

The Role and Specific Aspects of Securities in Increasing the Competitiveness of the Capital Market

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Abstract. *In the current era of globalization, the country is effectively using securities, which are one of the financial instruments in developed countries, in order to develop the capital market and increase its competitiveness. Because the most convenient way to implement commodity-money relations is to buy securities. Therefore, it is necessary to introduce new types of securities into circulation and create skills among the population about securities and how to use them.*

Keywords: *Capital market, money, commodity, securities, economy.*

Introduction

The concept of the capital market is important in countries that have transitioned to a developed market economy, have stable economic growth, and high production efficiency, because the capital market is a part of the financial market and is considered the main source of long-term capital. It is not an exaggeration to say that the role of the financial market is special in the countries with high financial and economic results, moderate inflation, and investment attractiveness. Since science and technology is developing year by year, in order to increase the amount of foreign capital for the further improvement of the development of science, production, and service sectors, it is considered a part of the financial market in our country, in-depth study of the capital market, international great attention is paid to the effective use of experiences.

On March 17, 2021, the project "Strategy for the development of the capital market of the Republic of Uzbekistan for 2021-2025" was discussed in cooperation with the Senate of the Oliy Majlis of the Republic of Uzbekistan and the Capital Market Development Agency. The capital market is a market where long-term capital and debt obligations are collected and traded.[1]

Literature analysis

The capital market is a market in which transactions such as the collection of idle funds, their conversion into loan capital, and transactions with securities are carried out. In this market, funds are in circulation for more than one year. Also, capital market participants are the stock exchange, insurance companies, commercial banks, credit and financial organizations, and international investment organizations that increase capital by investing in assets. Securities are of great importance in increasing the competitiveness of the capital market, because companies that want to increase their capital issue shares and bonds, which are the main means of increasing the capital of securities, through which entrepreneurs develop their business activities and obtain additional funds. will have . Every person, company, organization who wants to increase their investment should use the stock market concept, because the stock market is the most convenient way to increase capital and attract investments. The reason is that they allow you to see profits and increase your income in a short period of time, to sell and buy quickly.

Stock is a financial instrument (instrument, money document) [2], that is, an instrument that imposes a debt obligation or income in the form of a dividend between the person who issued the securities and another person. Currently, stock, bond, check, promissory note, deposit and savings certificate

There are types of securities such as bonds, bills of lading, options and futures, but for the purpose of more efficient operation and development of securities and stock exchange of the Republic of Uzbekistan, the Law "On Securities and Stock Exchange" developed the law and on this basis confirmed the possibility to operate in the territory of Uzbekistan: shares, bonds, promissory notes (currently not available in circulation), certificates of deposit, treasury obligations, options and futures. Let's have a brief overview of the above types of securities. Bill of lading is a document certifying acceptance of the cargo by the carrier to the owner of the cargo by sea. A promissory note is an official document of indebtedness in which the obligation to pay a certain amount of money is recorded within the specified period.

Analysis and results

To increase the potential of the capital market, to increase the amount of capital, enterprises and organizations mainly use shares and bonds. For example, a company that produces a certain product does not have enough funds to continue production. In such situations, the company issues securities in its own name, mainly shares, and these are bought by another company with sufficient funds on the stock market or by foreign investors, on the basis of which capital is redistributed among the companies.

A share is an emission security with the name of the owner written on it, confirming the right of its owner to receive part of the profit of the joint-stock company in the form of dividends, to participate in the management of the joint-stock company, and to part of the property remaining after its liquidation. [3] A person who buys a share of an enterprise becomes a member of the board of this enterprise, has the right to vote and a part of its future income. There are also companies that need to raise debt in the capital market, in this case, companies issue their own bonds, i.e., documents imposing debt obligations, and by purchasing bonds, a person can receive a constant or variable amount of profit from the company's income. allocates loan funds.

A bond is an emission security confirming the right of the holder of the bond to receive the nominal value of the bond or other property equivalent from the person who issued the bond within the period specified in the bond, to receive the interest recorded from the nominal value of the bond, or other property rights.[4] Unfortunately, there are also problems with the stock market and its development, as well as the public understanding and use of securities. For example, the population does not have enough information about securities, the complexity of securities trading. I believe that in order to solve such problems, it is necessary to increase the cooperation of persons engaged in such activities with the population and to further improve the rights of investors.

Conclusion

In conclusion, the stock market, its components and the expansion of the use of this activity among the people, and the proper use of it in the case of having an understanding of its advantages and disadvantages, improving the functioning of the capital market, which is a segment of the financial market. and it is possible to direct idle funds to production, study new fields and use foreign experiences effectively, attract foreign investors, increase qualified personnel with high potential.

In a market economy, capital markets allow governments and businesses to find sources of financing for their activities. The capital market, which is one of the important components of the world economy, is inextricably linked with the world economy. Currently, the importance of finance in the socio-economic and political life of the society has moved far beyond the scope of indicators describing the role of the financial sector in creating the world gross domestic product. Financial capital turns into real capital as a result of the circular economic cycle.

Money and securities (financial assets) are in circulation in the form of fixed assets and tangible assets. [5] Therefore, in addition to the economy of one's own country, it is useful to learn about the

world economy and its capital market, as well as the types of securities and their impact on the capital market.

References:

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