

Stock Market in Developing Countries Impact of Development on Economic Growth

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Abstract: in this thesis, the scientific-theoretical aspects of the development of the stock market are studied and compared with developed countries. Also, the necessary conclusions and proposals were given regarding the further development of the fund market in our country.

Key points: stock market, financial instruments, financial market, capital, stock.

Today's global changes and developments in the world economy are the result of the effective use of investments, which, in turn, is the rise of international economic relations between countries in accordance with the directions and activation of international capital movements. International capital movement is an important factor not only for the economy of individual countries, but also for the economy of the 150 regions in which it is located, as well as for the current development and prospects of the world economy. The effective implementation of the form of capital attraction by placing securities on international stock exchanges in attracting capital from the international financial market, in turn, has an impact on the development of the stock exchanges of our country. The fact that stock exchanges are still underdeveloped in our country increases the need for joint-stock companies to attract foreign financial resources. For this reason, today it is important to identify and eliminate existing shortcomings in the mechanism of cheap, long-term capital attraction from abroad and the policy of targeted distribution and use of joint stock companies of our country. International capital movement is the flow of financial resources between countries caused by the imbalance between national investment and saving. In the conditions of financial globalization, the following characteristics are manifested in the movement of international capital: - uneven distribution of capital in the world; - imbalance of savings and investment in many countries; - differences in the investment environment of the countries, as well as the conditions for capital investments; - differences in the efficiency of the capital owner's use of capital; - usually high mobilization of capital as an economic resource. International debt securities form the basis (about 90-95%) of capital raising and operations in the international stock market. They include international bonds and notes, international debt securities of various companies (corporate), financial institutions and states. In the last decade, their volume has increased more than 2 times, for example, international debt securities in 2004 amounted to 11.5 trillion. 21.8 trillion USD by 2014. reached the US dollar, and since 2009 until now, their volume growth has slowed down as a result of the financial crisis. Depository receipts are secondary securities, which are securities with no par value. it confirms the ownership right to a certain number of securities to be presented and that the owner thereof will receive from the issuer of this security the corresponding number of securities to be presented in lieu of a depository receipt, and the rights secured by the securities to be presented to the depository receipt strengthens the right to demand the provision of services related to the implementation by the owner. In the international stock market, several types of depository receipts are widely used. Also, as a result of the expansion of issuers' activities, the circulation of securities issued by them in foreign countries has become a normal situation in many countries today. American Depository Receipts are certificates of ownership of a certain number of American

Depository Shares. European Depository Receipts are securities issued by European banks confirming ownership of shares of companies located outside the European Union. Global Depository Receipts are offered and placed on the stock markets of the United States, as well as on the stock markets of other countries. Since March 1998, the Bank of New York index has been calculated as the first index of American depository receipts traded on the US stock market. This index is calculated in real time based on the data of 431 companies from 36 countries with a total capitalization of more than 3.1 trillion US dollars.

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