

Activity of credit and financial institutions in Ukraine

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In the article considered the activity of credit institution and their impact on the financial services market of Ukraine, suggested ways to improve their operations, which positively affect the development of financial intermediation in general.

The economic essence of credit institution and their place in the financial services market are revealed, and it is proved that they are an important part of financial intermediation, one of its elements. The credit institution is suggested to be understood as a financial institution whose sole activity is the provision at its own risk financial loans to individuals at the expense of their own or borrowed funds secured by property for a specified period and at interest, and the provision of related pawnshop services in accordance with current legislation governing economic relationships in financial services.

In the study of the operation of pawnshops in the financial services market it is found that by providing specialized financial services they are able to influence not only on the economic direction, which segment

includes investment component, but also on the social aspects of development. In terms of the destruction of the old mechanisms of social protection in this area it is particularly important today.

Comparative analysis of the functioning of banks and non-bank financial institutions found that, despite the superior value of quantitative indicators of banks, the rapid development of certain groups of non-bank financial intermediaries, including pawnshops, gave reason to define a set of competitive advantages. Banks, as the most developed financial intermediaries, are primarily focused on the provision of financial services that are most profitable. In addition, the non-bank financial intermediaries are specialized in providing such small services and as international experience shows it can involve large amounts of financial resources.

It is concluded that the priorities include the completion of forming regulatory and legal framework, regulations and measures to improve the monitoring and supervision of the credit institutions in Ukraine.