

FINANCIAL INVESTMENTS AND STOCK MARKET

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Abstract: *This article describes financial investments and their description, the role of investments in our lives and in the future, its advantages, disadvantages and difficulties, its role in the economy and how the stock market is related to other areas, the specific characteristics of investments and the stock market.*

Keywords: *Investment, stock, bond, security, market economy, promissory note, capital market, investment environment, target indicators, entity, common stock, preferred stock, dividend, capital market.*

1. Introduction.

Financial investments are securities, corporate rights, when entities give their free funds to other entities as financial investments, with the intention of receiving additional income in the form of dividends or interest. In the conditions of the current market economy, this concept is theoretically revised, supplemented and put into practice. First of all, when we study financial investments and stock market, and to start investing in the stock market, we need to know what are the concepts of stocks, bonds, securities.

By presenting a security to the company, the owner of the share can exercise his rights, that is, receive dividends, vote at the meeting, and the like, or transfer his rights to another person by selling the share to another person.

Equity securities are divided into equity securities and debt securities.

Equity securities include preferred and common stock. Basically, we can define the concept of action as follows:

A security that does not have an expiration date, represents that a legal or natural person will include a certain share in the charter fund of a joint-stock company, its owner will participate in the ownership of this company and receive dividends, and at the same time will have the rights to manage the company and participate in elections. It's called a small action.

Ordinary shares are intended to pay dividends based on the result of the entity's 1-year activity. But preferred shares do not have voting rights and are always provided with dividends.

Bonds are debt securities. They represent the right of the holder to claim the debt after a certain period of time and to be paid interest on it. We can earn income from securities in two ways:

First of all, it can be the income that the asset itself brings, that is, dividends from shares.

The second is speculative income, that is, the difference between the purchase price of securities and the sale price if the price of the security rises after a certain period.

A dividend is a payment of a portion of a company's profits to shareholders. If we dwell here on the concept of promissory note, a promissory note is a security that unconditionally obligates the issuer or the payer specified in the promissory note to pay the specified amount to the holder of the promissory note at the specified time. At this point, it is necessary to mention the main tasks of the stock market. These are:

Proper distribution of investments and collection of necessary investment funds for the development of technology:

Change ownership of property using stock packages:

Market redistribution through stock trading:

Financing of public debt by issuing securities.

Participants of the stock market are issuers who are considered consumers and investors who provide it.

2. Review of literature.

Decree of the President of the Republic of Uzbekistan No. PF-6207 dated 13.04.2021 "Further development of the capital market, increasing the issuance of securities, expanding the participation of individuals and legal entities in the stock market"¹the goal was achieved.

Decree of the President of the Republic of Uzbekistan "On further development of the capital market" Annex 1 Capital market development program in 2021-2023, goals and objectives of the program, main directions of the program, Annex 2 in 2021-2023 TARGET INDICATORS achieved as a result of the implementation of the capital market development program, Appendix 3 "ROADMAP" for the implementation of the Capital Market Development Program in 2021-2022, Appendix 4 shares are publicly traded through the stock exchange in 2021-2023 LIST of enterprises designated for development, Appendix 5 contains the LIST of some documents of the President of the Republic of Uzbekistan, which are recognized as having lost their validity as of May 1, 2021.²

When we start talking about the capital market development program in 2021-2023, this program includes "fundamental improvement of the investment environment, further deepening of the processes of selling the state share package, reducing the state's participation in the economy, increasing the inviolability of private property, its role and importance, including the state transition to modern approaches to asset management, turning the capital market into one of the leading factors of economic development is an important condition for the sustainable development of the country's economy"³it is emphasized.

3. Research methodology.

In the process of research, the specific characteristics of financial investments and the stock market and the importance of investments and investment activities in their description, the role of the stock market in Uzbekistan, the theoretical and organizational

¹<https://lex.uz/docs/-5371091> (official website of the legislation of Uzbekistan)

²<https://lex.uz/docs/-5371091> (official website of the legislation of Uzbekistan)

³<https://lex.uz/docs/-5371091> (official website of the legislation of Uzbekistan)

aspects of investment development as a result of the analysis of national and foreign practices, and related issues plab theoretical literature, logical thinking, comparison in scientific observation, systematic approach methods were used. This article contains information from the official website of the Legislature of the Republic of Uzbekistan.

4. Analysis and discussion of results.

Investing in stocks is a powerful way to build long-term wealth. We can review here a step-by-step guide to help you get started with the stock market.

1. Shares represent ownership in state-owned companies. If the stock you own is worth more, you can make a profit by selling it. Most people invest in stocks online through brokerage accounts. At the same time, you can buy funds that have different stocks within a single investment.

2. We need to determine investment goals (for example, retirement, large purchases, etc.). Learning how to anticipate risks and properly allocating investments in stock markets and building a proper portfolio by following Risk Management.

3. Broker accounts should be opened with low fees for depositing and withdrawing funds, user-friendly platforms and good customer support.

4. Get to know the companies you are interested in and learn as much as possible about the prospects of financial growth, competitiveness and do not put all your money in one stock by Diversification.

5. Don't use a large amount of money to start. Moving from small to large amounts is useful in Risk management and Money management.

5. Conclusions and suggestions.

The practical and theoretical experiences of financial investments and the stock market in developed and developing countries have been studied, and the specific aspects of our country's economy have been substantiated. Also, economic efficiency indicators of financing investment projects of companies, finding sources of financing, and implementing them through public placement have been thoroughly analyzed. In the concluding part of the article, the results obtained based on the analysis are summarized, proposals and recommendations on the effective formation of financial investments and the stock market for the development of the national economy are developed.

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