

THE STATUS OF BANK CREDITING OF DOMESTIC TRADING IN UKRAINE

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Successful trading performance of a company requires financial support. The focus on self-financing at the expense of internal sources is not sufficient and leads to the need of credit funding for the company's economic purposes.

The research aims at finding and analysis of the main trends in the field of branch economic crediting in Ukraine, especially those dedicated to trading activities.

The analysis of the structure of credits, (taking economic activity type as the criterion) granted to economic subjects since 2008 till 2015, reveals to us that credit share granted to wholesale and retail trade enterprises has been dominating during the investigated period, within the following indices: 33,7% -38,8%. The main bank loan type for trading companies is a short-term credit aimed at replenishing current assets. In terms of the currency type, credits in the national currency take up to about 65,6%, and foreign currency share is about 34%,

data taken for 2015. As for percent rates for trading companies, they do not differ much from the average yearly rates in Ukraine and are about 18,4% as of 2015.

The economic activity of trading enterprises mainly depends on consumer purchasing power. In 2015, consumer price index increased by 23,5% in comparison with 2008, and by 36,6% in comparison with 2014. Basically, decrease of real net income under conditions of consumer behaviour deterioration and high inflation rate caused the shrinkage of internal consumer demand, decrease of retail turnover and other trading performance indices in Ukraine.

Recently, there can be observed a rather slow movement in volume and quality of credit use by trading companies due to the insufficient development of the Ukrainian credit market, lack of relevant mechanisms for providing efficient crediting process to the companies considering branch specificities of the capital formation.