

IMPROVING THE STOCK MARKET REGULATION SYSTEM

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Abstract:

The article analyzes the scientific views of foreign economists on the essence, features, scientific and theoretical issues of the stock market, as well as indicators of the stock market of Uzbekistan. The authors have formed their own opinions, scientific and theoretical conclusions and suggestions on the further improvement of the stock market of Uzbekistan.

Keywords: Investments, issuers, stock, shareholder, stock market, loan capital, securities, securities market, market of capitals, credit.

Introduction

The role of the stock market in developing countries is that it primarily mobilizes free funds of the population, enterprises and organizations, and the state, and directs them to various sectors of the economy. As a result, consumers of capital gain access to sources of financing, while investors gain access to ownership and the ability to maintain and grow their capital. This is a result that is related to the redistributive function of the stock market and, compared to other stock market performance indicators, is an effective and positive result for countries with transition economies.

In the context of globalization, Uzbekistan has not tried to artificially accelerate the process of liberalization and development of the stock market, but has focused on the quality of reforms and their timely implementation. The creation of a stock market system in line with the requirements of the time has been carried out gradually, and this process is continuing steadily. In this era of accelerating globalization, large investment companies are investing twice as much in the economies of developing countries as in developed ones. Despite the growth of investment flows in fast-growing countries, factors such as stock market capitalization, transparency, liquidity, volatility in stock prices, and high transaction costs make it difficult to use the optimal method of asset valuation. The sharp fluctuations of assets in the world stock markets are explained by the fact that the level of capitalization of stock markets in developing countries is growing from year to year. However, the mechanism of issuing securities and selling them on the stock market is not used effectively.

Therefore, it is planned to develop a strategy for the development of the stock market in 2020-2025. The ratio of total free-floating securities to GDP is expected to reach at least 10-15 by the end of 2025.

The first challenge is to significantly increase the liquidity of securities, especially stocks. Due to this feature, the world's stock exchanges can deal with a large number of transactions on the securities of the same issuer every day. Even the insignificant change in the price of securities

is currently attracting the attention of “players”, stock market regulators, as well as the authorities responsible for the state of the stock market. will bring.

Literature Review

The concepts of stock market and stock market are common in economic literature and vocabulary. In particular, E. F. Zhukov writes: “Currently, there are three markets for securities involved in financing the economy: over-the-counter, stock (exchange) and street”.

The role of the intermediary in the capital market is the process of mobilizing long-term funds of the population, including funds of companies and organizations, and investing these funds in securities listed on the stock exchange. As a result, securities issuers and sellers receive funding.

According to Y. Rubin and V.Soldatkin, the stock exchange is, first of all, a place where sellers and buyers of securities find each other, where the price of these securities is determined by supply and demand for them, and the buying and selling process is governed by rules and regulations. regulated, i.e. it is a well-organized stock market .

According to Berdnikova, the stock exchange is the organizer of trading in the stock market. According to L.Chaldaeva and A.Kilyachkov, government securities, corporate securities and derivative financial instruments (derivatives) will be traded in the securities market.

According to Shokhazami, one of the leading scientists in the country, the securities market trading systems are the conclusion of a contract, verification of the parameters of the contract, clearing (settlement), fulfillment of the terms of the transaction (payment). and a market mechanism organized as a complex trading industry consisting of a set of economic, technical, technological and organizational tools that enable the transfer of securities to a new owner).

The issuance of securities allows enterprises to implement large financial investment projects. For this reason, it is advisable to increase the number of joint stock companies in the regions of the country. An increase in the number of joint-stock companies will allow modernizing the production or service process.

Research Methodology

Economic research methods such as data collection, data analysis, synthesis, and logical reasoning have been widely used for the current analysis of the country’s stock market.

Analysis and Discussion of Results

The second global issue is the disclosure of information about securities and their issuers. Today - this issue is one of the most complex issues in the stock market. Raising funds for economic development through the issuance and sale of shares is an important condition. Who are the founders of the joint-stock company, the specialty of the issuer, what products it produces, its working capital, income, profits, relationships with creditors? and finally, most importantly, the company must have the latest information on what dividends it has paid in previous years.

