



ON THE ROLE OF FINANCIAL SERVICES IN THE ECONOMY OF THE COUNTRY AND REGIONS

Egamberdiyev Shavkatbek

Andijan mashine- building institute

2nd year student of the direction "Economics"

Tel: +998911752964

Email: shavkatbekegamberdiyev@gmail.com

Toshpulatov Abduqodir

Andijan mashine- building institute

2nd year student of the direction

"Finance and financial technology"

Annotation. In modern conditions of economic development there is a need to work out new approaches to the strategy of formation, development and regulation of the financial services market in the region. Financial services drive financial resources necessary for normal functioning of reproduction processes. Modern trends in the development of the world financial market, the development of programs of socio-economic development of the country in the future predetermined the need for research methods of functioning of financial services market, its impact on the financial sustainability of commercial structures. In this regard, the search for new approaches to the management of financial flows in terms of integration of financial structures, the involvement of a wide range of financial resources of economic entities and households is an important task for the functioning of the financial services market in the region.

Keywords: financial services, financial services market, region, banks, insurance funds, investment.

Introduction. In modern conditions, without the use of financial services, it is impossible to develop production, extractive industry, transport, trade, science, healthcare, social security system, etc. Through the use of financial services, both financing of private entrepreneurship and the implementation of government programs are carried out.

A developed financial services market contributes to economic growth, improving the standard and quality of life of citizens, providing an opportunity for households and businesses to use financial products, tools and services for solving



your life tasks, implementing business and personal plans. It allows consumers of financial services to redistribute their income over time, thus managing their savings and expenses. With the help of saving, investing and borrowing tools and with their proper use, households can effectively solve the issues of purchasing housing and durable goods, maintain a certain level of consumption in case of income fluctuations and after retirement, as well as save funds for making large expenditures in unforeseen situations. At the same time, in changing conditions, it is necessary:

- development of priority types of financial services (in particular, banking and insurance), which have a socio-economic orientation and guarantee stable economic growth;

- development of the infrastructure of financial institutions, increasing public confidence in financial institutions, their popularization;

- modernization of banking, insurance and investment activity systems, as well as strategies for the development of these industries, taking into account all the features and specifications of the home regions;

- improving the financial and civic literacy of the population in the provision of services.

At the same time, the high dynamism of the processes taking place in the market necessitates a comprehensive review of the financial services market using various systemic approaches and the development of the necessary conceptual apparatus and methodological tools.

This article discusses the main theoretical provisions concerning the essence of financial services. The interpretations and opinions of various authors are summarized. The trends in the development of the financial services market are reflected in an example of elements of the financial sector of the economy [1].

Theoretical aspects of financial services research. A high share of the financial sector in the economy is one of the most important conditions for economic growth due to the close relationship between financial development and GDP growth rates.

In modern conditions, the financial market is an integral part of any market economy, a link between the main participants of the market economy: by the public sector, commercial organizations (private sector) and households. This is an extremely complex system in which the financial assets of its participants are handled independently and regardless of the circulation of real goods. For the world economy, they become even more relevant in the context of a strict sanctions regime.



For a long time, only the concept of the financial market existed in the scientific literature, which narrowed the field of research related to the movement of monetary capital. The development and improvement of forms and methods of placing money capital have led to the emergence of new special types of professional activities aimed at servicing owners of money capital and the emergence of the categories "financial service" and "market financial services" [2].

The financial services sector plays a crucial role in the socio-economic system of both the State and its regions. In the financial sector, financial resources are being mobilized and transformed into investments necessary for all sectors of the economy. This sector provides the process of settlement and transfer of financial resources, provides an opportunity to increase savings, insures the population and business against various risks, and also performs many other functions that enable dynamic economic development and improve the standard of living of the population.

As you can see, the above interpretations do not give a clear definition of a financial service, since in most cases they do not contain its obvious signs, but represent a generalized understanding and a conditional list of types of financial services provided by financial institutions. An analysis of the economic literature revealed the ambiguity of the definition of the term "financial service", which is mainly used in the context of either as a synonym for "banking service", "insurance service", etc.

Thus, further detailed research is required. the economic essence and constituent elements of financial services. To understand the essence of the content of a financial service, it is necessary to consider its classification. According to the current legislation, the following types of financial services are distinguished:

- banking services;
- insurance services;
- services in the securities market;
- services under the lease agreement;
- other services provided by financial organizations and related to the attraction and (or) placement of funds of legal entities and individuals, including services of pawnshops, non-governmental pension funds, etc.

Most researchers point out that financial services related to cash flow serve the needs for payments, debt financing, savings and investments, insurance, pension provision [3].

