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THE FEATURES OF STOCK MARKET DEVELOPMENT IN UKRAINE

The stock market is an integral element of the national economy, through which the raise and distribution of financial resources are made. The stock market is still poorly capitalized. There remain a number of unsolved problems which come from legislative system. Strategic direction and methods of development of the stock market require immediate improvement.

In the period from 2009 to 2013 in Ukraine has been a gradual increase in the activity of the stock market, as evidenced by the higher rate of growth compared with GDP.

Ukrainian stock market is one of those emerging markets, so it has its own specific features of functioning. The stock market is characterized by the fact that it presents stocks, bonds, investment certificates, and almost no other financial instruments. The process of organizing trading in securities is imperfect, there is a shortage of marketable securities. Investments in securities are concentrated in the hands of a small group of issuers, the level of long-term capital is low, the activity of trade depends on the

availability of foreign speculative capital. Ukraine is characterized by the dominance of the primary securities market over the secondary.

There are difficulties in the functioning of the exchange market systems, disclosure to potential investors is opaque, not timely, direct access to information about the objects of investment, the situation on the market. These factors contribute to a substantial decrease in the attractiveness of investment.

Achieve positive changes in the stock market of Ukraine is possible only through appropriate action by public authorities on creation of the effective mechanism of management and control over the activities of issuers and participants in the stock market. It is necessary to improve the legislative system, to promote greater market transparency and to create favourable conditions for potential investors so that they can exercise their rights. Trade in securities should focus only on the institutionalized exchange and OTC market. An important trend is the increase of capitalization and li-

quidity, improvement of stock market infrastructure to ensure efficient and reliable operation.

The state of the stock market in the country is an indicator of efficient and well-developed economy.

Despite all the negative sides, there are all the possibilities for market development, strengthening the role of the securities at the state level and encouraging the development of Ukraine's economy.