

Econometric Analysis of World Investment Funds Net Assets

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Abstract: In the article have been examined the scientific and theoretical aspects of the investment fund and was analyzed the dynamics of the stock assets of the world investment. In addition, the levels of factors influencing the net assets of the investment fund were determined and the corresponding conclusions were drawn up.

Key words: Investment funds, money, active, investor, action, factor

I. INTRODUCTION

It is known that the purpose of the investment funds' activity is to attract the funds of legal entities and individuals for profit, and to place them in securities, other investment assets, as well as in bank accounts and deposits

According to the practice of developed countries, the development of investment funds has a significant impact on the development of the financial market and on the basis of the country's economic growth. Therefore, in order to develop investment funds in our country, the Movement Strategy in five priority areas of development of the Republic of Uzbekistan in 2017-2021 [1] encourages procurement of securities issued by enterprises for the purpose of attracting free money resources to the real sector of the economy, to develop measures for the exemption of income-taxable income of individuals on the purchase of securities. n.

The President of the Republic of Uzbekistan on the most important priorities of the development of the country in 2019 addressed to the Parliament noted that the development of the financial markets, including the stock market, should be one of our main goals in the new economic environment [2]:

This, in turn, creates the need for creating and supporting the development of investment funds in our country.

II. LITERATURE REVIEW

Economic literature has carried out a number of research works on investment funds, its importance in the economy and trends of development.

According to research by some economist scientists, investment funds are the opportunity to participate in a world of professional investment with a wealth of talented and talented people who are well-informed about their investment. In doing so, participants should feel that they are doing a great job of making the investment process enjoyable and enjoyable. [3]

Russian economist scientist, Professor E.A. Abramov describes the main advantages of mutual funds for investors [4]:

- Timely management of investment portfolio management and saving time without reducing risk;
- An opportunity to achieve efficiency in investment diversification, which will improve the return on investment and risk levels of your investment portfolio;
- saving of savings of small private investors in order to expand the range of investment assets;
- Saving costs of the investor (exchange and brokerage commissions, analytical expenses, etc.), taking into account the effectiveness of the business scale;
- Availability of effective means of protecting the interests of shareholders (payers) from the unfair actions of investment managers, depositaries and other financial intermediaries.

In addition, the author will build a model of regression that will influence the development of investment funds and will be in the following groups:

- measures to increase the share of households and their share in the gross national product of the country. The lower the income of households, the less investment opportunities available to their funds. The

problems of developing economies are that when the gross product allocation is generated during the year, the main income is accumulated by the state budget and the gold and currency reserves and large state-owned companies;

- Capitalization and liquidity growth in the country's securities and real estate markets. The increase in the value of financial assets and real estate ensures the growth of investment funds by reducing the cost of their portfolio and the flow of new participants. Reduction of assets prices leads to depreciation of portfolios and withdrawal of participants from mutual funds;

- The level of development of pension funds and insurance companies in the country. Pension funds and insurance companies attract their reserves in investment funds. An increase in the share of funds on pension funds and life insurance companies' assets is an increase in investment funds' assets;

- effectiveness of public and private business policy in terms of the capital market, including the development of certain segments of investment funds. Integration of EU countries - the only European currency, simplification of investment funds registration and operating rules, liberalization of foreign funds for EU stock markets - will accelerate the growth of funds in European funds and increase their competitiveness. Examples of the positive impact of government policies on mutual funds include the establishment of International Financial Centers in Luxemburg, Ireland and Hong Kong, and the relatively high level of development of investment funds;

- Creating a favorable environment for the sale and marketing of investment and financial products, allowing private investors to make free and rational investment decisions;

- Enhancing the financial literacy of the population and withdrawal from paternalism.

R. Investigations by Tyulz [5] suggest that after the acquisition of a mutual fund of investors, the transfer agent will issue new shares, the value of which is determined by the current value of the net real estate and the amount of commission charged for the sale. If the shareholder offers them for a purchase, the transfer agent will pay the net asset value and cancel the shares.

Investing stocks are offered to investors at an additional cost of their net assets that are relevant or value to them.

