

Development trends of domestic deposit market in modern conditions

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A key component of an effective activity of the bank is the availability of sufficient resources deposit. The sharp devaluation of the hryvnia, unstable condition, a significant number of bankruptcies negatively affected the propensity of savings. In the banking sector in a critical situation when investors lost confidence in banks and began to take money from deposit accounts, and in times of crisis it is the most important question, because the mass withdrawal of deposits worsens the liquidity of banks. So the question is emerged before banks: attracting of new funds and retaining of existing investors.

Modern resource problem of banks exists due to many factors, both external and internal. The process of deepening instability in global and domestic financial markets has complicated the entire system of governance in banks of Ukraine, including the system of the resource base formation. One of the significant causes of escalating problems in

resources for banking activities in Ukraine was an advancing growth of bank assets relative to growth rates of capitalization.

For successful operation and expansion of the banking institution it is insufficient to raise funds at a lower cost and to place at a higher, but necessary to create an effective system of management of the bank. To maintain its competitiveness, banks are forced to propose their customers new services, use various financial instruments and to expand its activities.

Factor growth of the deposit market in Ukraine is the growth of cash income of legal and natural persons in the absence of the financial market as an alternative investment determines the deposits as the main source portfolio. Under these conditions, special attention is paid to the financial aspects of the bank. Accordingly, the effectiveness of management and operation of commercial banks are largely determined by the efficiency of the deposit policy.