

TRENDS AND PROSPECTS OF DEVELOPMENT OF INSURANCE MARKET OF UKRAINE

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The market for insurance services is one of the most necessary elements of the market infrastructure, closely related to the market for producer market, consumer goods market, capital and securities market, labour and workforce market. In developed countries, insurance has the widest scope and secure entrepreneurs from unfavourable consequences of different technogenic accidents, financial risks, criminogenic factors, natural and other disasters.

It is determined that insurance activity belongs to the most profitable types of the world business.

Activities of each subject of market relations are associated with risk, which shall be prevented, reduced, and funded, which is a major focus of interest of the market for insurance services that through insurance companies by means of using special mechanisms provides a process of continuous social reproduction.

Positive factors identified in the process of research include a stable growth of volumes of authorized capital and assets, which is a prerequisite for a stable operation and devel-

opment of insurance market. The presence of required and sufficient authorized capital improves financial capacity of performing insurance liabilities, guarantees creditworthiness, and creates a financial basis for the further development of an insurance company.

Despite high rates of growth of quantitative indicators, institutional and functional characteristics of insurance market of Ukraine generally do not correspond to real needs of the economy and trends of global insurance markets, which cause its considerable lag in the global process of formation of the global financial system.

Insufficient amount of liquid financial instruments for conducting an effective investment policy remains an important issue for insurance companies.

From 2016 onwards, new requirements concerning the implementation of updated systems of financial reporting by insurers, severization of requirements to creditworthiness, creation of more detailed actuarial models, etc. came into force. In this connection, the most of the insurance companies expect considerable changes.