A.R. Aliev believes that [6, c.103] is an open-type joint-stock investment fund whose investee is investing in securities, real estate, or real property rights. Investment Fund Investment Declaration - its main document, which describes the main directions, potential and purpose of the investment fund, maximum and minimum share of shares in real estate and real estate.

The cost of investment funds' assets and liabilities is calculated not only for the purpose of assessing the results of the Fund's activities, but also for determining the amount of remuneration of the manager, disclosure and presentation of its valuation [6, c.104]. For example, the annual bonus of a manager should not exceed 5% of the value of the annual average assets after the issuance of the stock passage [6, c.104].

Economist scientist V.M. According to Askinadi's conclusion [7], investment funds can only be stock investment funds and closed-end mutual funds, and they are directly related to investment funds, mortgages, venture funds, leasehold improvements, real estate and credit funds.

Investment funds can only be found in joint stock investment funds and closed-end mutual funds and may be owned by categories of hedge funds and stock market funds [7].

The economist from Uzbekistan, M.B. Cultonbayeva's research suggests that the investment fund's activities include the following relationships:

- attraction of funds and other property of investors;
- transfer of the property of the investors in the single property set (stock) and transfer them to the investment fund itself or the specialized management company;
- placement of funds in the form of investment income (dividends, interest, etc.) or for the benefit of resale of investment facilities, placement of securities in securities and other investment objects, following the principle of diversification [8].

As can be seen from the above analysis, investment funds have a diversity of investment strategies and objects at the expense of investors, as well as due to the differences in the legal regulations of different countries. It is important for the investors to classify their investment funds differently in order to show the advantages and disadvantages of their investments. Also, classification of investment funds will increase transparency for investors and investors who are inexperienced in terms of risky investments, profitability, and investment activity.

III. RESEARCH METHODOLOGY

In the article analysis, statistical data, comparative and trend analysis were used. A comparative analysis of economical scientists' investment funds and their scientific-theoretical views on their development was made. Also, the factors influencing the net assets of the world investment funds were selected and the econometric analysis using the multi-factor regression OLS method, covering the period 2010-2017, was carried out.

IV. ANALYSIS AND RESULTS

Analyses show that in 2008, net assets of internationally-regulated investment funds declined sharply compared to 2007. This has been the result of the global financial crisis. In particular, net assets of world investment funds decreased by 27.6% in 2008 compared to 2007. The largest decline (44.6%) was attributed to the share of Asia and Pacific investment funds. Nevertheless, in 2009, there was an increase in the assets of regulated investment funds. An analysis of international mutual funds for 2008-2017 has shown that the assets of investment funds in Asia and the Pacific have risen sharply with other regions of the globe (218.7%) (Table 1).

By 2017 assets of all regulated investment funds will amount to about 49.3 trillion soums. US dollars. Of these, 50.5% is America, 36% - European countries, 13.5% - Asian and African countries. The United States has 22.1 trillion yen. The United States dollar has maintained a leading position in the structure of internationally-adjusted investment funds (Table 1).

Table 1: Dynamics of Gross Domestic Assets of Open and Closed Type Investment Funds, Bn. USD at the end of the year

The world continents and countries	Years										2017/2008 change, % in calculat
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
	20631,0	25088,9	27374,4	26578,6	32252,4	36351,9	38031,61	38190,1	40556,5	49296,9	+138,9
The whole world	11130,3	13355,4	14591,5	14583,2	16486,4	18862,4	20007,8	19557,6	21093,0	24880,3	+123,5
America	10151,9	11889,7	12825,4	12680,5	14391,6	16723,7	17847,9	17752,7	18868,1	22147,1	+118,2
Continent	7393,8	8912,1	9573,9	8949,1	11929,1	11929,1	13804,5	13740,2	14119,4	17742,2	+140,0
Including	2042,3	2538,9	2799,0	2587,1	3145,2	3606,8	3757,6	3817,2	3901,3	4988,6	+144,36
United States	2037,5	2715,2	3067,3	2921,3	3691,6	3744,9	4072,8	5008,3	5198,3	6492,5	+ 218,7
Europe	69,4	106,3	141,6	125,0	145,1	142,9	146,5	122,1	145,8	181,8	+162,0

Source: 2018 Investment Company Factbook. - p. 272 (www.icifactbook.org) [9]

The research includes assets that are factors affecting the net assets of publicly traded and closed investment funds, the share of which is the share of equity investment fund, investment fund of assets, assets and investment assets of foreign currency assets, econometric analysis was carried out.

