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INFLUENCE OF THE SECURITIES MARKET ON CONSUMER BEHAVIOR OF THE POPULATION IN UKRAINE

Situation in the stock exchanges with countries of the world morethan maksymyzationeffect reflects the situation of things in the economy specifically countries and significantly influence on socio-economic level of life of the population. Therefore such status of the stock exchangedirectlydependence cunsomer behavior of the population in the country anymarket oriented world.

Key words: influence, security market, globalization, stock market, financial resorce.

ВПЛИВ РИНКУ ЦІННИХ ПАПЕРІВ НА СПОЖИВЧУ ПОВЕДІНКУ НАСЕЛЕННЯ УКРАЇНИ

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Ситуація на фондових біржах країн світу з більш максимізуючим ефектом відображає стан речей в економіці конкретних країн та суттєво впливає на соціально-економічний рівень життя населення. Тому від стану фондової біржі напряду залежить споживча поведінка населення в будь-якій ринково орієнтованій країні світу.

Ключові слова: вплив, ринок цінних паперів, глобалізація, біржа, фінансові ресурси.

ВЛИЯНИЕ РЫНКА ЦЕННЫХ БУМАГ НА ПОТРЕБИТЕЛЬСКОЕ ПОВЕДЕНИЕ НАСЕЛЕНИЯ УКРАИНЫ

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Ситуация на фондовых биржах стран мира с максимальным эффектом отражает положение вещей в экономике конкретных стран и существенно влияет на социально-экономический уровень жизни населения. Поэтому от состояния фондовой биржи напрямую зависит потребительское поведение населения в любой рыночно ориентированной стране мира.

Ключевые слова: влияние, рынок ценных бумаг, глобализация, биржа, финансовые ресурсы.

Introduction. In modern terms of globalization, openness, informatization–stock market it is strength, integrated in financial and economic infrastruktur system elements. Situation in the stock exchanges with countries of the world morethan maksymyzationeffect reflects the situation of things in the economy specifically countries and significantly influence on socio-economic level of life of the population. Therefore such status of the stock exchangedirectlydependence cunsomer

behavior of the population in the country any market oriented world. Ukraine has more than 20 years create market economy and ukrainian stock exchanges its integral part of the economy. In connection with this study effect domestic of the stock market on consumer behavior of the population of Ukraine and comparison with ego second is countries actuality task. Be noted, that Globalization, deregulation and liberalization finance flows with 1980-ies years by present time influence on investment capital, which principles of freely move of internal finance markets in international and conversely. Also capital goes where profitability is higher than in the country where this capital is repatriated. Therefore, amid the general doldrums stock exchanges in most countries, this process will occur slowly and in small amounts. But, when the sustained economic growth in one or in a group of developed countries, this process will improve liquidity and on other stock markets. Modern capital mobility allows you to quickly put out of the doldrums in the first stock markets of developed countries. Then these investments will also affect the economic growth of other countries.

Main assumption of the concept of influence of the securities market on consumer behavior.

Developing countries have certain risks, therefore the capital will be invested only in those countries where such risks are the smallest, the upside (undervalued assets) must be significant. This approach means that the financial investment through the securities market will be directed to economies with the best conditions for doing business.

In global finance certain acts and interrelated algorithm:

- 1) financial resource flows through the stock exchange;
- 2) reactivation occurs business environment;
- 3) improving employment and rising household incomes;
- 4) consumer behavior of the population of a particular country is greatly improved.

The best example of the above is Ireland. In 2013, the rating «Forbes» the best conditions for business Ireland proclaimed the winner at the 2nd place - New Zealand, on the 3rd - Hong Kong. Thus in 2009 the EU and the IMF loan to Ireland was isolated 113 billion \$ to rescue the economy from its national budget crisis and prevent a collapse of the banking system. Irish government had to go through "bubble burst" on the real estate market (housing prices are still 50% lower than the pre-crisis 2007). However, despite all the difficulties, the Irish government has systematically been aimed at promoting maximum business environment. Flexible tax system attracts the local economy of large investors, including global giants level «Google», «Starbucks», «LinkedIn», «Twitter» and «Facebook». According to expert estimates, U.S. companies have invested in the Irish economy 129.5 billion \$ from 2008-2012, - more than in the previous 58 years combined. Country has become the fourth most popular investment jurisdiction overseas investors, surpassing even the attractiveness of the "Asian tigers". More than a thousand foreign legal entities, who started to work in Ireland in the last 3 years, hired in aggregate 150000 people (total working population of Ireland is 1.9 million people) [1].

