

FACTORS DETERMINING INVESTMENT DYNAMICS

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Abstract: This article studies the content of the investment environment, the need for its financing, the process and functions, the system of investment promotion, sources and factors affecting it, the impact of state regulation of investment financing. Also, the sources of investment financing and the structural structure of their resources are analyzed.

Keywords: investment, investment activity, investment environment, investment policy, state budget, investment financing.

Introduction. The large-scale reforms being implemented in our country and further increasing the effectiveness of an active investment policy require, first of all, excellent systematic financing of investment activities at the macro and micro levels. This, in turn, determined the relevance of the research work on improving the role of the state in stimulating investment activities.

In times of frequent crises, ordinary people face a shortage and depreciation of money, the loss of several sources of income, and the rapid depletion of savings, if any. People who consciously form their income from several sources face the elimination of some of them. Experts always, especially during crises, constantly and flexibly monitor the market, predict and select effective methods of investing and accumulating income based on extensive analysis.

Analysis and discussion. The Law of the Republic of Uzbekistan "On Investments and Investment Activities" defines: "Investment activity is a set of actions of investment activity entities related to the implementation of investments." One of the economists of our country, D.G.Gozibekov, defined it as "the essence of investments is to obtain funds from specific and reliable sources, mobilize them reasonably, maintain the value of capital, taking into account the level of risks, and obtain the desired result." Since investment activity embodies the relations arising in connection with investment resources directed by investment activity entities to investment objects, this activity arises and develops based on the specific goals of investors. The organization and implementation of investment activities should be based, firstly, on ensuring the dynamics of investments through the effective use of limited resources, and secondly, on reducing risks and costs through the effective use of the composition of funds and tax incentives. Ensuring the effective functioning of this principle requires the state to create a convenient system for the implementation and development of investment activities. As is known, large-scale reforms, which are being implemented gradually on the basis of the tasks set out in the Strategy of Actions in five priority areas of development of the Republic of Uzbekistan, serve to increase investments in fixed capital and ensure economic stability.

The level of development of regions is of great importance in solving socio-economic problems in our country. Regions, along with the formation of local budget revenues and the fulfillment of their assigned tasks, are also a source of income for the central state budget. If the level of development of regions is low, on the contrary, they become a burden for the central state budget. Therefore, in coordinating the sources and volumes of investment in specific

regions and sectors at the national level, firstly, the level of their investment attractiveness, and secondly, the strategic role of a particular region or sector in the economy, play an important role.

Direct state intervention in solving this priority task, necessary for the socio-economic development of the country, is an objective necessity. The growth of investment resources has a positive impact on increasing the production potential of regions and a positive solution to the issue of employment. This issue is one of the urgent issues of strategic importance, especially for the Republic of Uzbekistan, which is an economy in transition. Because, as scientific research shows, the absorption of investments in the 2020s is not distributed in accordance with the potential of the regions. Analyses show that the share of investments attracted by regions, sometimes decreasing, sometimes increasing, mainly depends on the location of large investment facilities of strategic importance in a particular region by the state, as well as the geographical location of administrative regions, the level of development of communication facilities, economic and production potential and social aspects. Therefore, we consider it appropriate to introduce a procedure for providing state subsidies for infrastructure costs in order to stimulate private investment in the regions.

In our opinion, when assessing the investment activity of regions, it is appropriate to assess not only their size, but also indicators such as the amount of investment per capita, the level of employment of the population, the growth of export opportunities, and the state of reinvestments. Because the amount of investment alone cannot fully reflect the investment activity of the region. Therefore, the study justified the need to assess the investment potential of regions. In most developed countries of the world, the methods of assessing the investment environment differ from each other and in most cases, an assessment is made in relation to the macroeconomic sphere. For example, in Japan, a descriptive description of the investment environment is given and a quantitative assessment is not used. In the USA, it is determined by four interrelated indicators, namely business activity, the level of development of the economic system, the economic efficiency of investments, and the main components of tax policy. During the years of independence, the emergence of various forms of ownership and management in the sectors of our country's economy that correspond to the market mechanism and principles requires a new approach to investment and socio-economic relations related to investment activities. As a result, the size of GDP, as well as the composition of sources of financial income in the revenue part of the state budget, has changed, and the main attention has been paid to the development of mechanisms for the formation of decentralized sources of investment and market entities from the centralized distribution of capital funds. In 2022, 300.0 trillion soums were invested in fixed capital, of which 65.4 percent or 216.0 trillion soums were financed from attracted funds, while 34.6 percent or 113 trillion soums were financed from the own funds of enterprises, organizations and the population. In 2020, investments in fixed capital financed by own funds of enterprises and organizations amounted to 51,911.3 billion soums, or 25.7 percent of total investments in fixed capital. 8.9 percent of total investments in fixed capital, or 18,077.8 billion soums, were absorbed at the expense of the population. The volume of investments absorbed at the expense of foreign direct investment amounted to 28,740.5 billion soums, and decreased by 5.3 percent compared to 2019, amounting to 14.2 percent. Strengthening the incentive functions of taxes within the framework of the investment regulation system will lead to an expansion of the role of market mechanisms in financing investments. In order to expand the flow of foreign direct investment, exemptions and preferences from all types of customs duties, taxes, and fees are applied to foreign investors until they master their production capacities.

Classification of investment types

There are several theoretical classifications of investment types. By categories of investment objects:

Real long-term direct investments of tangible and intangible assets in the form of fixed and working capital, as well as intellectual property. This is how the fixed assets of enterprises are created. They are aimed at expanding, improving and updating production with deferred profit.

Financial portfolio investments lead to direct income. These are investments in the form of futures and securities, stocks, bonds and debt obligations. As well as investments in businesses, financial projects and leasing. Income from such investment objects consists of regular dividends and price increases in the event of their sale.

Speculative - investments in currencies and precious metals.

Conclusion. As a result of the research conducted on this topic, the following general conclusions were drawn: Based on the research conducted, a modern definition of the content of investment activity was developed, according to which investment activity is the development of new advanced innovative ideas that meet the requirements of the present time, their justification, material, technical and financial support. As a result, it creates opportunities for investors to achieve high profits by financing the activities of the sector being developed. The assessment of the country's investment attractiveness by international financial institutions and the periodic publication and review of country ratings are of great importance for the investment decisions of foreign investors. In order to improve the system for assessing the investment attractiveness of sectors and regions in our country, it is justified to use a system of indicators that represent it, and ways to calculate these indicators have been developed. The convenience and level of development of the infrastructure of the country and regions serve to increase investment attractiveness. Our ongoing scientific work has shown that the different levels of infrastructure development in all regions of our country are the cause of the low level of investment attraction and development. In order to increase the investment attractiveness of regions, it is proposed to introduce state subsidies for the costs of infrastructure creation.

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