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FINANCIAL MARKET RATES AND WAYS TO INCREASE THE EFFICIENCY OF THEIR USE

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The Student of TSUE

A B S T R A C T	K E Y W O R D S
These statistics on financial markets and interest rates reflect how prices, yields and volumes of financial instruments, as well as expectations about their future developments, vary over time. They facilitate analysis of the monetary policy transmission mechanism, in particular the extent and speed of the pass-through of changes in official rates to the credit market and the real economy as well as shifts between direct finance (through securities markets) and indirect finance (through the banking system). They are also essential for analysing financial stability and financial integration.	financial markets, Interest rates, specific rate of return, stock, stock, market economy, fixed-income instruments.

Introduction

Interest rates are the contractual liability of the issuer to the owner of securities and represent the promised rate of return on fixed-income instruments (instruments). However, not all assets have a specific rate of return. For example, if you're investing in real estate, stocks, or art, you're not guaranteed any future payouts. Now, let's see how the rate of return on this type of risky asset is measured.

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Kd = (PD : ABb) + (ABdo - ABb) : ABb Kd =DDk + BO'k

Here: DDk is the dividend income component;

Бок - the component of changes in prices

Kd = 5% +5% = 10%

How can you estimate the rate of return if you decide not to sell your shares?

The answer can be given as follows: the rate of return on an investment in securities (or the rate of return on securities) is determined in one way, regardless of whether you sell them or not. An increase in the share price by 500 soums is considered a part of the income of your invested capital, like a dividend of 500 soums. Your decision to hold the shares without selling them does not change the fact that you can actually sell them for 10.5 thousand soums after the end of the year. Therefore, the rate of return is 10%, regardless of whether you decide to realize your income by selling securities in the form of capital growth or reinvest without selling.

The main factors affecting the stock in the market economy can be graphically shown as follows

So, as can be seen from the picture, there are the following four main factors affecting the level of income rates in a market economy:

• efficiency of means of production - the rate of return expected from the funds invested in mines, dams, roads, bridges, factories, machines and inventories;

• the level of uncertainty regarding the efficiency of the use of means of production;

• temporary preferences of people - how much people want to consume goods and services today instead of tomorrow;

• risk aversion - the number of people willing to give up high returns in order to reduce investment risk.

Below is a brief description of each factor. Efficiency expected from means of production. The first factor affecting the rate of return expected by the investor is the productivity of capital goods. It is known that things used in the production of other things are means of production. Examples of means of production include mines, roads, canals, dams, power plants, factories, machinery, and inventories. In addition to this physical (material) aspect of capital, the concept of "capital" includes patents, contracts, formulas, company names, as well as production and supply structures that help to increase productivity. Such intangibles (intangible capitals) are often the result of scientific research and development and advertising expenses. can be described as an indicator. This income is the source of paying dividends and interest to the owners of shares, bonds and other financial instruments (tools) issued by companies. All these instruments (means) indicate the demand for the part of income that comes from the use of capital.

The expected rate of return on invested capital is the investment time and to the place, the state of the economy, other production factors, i.e. natural using this capital to the level of resource and labor sufficiency to the level of demand for goods and services that can be produced depends. Expected amount of invested (placed, included) capital the higher the level of profitability, the higher the interest rates in the economy the higher the level. The degree of uncertainty relative to the efficiency of the use of the means of production. There are many reasons why the rate of return on invested capital is highly uncertain. For example, the impact of unpredictable weather conditions on the crop; mines and wells not being rich in resources as expected; periodic wear and tear of machines; unexpected changes in product demand due to consumer demand or the appearance of alternative goods; moreover, technical progress as a consequence of the development of new knowledge is by its very nature completely unpredictable. Even the simple process of storing goods in inventories for their future use cannot be considered neutral from a certain level of risk. Stocks are claims against income from the use of means of production.

The higher the level of uncertainty about the efficiency of the use of the means of production, the higher the risk premium for the shares invested. People's temporary preference for something (something give priority). The next factor that affects the rate of return human psychology64. People, in general, of all the blessings of life, tomorrow not, they prefer to use it today. Economists often there were no means of production into which funds could be injected.

A financial intermediary is a firm or institution that acts as an intermediary between a service provider and a consumer. It is an institution or person that is between two or more parties from a financial point of view. In theory, financial intermediaries are investment saving channels. Financial intermediaries exist in the financial system to make a profit, and sometimes there is a need to regulate their activities. Also, the latest trends show that financial intermediaries can use the functions of savings and investment in an efficient market system, or they can be a cause for concern, as in a crisis (crisis).

Financial intermediaries operate in the savings-investment cycle of the economy, serving as a vehicle for financing between borrowers and lenders. Intermediaries such as banks and insurance companies play a major role in the financial system, as every calculated resource (money) movement is largely carried out by banks. Financial intermediaries are an important source of external financing for corporations. Unlike capital markets, where investors contract directly with corporations that create securities, financial intermediaries borrow from lenders or consumers and lend to companies in need of investment.

The reason for the common characteristics of financial intermediaries such as banks and insurance companies lies in their uniqueness. As noted above, Banks often serve as "middlemen" between those who have resources and those who do not. Like banks, financial intermediaries charge assets or fees depending on the nature of the clients they serve and the type of service they provide. Asset-based financial intermediaries are organizations such as banks and insurance companies, while settlement financial intermediaries provide portfolio management and syndication services.

The nature of the complex financial system we have today makes the need for regulation even more necessary and urgent. The crisis showed that any financial institution cannot hold the financial system as hostage to its questionable business practices. As the effects of the crisis are felt and now it is clear that asset-backed derivatives and other "exotic" instruments amount to trillions, the role of central banks or monetary authorities in joining financial institutions is necessary.

When capital becomes mobile and immutable, monetary authorities must ensure that adequate checks and balances are in place in the system to prevent harm to investors and the economy as a whole.

Recent trends in the evolution of financial intermediaries, particularly in developing countries, show that these institutions play an important role in poverty eradication and other debt reduction programs. Some initiatives, such as mass microcredit, have increased the economic marginalization of the population.

In addition, financial intermediaries such as banks are becoming umbrella institutions that meet the full needs of investors and borrowers and thrive in "financial hypermarkets."

As we can see, financial intermediaries play a major role in the world economy today. They are the "lubricants" that grow the economy. As the complexity of financial transactions increases, financial intermediaries need to reinvent themselves and meet the needs of diverse portfolios and investors.

Financial intermediaries have a great responsibility towards borrowers as well as lenders. A very short-term intermediary suggests that these institutions play an important role in the development of the economy and together with the monetary authorities should ensure that loans are delivered to the needy without harming the interests of investors. This is one of the main challenges they face.

Financial intermediaries play an important role in a market economy, where the efficient allocation of resources is the responsibility of the market mechanism. In today's increasingly complex financial system, banks and other financial intermediaries must offer new and innovative products and services to meet the diverse needs of borrowers and lenders. It is the right mix of financial products and the need to reduce systemic risk that determines the effectiveness of a financial intermediary.

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