Global rating agency «Standard & Poor's» and «Fitch» upgraded Irish government bonds to "junk" to "suitable for investment", and rating agency «Moody's» changed its outlook from "negative" to "stable". Yields on government debt securities Ireland quickly and significantly decreased during 2012-2013. (There is a reduction in risks). In the globalized world economy is a clear and systematic trend - the lowest corruption, investment protection, transparency of business,

the strategic responsibility of the government to the people and the tax burden for the attractive business environment significantly influences the improvement of macroeconomics. This in turn is reflected in the positive stock market performance and indirectly affects the improvement of consumer behavior of the population in each country [2].

Development of global stock markets in recent years has shown that they have a direct impact on economic activity, foreign direct investment, GDP growth and business activity, as well as to reduce imbalances and discrepancies in the prices of assets. Moreover, we note that due to stock market interdependence of national economies and stock markets intensified. Therefore, their role is crucial in today's world economic growth, and tracking, analysis and forecasting developments in the stock markets of the world is a prerequisite for stable macroeconomic policies anywhere in the world.

Investment boom of the largest companies in the world, developing countries began in the 1990s. Whereas India has opened its market to foreign investment, China has shown very strong growth, and the company decided that such investments are extremely promising. In fact, by the end of the 1990s the world has two modes. The first was the need to invest in the company, somehow connected to the Internet. Any company was enough to add to the beginning of the name letter E, and its market value immediately grew to several million dollars. American 3Com, manufacture electronic telecommunications equipment, has decided to sell part of the market shares of a subsidiary of Palm, develop computers that fit in the palm. Investors found that Palm has a clear connection to the internet and is very promising, and 3Com - no. And, despite the fact that 3Com has received substantial profits and paying big dividends, its stock price fell, and Palm's stock price has grown so much that very soon, the market value of the remaining shares from 3Com Palm exceeded its own capitalization. The second auction was just that need to invest in developing countries. In the early 2000s, the global stock market was what was called "the bursting of the bubble of the Internet economy," and there was only the second mode.

Acquisitions companies industrialized countries companies in developing countries from 2002 to 2007 has increased five-fold, to \$ 225 billion from 2002 to 2013 was carried out by these companies mergers and acquisitions in developing countries by \$ 1.6 trillion. Overall, since 1998 they have invested in these countries \$ 3 trillion - in 2013 it met 11 % of the GDP of all developing countries.

Initially, the company bought in developing countries in order to organize the production of goods for sale in the markets of industrialized countries. But very soon they began to buy in order to sell products in the markets of the developing countries themselves, using their growth potential. Dutch-British company Unilever, which produces food and hygiene products, announced in 1999 that the rich countries are past stage, so we need to reorient - and now in developing countries more than it sells shampoos, soaps and soups than industrial. The company sells more Boeing aircraft in China and Latin America than in Europe. German wine trading company notes that sell wine in China just as well as in Germany itself.

Rate in developing countries was not so profitable. Procter & Gamble Company indicated that its profits outside the U.S. is two times lower than in the country, especially the weak performance - the companies in India and Brazil. Overall, the share prices of large companies staking on developing countries in the last three years is 40% weaker than all the companies in the U.S. stock index S & P500.

Very significant impact on performance of large companies fall in the value of national currencies of developing countries - Russia , Turkey, India , happened since the middle of last year. Company noted that the maintenance and expansion of production they spend dollars and Euros and it is in these currencies take out loans and the proceeds obtained in the weakening of local currencies.

Companies also complain about the fact that in developing countries are often unstable demand for political reasons. In particular , the French cognac Remy

As for the wine , there was a marked increase in world consumption in 1990-2008 years - with 226 million hectoliters (one hectolitre - is 100 liters) per year in the 1990s to 237 million hectoliters in 2008. Thus, an increase of 5%. After the crisis the world wine consumption in 2009 fell by 4%.