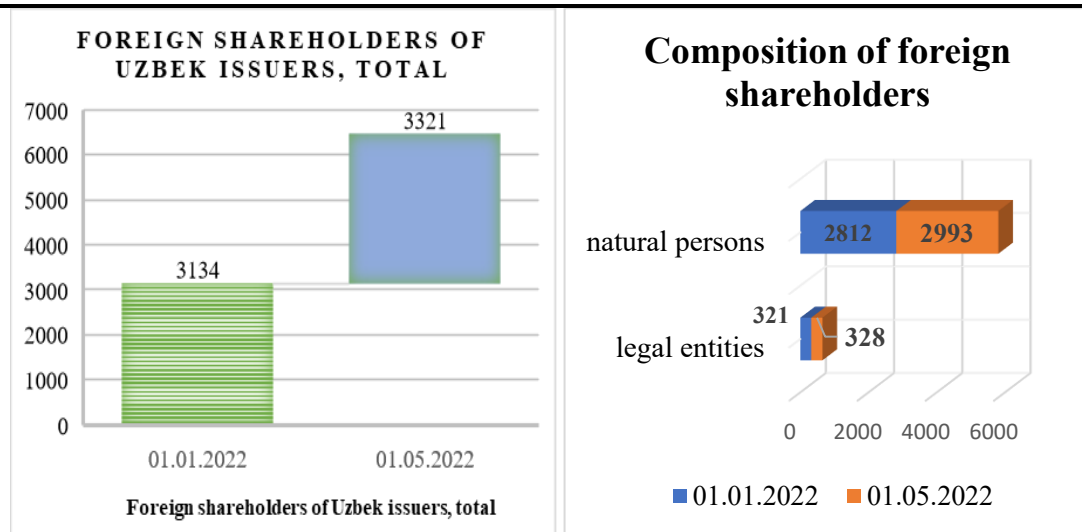
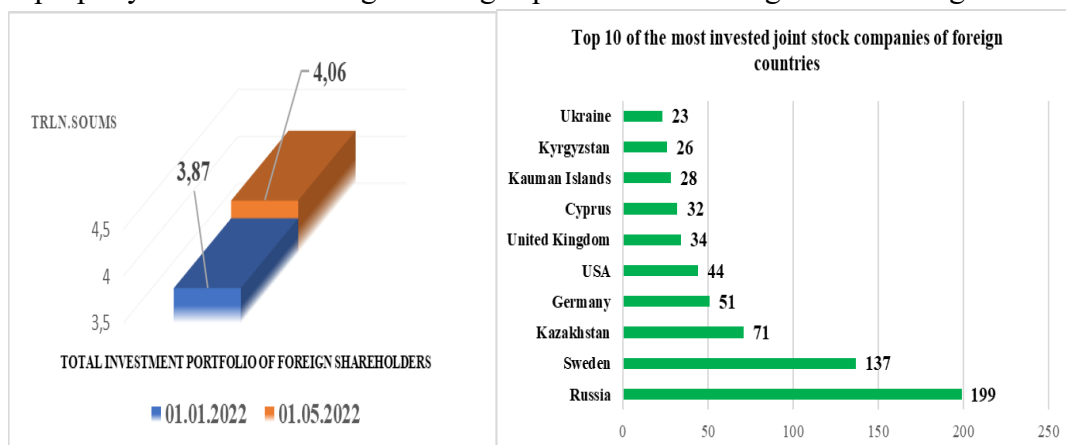


Figure 1. Composition of foreign shareholders, total and foreign shareholders of Uzbek issuers.

As you can see in the picture above, the number of foreign shareholders in the stock market of Uzbekistan in 2022 reached 3321, of which 328 are legal entities and 2993 are individuals. It is obvious that as a result of foreign investment in the stock market of Uzbekistan, along with the direct increase in the volume of production of enterprises, the share price of the enterprise in the secondary market will increase significantly.

Concluding from the above theoretical issues, we have given the following authorial definition of the stock market. “The stock market as a segment of the financial market is an infrastructure element of public economic policy, which allows to solve various macroeconomic problems”. These problems include: increased concentration and generalized production; attracting free funds and distributing them among the necessary segments of the economic system; activation of the investment process; transformation of savings of business entities and the population into investment resources; increase the level of capitalization of income of market agents; the involvement of each household in the management of the market and the transformation of private property into the income-generating capital of a wide range of market agents.



Top-10 Strongest investment portfolios of foreign shareholders and foreign joint-stock companies.

Among these countries, Russian shareholders are the leaders in the stock market of Uzbekistan. This will have a positive impact on the company's operations, as well as increase its financial stability in the future.

The analysis of the economic experience of developed countries shows that in international practice there is no single approach among economists on current scientific and theoretical issues of the stock market. In particular, economists and experts have different views on the fundamental economic nature, characteristics and role of the stock market in the economy, and they differ from each other.

Also, in international practice, there are different interpretations of the scientific definitions of the "stock market", which differ from each other and do not form a single approach. Therefore, while the controversy among economists about the stock market and the stock market is still ongoing, the scientific definitions and opinions given by foreign economists are also interesting, and we found it necessary to study some of them.

Measures to increase the demand for securities, attract foreign exchanges, brokers and banks to the stock market of our country were discussed. The issues of directing a certain percentage of assets of insurance companies to the stock market, allowing banks to purchase highly liquid securities in the primary market were considered.

The need to strengthen the protection of the rights of investors and minority shareholders, improve the payment and collection of dividends was stressed. In addition, the task was given to develop corporate governance, transition to international financial reporting and international auditing standards.

Conclusions and Suggestions

The stock market is a key indicator of the economy, strengthening ties between manufacturing enterprises, service providers, commercial banks, stock exchanges, investment institutions and the population. In our opinion, in order to further develop the securities market in our country:

1. To improve the financial condition of joint-stock companies formed as a result of privatization, to improve the privatization process, the use of proceeds and the mechanism of sale of shares to ensure the widespread sale of shares issued by them among investors;
2. To direct the activities of the Tashkent Stock Exchange not only to organize the purchase and sale of shares, but also to monitor the financial condition of enterprises selling their shares on the exchange, as well as to provide information and information to investors;
3. Organization of the over-the-counter market of shares of joint-stock companies formed as a result of privatization rights and interests.

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