

FACTORS DETERMINING INVESTMENT DYNAMICS AND THEIR CHARACTERISTICS

Artikova Amangu'l Abdulla kizi

Graduate School of Business and Entrepreneurship, MBA, Finance

Kholjigitov G'alib Ablakulovich

Scientific supervisor: Acting

Associate Professor

Abstract: The article discusses the advantages of using investments in the development of the country's economy, as well as issues related to the use of expanded multifactor and risk-based approaches to investment, indicators for assessing investment activity at the enterprise level.

Keywords: investment, investment advantages, expanded multifactor approach, risk, assessment indicators.

Introduction. The relevant legal framework for the development of the investment climate of the Republic of Uzbekistan has been created, and a number of regulatory documents have been adopted, reflecting guarantees and privileges. They establish norms that provide for the protection of private property by the state and the creation of conditions for a competitive environment and the necessary investment infrastructure. In addition, the political stability prevailing in our country and the presence of rich natural mineral resources have opened wide the door to opportunities for the development of the investment climate. However, these are not enough to keep pace with the times. Because there is a need to come up with new modern ideas in order to take worthy places in the ratings of the rapidly developing world community[3]. Large-scale attraction of foreign investment makes it possible to implement structural changes in the economy, strengthen the country's export potential, create high-tech competitive industries, and introduce advanced foreign technologies, know-how and management experience. In this context, fundamental reforms are currently being implemented to attract foreign investment in most areas and bring the development of the economy to a new level.

Literature analysis. Today, the investment sector has become one of the directions of the economy diver. We can list a number of foreign and local scientists who conducted research in this field, including L.D. Gitman, M.D. Dzhonk, G'ozibekov D.G', Mahmudov N.M., Madjidov Sh.A., Imomov X.H., Yuldashev R.Z., Shodmonov Sh.Sh., Gafurov U.V., Shoha'zami Sh.Sh., Rashidov O.Yu., Kurbanov Kha.A., Kasimov M.S., Samarkho'jaev B.B., Kenjaev N.I. and the topic of investments has a special place in the researches of other scientists.

Economists L.D. Gitman, M.D. According to Dzhonklar, investment is a means through which the value of money can be maintained or increased and it is possible to receive a positive amount of income [4].

Leading economists of our country Sh.Sh. Shodmonov and U.V. In the textbook "Economic theory" written by Gafurov, investments are defined as such, investments are the monetary form of expenditures for the restoration and increase of fixed and working capital, expansion of production capacity. Although the theoretical aspects of attracting direct investment in the development of the country's economy were highlighted in the scientific research of the above-mentioned economists, the main approaches to the assessment of investment activity are extended multi-factor and risk assessment. little importance is given to approaches related to and indicators of investment activity at the level of enterprises.

Analysis and discussion. Without studying the practice and theory of any developed country, we cannot develop independently of the world community. Therefore, today it is expedient for us to effectively organize production, achieve high indicators in the economy, and establish mutually beneficial cooperation with national and foreign partners in order to improve the social standard of living of the population. In this regard, the investment environment formed in a particular country and investment activity through it are of great importance. Where there is effective investment activity, the driving force of the economy - the flow of investments - accelerates in that direction.

The modern level of economic development of a country depends on the pace of investment activity, which determines the smooth growth and development of the economy. The specificity of investment activity is determined by the generalizing characteristics of economic, social, organizational, legal, political and other conditions that determine the expediency and attractiveness of activity in this area. The interrelated set of factors influencing investment activity is the decisive investment activity in the economy of a particular country. Therefore, investment activity is an extremely multidimensional, complex and ambiguous concept.

The following main approaches to assessing investment activity can be distinguished - extended multifactorial and risk-related approaches. In the extended, multifactorial approach, the following factors influencing investment activity are assessed: economic potential, including the level of provision of the territory with labor and energy resources, bioclimatic, scientific and technical potential and infrastructure development;

- general conditions for economic activity - environmental safety, development of material production sectors and the volume of unfinished construction;

- development of market infrastructure, privatization, inflation and their impact on investment activity, the level of involvement of the population in the investment process, development of entrepreneurship, competitive environment, local market capacity, intensity of inter-economic relations, export opportunities, availability of foreign capital;

- political factors: population trust in the authorities, levels of social stability, state of national-religious relations;

- social and cultural factors: standard of living of the population, development of medical services, level of crime, real wage rate, attitude of the local population to their own and foreign

entrepreneurs, working conditions for foreign specialists;

- organizational and legal factors: attitude of the authorities to foreign investors, level of speed in decision-making, freedom of information exchange, effectiveness of law enforcement agencies, availability of conditions for the location and movement of products, capital and labor, as well as the behavior and work qualities of entrepreneurs;

- financial factors: budget revenues, level of provision of extra-budgetary funds per capita, amount of deposits, possibility of obtaining loans in foreign currency, interest rate on bank loans, development of interbank cooperation, comparative cost of long-term loans, share of enterprises operating at a loss or experiencing an economic crisis.