Note that the world leader in terms of stock markets are the U.S., the market economy in this country is the most powerful in the world (as of 2013 GDP was 16.7 trillion \$). So, in 2012, U.S. GDP grew by 2.8%, in 2013 - by 1.9%. To a large extent this contributed to U.S. monetary policy, the so-called quantitative easing, or rather its third round (QE 3), which led to the fact that the U.S. stock market in 2012 absorbed a considerable amount of extra "money thrown into the box" in the U.S. economy and 2013 historic high on the stock markets (SP500, Dow Jones), grew by more than 25% per year. Moreover, thanks to the unprecedented stimulus programs of central banks around the world equity markets in 2012-2013 demonstrated the best rise since 2009, beating bonds, raw materials and the dollar. Consolidated global equity index «MSCI All - Country World» including dividends jumped in 2012 to 16.8% in 2013 to 23.4% [3;4;5;6]. The only exception was Ukraine Stock Exchange (ux.ua) which systematically declining over 3 - years: in 2011 decreased by 40% in 2012 decreased by 37% in 2013 decreased by 4% [7].

Unlike in Ukraine in the world celebrated another systemic trend - the increasing importance of the stock markets in developing countries. In the last decade has seen the rapid growth of equity markets in the countries that develop the market economy. Throughout most of the 1990s, the capitalization of stock markets in these countries was at a level of 20-25% of GDP, and then in 2000-2007 there was a rapid increase in their share in the GDP. In late 2007, the international economy has entered a period of recession, which continued in 2008-2009. This caused a strong correction in stock prices in countries emerging economies. Recovery occurred in 2009-2010. Then aggregate capitalization ratio in emerging markets (stock market capitalization as a proportion of GDP) stood at 40%. Over the past 15 years, total capitalization of stock markets in developing countries has increased about ten-fold, from less than 2 trillion\$ in 1995 to 5 trillion \$ in 2005 to about 13 trillion \$ at the beginning of 2012 for comparison: for the period total capitalization of stock markets of industrialized countries rose only twice. Since the beginning of the XXI century the share of developing countries in the global stock market capitalization increased from 7% to about 30%. This influenced the fact that in developing countries the consumer behavior of the population significantly changed gradually increased the number of more affluent citizens and significantly increased the number of people with an average income. The population of countries such as China, Brazil, Russia, India, South Africa and others have become thanks to consume and spend significantly more. For 10 years from 2000 to 2010, the consumption of developing increased by 250% to 5 trillion\$. Note that these processes in Ukraine unfortunately not actively involved.

GDP growth, social policy, macroeconomic policy and government regulation is the main cause of low economic growth and consumption in Ukraine [8; 9].

Note that the potential of Ukraine has a fairly high (as of 2012-2013 GDP - 165 billion \$ and 45.5 million highly skilled population). The volume of daily trading on the stock exchange is only 2-3 million \$, which is unreasonably low figure. In addition, according to the National Bank of Ukraine's population had incomes are concentrated in the hands of the Ukrainian population. They are variously estimated more than 100 billion \$, but these funds are not invested and not spent on consumption and business development. Most of them are invested in foreign currency and keep the house, or in the banking system deposits. Thus, deposits Ukrainian population has substantial savings, which have a constant tendency to increase (in 2012 - 32.1 billion \$; in 2013 - 33 billion \$).

In Ukraine up to 2012 increased more than the amount of funds on deposit in U.S. dollars - to \$ 4.3 billion, or 30%. And investments in euros amounted to 2.82 billion euros [10].

The above due to the limited investment instruments among the population (the main two: 1) deposit in UAH /yield 15-25 % pa/ and 2) deposit in \$ /yield 4.10 % pa/). Furthermore, there is a depression of business in Ukraine Wednesday, low situation on export markets, distrust of the Ukrainian banking system, a substantial amount of withdrawal of funds in offshore domestic entities, inflation expectations of the national currency, etc. So, at the beginning of 2013 on foreign accounts Ukrainian residents retained various experts forecast from 8.5 to 25 billion U.S. dollars.