In their research, they classify financial services according to various criteria:



– by industry and spheres of activity (in particular, for the population): banking, insurance, pension, stock transactions, production and service sectors [4];

– by forms of economic activity: credit (credit, leasing, factoring), investment (deposits, mutual funds), intermediary (brokerage), insurance, other operational services [5];

– credit, investment, cash settlement, trust, infrastructure, insurance, etc.

Thus, it can be noted that financial services are mainly classified according to the following criteria: services provided by financial organizations, which include: credit, insurance and clearing organizations, non-governmental pension funds, microfinance organizations, etc.

Any business activity depends in one way or another on the services provided by the financial sector. An objective prerequisite for the emergence and functioning of the financial services market is the need for mediation in the relationship between economic agents regarding the redistribution of financial resources. Its essence lies in the fact that it reflects specific forms of organizing the movement of financial resources through a financial and credit mechanism (in terms of its institutions) between business entities and has no material form, since its substance is legal and property relations [6].

The financial services market plays a significant role in the movement of monetary capital that ensures economic growth. However, the most important aspects

of the formation and development of the financial services market as an integrated system have not been adequately covered in the scientific literature, and the market itself is considered fragmentally from the point of view of the banking, insurance and investment sectors.

The main trends in the development of the financial services market. The current stage of development of the financial services market is associated with the globalization of the economy and the formation of a single space, as well as with the manifestation of various trends against this background that accelerate its transformation. The main role in the financial services market is played by banking (credit), insurance, investment and other financial organizations.

We note the main services that are provided in the form of compulsory and voluntary insurance for individuals and legal entities:

- from accidents and diseases;
- medical insurance;
- means of land, rail, air, water, etc. transport,



- as well as civil liability for these types of transport;
- property of citizens, except for vehicles;
- business and financial risks and other [7].

The role and importance of investment funds in the functioning of the financial services market is to attract clients for investment financial resources in securities and financial instruments. They provide a steady flow of investments, which is necessary to

maintain the existing and ensure further growth of the socio-economic potential of the territories [8]. The volume of mutual funds' assets is increasing due to the growth of customers and their increased accessibility due to digitalization.

Investment funds provide the following services:

- brokerage services and online trading, i.e. an investment company (IC) acts as a broker and provides the opportunity trading securities on the market through various platforms;
- dealer service, which involves the sale of assets through IC;
- trust management, i.e. maintaining a shareholder's portfolio, developing an individual investment strategy;
- depository services, financial services related to the storage of securities certificates and accounting and transfer of rights to securities.

Conclusion. As a result of the research, the main interpretations of the concept of "financial service" and its economic essence were considered. The classification features of financial services are summarized. All this makes it necessary to study the specifics of the functioning of the financial services sector, to determine effective methods for assessing its level of development, the quality of financial services provided and to improve the efficiency of its functioning.

The following aspects are seen as further directions for the study of the regional financial services market:

- directions for further development of the regional financial services market, taking into account the differentiation of the concepts of "financial market" and "financial services market" (systematization of the main characteristics of the financial services market);
- to consider the interaction of financial institutions (financial organizations) in the regional market, to determine the degree of their influence on the socio-economic development of the region;
- development of indicators characterizing the functioning of the financial services market;



– substantiation of the role of the state in the field of regulation of the regional financial services market.

References:

1. Васильева Т.С. Актуальные вопросы развития регионального рынка страхования и его роль в экономике // Проблемы развития территории. 2020. № 3 (107). С. 103–115. DOI: 10.15838/ptd.2020.3.107.7
2. Красовский С.С. Формирование модели взаимодействия субъектов рынка финансовых услуг // Вестник Астраханского государственного технического университета. Серия: Экономика. 2010. № 1. С. 77-83.
3. Марамыгин М.С., Чернова Г.В., Решетникова Л.Г. Цифровая трансформация российского рынка финансовых услуг: тенденции и особенности // Управленец. 2019. Т. 10. № 3. С. 70-82. DOI: 10.29141/2218-5003-2019-10-3-7.
4. Сухушина Г.В. Розничный рынок финансовых услуг: особенности и тенденция развития / Г.В. Сухушина. М.: Наука, 2004. 167 с.
5. Беркович М.И., Осянин И.К. Рынок финансовых услуг: уточнение понятий // Научный вестник Костромского государственного технологического университета. 2011. № 1.
6. Караваева Е.В. Рынок финансовых услуг и его место в структуре финансового рынка // Известия Российского государственного педагогического университета им. А. И. Герцена. 2008. №60. С. 122-127
7. Татиев А.Р. Соотношение понятий «рынок финансовых услуг» и «финансовый рынок»: теория и практика вопроса // Российская юстиция. 2019. №8. С. 13-15.
8. Печенская-Полищук М.А. Социально-экономические факторы и риски формирования региональных бюджетов: о доходах, инвестициях и дифференциации // Экономическая безопасность. 2020. Т. 3. № 4. С. 505-518.