The distinctive features of the multifactor approach are: the interdependence of the categories of investment activity and the level of investment risk, the connection of investment activity with fixed capital and investments in the real sector of the economy, attention to its objective characteristics, its independence from the will of individual investors, the multi-layered nature of this approach.

International experience shows that in order to increase the objectivity of the assessment of investment activity, it is necessary to take into account a number of important methodological rules developed by modern economics. They provide for the following:

Firstly, a certain investment activity is necessary for all types of investments. In practice, capital (industrial, commercial, debt, equity) is as diverse as investment, and investors pursue incompatible goals. Debt capital is aimed at obtaining maximum profit in the short term and seeks to have a sustainable impact on the activities of the enterprise in the long term through financial investments, while industrial capital acts through real, direct investments.

Secondly, investment activity should be based on a balance of interests, since both the recipient and the supplier of investments pursue different goals: the first of them pursues maximum goals with minimal funds, while the second seeks to obtain maximum profit and capture local markets as quickly as possible.

Thirdly, investment activity, on the one hand, must be sustainable for a long time, and on the other hand, it must be sufficiently capable of taking into account the changes taking place in the factors of social production (scientific and technical, entrepreneurial, managerial, technological) that are being formed in the country.

Fourthly, investments should be clearly linked to the development of human capital, the improvement of the skills of workers and employees in all areas of activity.

Fifthly, investment activity should not undermine the economic stability of the economy and the safety of production systems.

Sixthly, in order to ensure a balance of interests between investors and the socio-economic system in which investment is being made, it is necessary to comprehensively assess

the effectiveness of the investments being attracted and the convenience of investment activity. For this reason, it is necessary to take into account not only the volume of investments involved, but also the socio-economic, environmental and other consequences of their implementation.

The multi-factor method of assessing investment activity is more consistent with methodological requirements. Its advantages include: taking into account the interaction of resource factors; the use of statistical data that reduces subjectivity in the assessment; an individual approach to different levels of the economy; manifested in the desire to ensure the most effective use of all possible sources of investment.

The method of assessment related to the level of risk is of interest, first of all, to the strategic investor. It not only determines the attractiveness of investing, but also compares the level of risk inherent in the new object of investment with the level of risk that is currently available, which is typical for the investor in doing business. This approach also takes into account both the economic and political interests of the investor.

Institutionalism, one of the leading trends in modern economic thought, provides new opportunities for the analysis of investment activity. It is worth noting that investment activity constitutes a separate structure in the institutional system of the economy, which serves to create conditions for the most favorable use of socio-economic relations through active investment activity in the process of development of productive forces and scientific and technological renewal.

Conclusion. It is advisable to carry out the assessment of investment activity in a differentiated manner, based on the organizational level of management and the object of economic activity.

Investment activity is a comprehensive system of measures developed, firstly, based on the analysis of investment activity, secondly, on the selection of the correct assessment indicators, and thirdly, on ensuring the correlation of investment plans with their effectiveness. In any case, investment activity is a way to improve the vital activity of enterprises and increase their share in the development of the national economy.

References

1. O'zbekiston Respublikasining "Investitsiyalar va investitsiya faoliyati to'g'risida"gi qonuni. Qonunchilik palatasi tomonidan 2019 yil 9 dekabrda qabul qilingan.
2. Respublikasi Prezidentining 2017 yil 7 fevraldagi 2017-2021 yillarda O'zbekiston Respublikasini rivojlantirishning beshta ustuvor yo'nalishi bo'yicha harakatlar strategiyasini kelgusida amalga oshirish chora-tadbirlari to'g'risidagi PF-4947-sonli farmoni. T.: 7.02.2017 y.
3. Diaconu, M. (2012). Characteristics and drivers of venture capital investment activity in Romania. *Theoretical & Applied Economics*, 19(7).
4. Abdullaeva Sevara Khasanovna. Issues of development of textile industry. Collection

of materials of the international scientific and practical conference (May 27, 2020). 503-506 p.
<https://ru-science.com>

5. Davlyatova, G. M. & Abdullaeva, S. H. (2022). Iqtisodiyotda tarmoqlararo munosabatlarni rivojlantirish asosida to'qimachilik korxonalarining iqtisodiy barqarorligini ta'minlash. *Nazariy va amaliy tadqiqotlar xalqaro jurnali*, 2 (5), 18-29. doi: 10.5281/zenodo.6945580

6. Imomov, H.H. (2005). Investitsiyalarni tashkil etish va moliyalashtirish. O'quv qo'llanma. T.:Iqtisod-moliya, 188 bet.