In general, the Ukrainian economy, together with the banking system accumulates significant amounts, but at the same time, Ukraine's stock market is not experiencing these volumes, there is no interpenetration of investment flows. Risks to the socio-economic development of Ukraine substantially concentrated in only one banking, and this is unacceptable for European and Eastern European countries that are developing. Risk management in the financial sector involves an assessment of the situation, the formation of investment strategies and tactics, diversification of investment flows, the orientation of the high liquidity and predictable stability in proper perspective. These basic approaches in Ukraine are not implemented or are used significantly limited.

The banking system is a competitor for the stock market investor's funds, but under state regulation of domestic financial sector monopoly it is not a positive thing, both for businesses and for the public. This is due, and substantial risks, which are concentrated in it, and global ratings in the banking system of Ukraine. So, in terms of economic risk in the banking sector in Ukraine has the worst assessment - 10 points (as of 2013). This figure includes an assessment of economic stability, economic imbalances and credit risk in the economy. Tight monetary policy, deflation with "state racket" slowed down the economy. Budget, debt, payment and course Ukrainian government solves problems using debt capacity, and it does not contribute as capital market development, and the improvement of human consumption in Ukraine.

In such circumstances, focus all macroeconomic and social problems in the banking sector of Ukraine, which permanently covers crisis (1992-95 of 1998, 2008-2009, 2013-2014), and suffers all the Ukrainian people and the business environment, especially small and medium businesses. As a result of the financial and banking crisis destroyed the consistency of the Ukrainian population, living standards declining, unemployment is rising and substantially shrinks the business processes in the economy. Modern and alarming trend is the growth of the negative trade balance of Ukraine,

which in 2012 increased by 35% - to 9 billion \$. While foreign exchange reserves of Ukraine for 2013-2014, only decreased from 24.5 to 16 billion \$. Focusing on monopolization and depending on several financial-industrial groups in the domestic economy in the production of primary products with low added value, as well as the lack of innovation and investment model of development of the Ukrainian economy, which is impossible without a full-fledged functioning of the stock market leads the offensive opportunities for the emergence of new crisis and the sharp devaluation of the hryvnia in the medium term. Creating products with high added value, competitive products and import substitution of high-quality domestic goods and services is only possible with a favorable and transparent regulation and attracting foreign investment, need a transfer of new technologies, liberalization of the currency legislation, as well as creating opportunities for obtaining funds through the stock exchange. You need to saturate the domestic stock market liquidity, increase the level of «free float» (winding freely shares on the market). It is also necessary to introduce a second level of the pension reform and finance long-term investment projects (innovation, construction, infrastructure - for example, the creation of toll highways, the replacement of the heat generating equipment with more efficient or cost efficient, etc.). All that in the future will generate new cash flow and reduce overhead will boost the competitiveness of the Ukrainian economy. In addition, higher-quality investments (cash) will create liquidity and promote the full and healthy growth of the Ukrainian stock market.

Conclusions. The tendency of the modern global financial development is to reduce the role of the banking sector as a mechanism of redistribution of financial resources at the national and international levels, as well as a corresponding growth of investment and credit activity in the stock markets of the world. Therefore, especially in 2002-2007 among the major segments of the global financial market leading position occupied international securities markets. Due to the rapid transformations in the stock markets they started to play the main role of structure-factor in the development of international finance. Even the crisis in the global financial and economic system in 2008-2011 showed a significant role of stock markets to hedge investment risks. Thus, an amount of 6.3 trillion \$ in 2011 amounted to losses of investors on the world stock market. In this case the total capitalization of the world of business for the year fell by 12.1% and decreased to 45.7 trillion \$. In 2012 , the opposite trend - the total capitalization of the world's business grew by 15.1% , rising to 55 trillion \$, and in 2013 reached the pre-crisis level - 63.4 trillion \$ [11;12].

Note that 6 trillion \$, that is, half the growth in 2013 on the world stock exchanges owned joint US-European New York Stock Exchange «NYSE Euronext». At the same time the U.S. population consumes a third of world GDP. It is therefore necessary to change consumer behavior of the population of Ukraine is to reform government regulation, macroeconomic stability and the development of high-grade securities market in Ukraine, as in other successful countries.

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