency and interbank credit markets operate in the banking sector.

The ratio of the stock market volume to GDP (capitalization rate) is small (about 1 percent), its level is much lower than the volume of gross domestic investments (about 15-17 times). The demand for monetary resources of the real sector is met at the expense of domestic investments in fixed capital. The percentage of dividends on stocks and the interest rate on bonds has a tendency to decrease year by year. The ratio of the primary and secondary markets of shares is approximately close to each other. Secondary markets for stocks and bonds are not speculative in nature. Speculative portfolio investors are not well formed, and there are mainly strategic portfolio investors.

Nevertheless, it is possible to predict the sharp development of the financial market of Uzbekistan in the future. Our country has all the possibilities for this.

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