

Секция: Инвестиции

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PROBLEMS OF INVESTMENT PROGRAMS PROFITABILITY

Relevance. Investment is considered to be the main precondition of economic and social development of the modern society. The particularly acute problem of investment projects profitability arises in the periods of economic, political and social crises and lies in solution of the dilemma: a deepening of the crisis as the result of reduction of investment volume or multiple increase of exposure to loss.

Therefore, the most actual is the question of investment portfolio optimization. Relevance of the mentioned task cannot be overestimated in any period of the state development.

Objective. Research of instruments and the most effective tools of their application with risk minimization is the basis of methodological approaches to optimization of financial investment portfolio under instability of economic environment.

Results. Capital (real) and financial investment has a substantial impact on the state of the economy. According to general classification by objects, real investment is investment of assets in production facilities (fixed assets and current capital) [7, 8]. Financial investment in its turn is divided into direct (contribution of recourses to statutory fund of legal entity in exchange for its corporate rights) and portfolio (buying of securities and other financial assets on

stock exchange) investment [1, 2]. Effectiveness of functioning and long-term development of economy of any state depends on the volume and purpose-oriented use of these types of investment.

However, the development of economy in time is inclined to cyclical fluctuations when periods of growth change for periods of recession. Besides such non-systemic factors as political crises, wars, epidemics, natural disasters etc. can influence the economic condition of the state. Particularly during the periods of crisis situation faced by the economy of the state, investors have the greatest difficulty as for making reasonable and rational investment decisions.

From the investor's point of view, efficiency of investment is determined by its profitability on invested capital [3, 4] stipulating the following main tasks during asset allocation:

- selection of optimal type of investment portfolio (by the source of income - growth portfolio, income portfolio or combined portfolio; by the level of risk - aggressive, moderate, conservative);
- assessment of acceptable combination of risk and profit;
- determination of initial portfolio composition;
- selection of the scheme of portfolio management.

Investment risk is uncertainty quantitatively estimated from the point of view of certain body of investment activity, connected with possibility of arising of unfavourable events during investment project implementation and their consequences in the form of certain financial loss (decrease in income, increase in costs, profit loss etc.) [7, 8].

The most significant factors of arising of investment risk are:

- the uncertainty of effect of market factors at present moment and in future;
- the existence of several alternatives of course of events;

- the possibility of occurrence of unfavourable event, probability of assets loss, failure to obtain the expected profit or other deviations from planned, expected rates;
- the unbiased need in implementation of management measures on decrease of possible negative or unfavourable consequences;
- the subjective perception of events.

The objective of analysis of impact of risk on investment effectiveness is development of possible measures on prevention of arising of expected financial loss. Achievement of this goal is to a large extent determined by the quality of identification of investment risk, i. e. completeness of detection of the whole system of unfavourable factors able to cause decline in income volume, increase in investment need in funds and appropriate decrease in investment profit. Concerning this, investment analysis provides the comprehensive listing of risks for each investment project and assessment of appropriate structure of expected financial loss.

During the periods of crisis the negative impact of the mentioned factors increases substantially that leads to the increase of discount rate and increase of investor risks in time in geometrical progression. Under such conditions long-term capital investment becomes non-effective and even impossible. In this situation revision of investment directions from real to financial sector of economy seems logical.

Resume. Thus, under difficult conditions of economic and political instability of Ukraine investment programs need maximum weighed analysis of investment risks because investment climate in Ukraine remains unfavourable that leads to the lack of investment resources in the economy of the state.

Increase of capitalization of the players of financial market, effectiveness of risk management systems and compensatory mechanisms of the market; consolidation of exchange and depositary systems based on the principles of regulated markets of the European Union; protection of rights of investors in the

markets; creating of the new legislation, implementation of international accounting and financial reporting standards; restructuring of the system of government regulation of financial market can be favourable to improvement of the situation.

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