In our study, econometric analysis (time series) was analyzed based on time series data. Multiple-pointed regression analysis was performed by organizing the data range between 2010 and 2017.

The goal of the study is to investigate the impact of investment funds' assets on the growth and decline of net assets of global investment funds and identify the strongest factors. In particular, the value of the net assets of open and closed investment funds in the world as an independent variable in our research. In the case of a floating exchange rate, the net asset value of the investment funds, the net assets value of the investment fund of the assets, the net assets value of the net assets and the compound assets of the investment funds in the currency of their assets are the net assets of the investment funds. Taking into account these irreducible and irregular variables, we represent the following simple mathematical formula.

$$TNAF = F(MF, BF, MF, EF) \quad (1)$$

Here,

TNAF (net net asset close-end funds) - the net asset value of open and closed investment funds;

MF (Money funds) - net assets value of investment funds in foreign currency assets;

BF (Bond Funds) - net assets value of investment funds in bonds;

MF (Mixed funds) - the net assets value of the investment funds in the stock, stock and currency assets;

EF (Equity funds) is the net asset value of the equity investment funds.

Once we have mathematical function, we analyze the multi-factor econometric model using the Ordinary least squares method to study the effectiveness of the selected variables. To do this, we use Eviews 9, which is widely used today in econometric analysis. Based on this program, multi-factor regression has been shown in Table 2 using the OLS procedure (Table 2).

Table 2: Influence of Factors Influencing Net Influence on the Net on the World Bank's OLS Method

The variable		Net Assets of Investment Funds in the World (TNAF)		
Number of observations is 8 (2010-2017)				
Frequency variables	Coefficients	Standart error	t-statistics	Probability
BF(Bond Funds)	1.030925	0.149235	6.908060	0.0062
EF(Equity Funds)	0.924406	0.085008	10.87429	0.0017
MF (Money Funds)	0.987279	0.160930	6.134840	0.0087
MF(Mixed Funds)	1.150571	0.250234	4.597980	0.0193
(c) constant	0.248535	0.751737	0.330614	0.7627
Squared square	0.999893		No change. middle arifm	36.51250
Square of residual remains	0.999749		No change. stand avoidance	6.834040
Regr. stand Error	0.108198		Aikaike criterion	-1.340544
That's it. square. He's in love	0.035120		Schwarz criterion	-1.290893
Logarif. right Proximity	10.36218		The Hannan-Kevin criterion	-1.675420
F-statistics	6980.893		Darbin-Watson's criterion	2.671495
Probability (F-stat.)	0.000003			

Indicators in parentheses are of standard error P-value, ***P<0,01, **P<0,05, *P<0,1

The analysis of the data in Table 2 shows that the squares of the remains are close together and the factors that can be used can account for 99.9 percent of the impact of investment funds on net assets. The other factors that we choose (ceteris paribus) are the value of net assets of investment funds BF (Bond Funds), EF (Equity Funds), MF (Money Funds) and MFF (Mixed Funds) The effectiveness of the survey is 99.9%. Moreover, we can see that the coefficient of the constant variables P is less than 5 percent. This indicates that the effectiveness of the influencing factors selected affects the reliability of 95 percent.

Based on the T-statistics criteria, the H1: $a_1 = 0$, H1: $a_1 \neq 0$ criterion based on the test results showed that statistically significant variables were statistically significant. F-statistics shows that the level of influence of the four selected factors on net assets of investment funds in the world is 99%. Hypothesis-based econometric analysis has been determined by the multi-factor regressive model that directly influences the value of the assets of investment funds in the world, assets of investment funds, stocks of equity funds, funds and combined-stock assets. This multi-factor regression model is reflected in the following views.

$$TNAF_{it} = 0.248535 + 1.030925 * Bond_funds_{it} + 0.924406 * Equity_funds_{it} + 0.987279 * Money_funds_{it} + 1.150571 * Mixed_funds_{it} + e_{it} \quad (2)$$

Econometric analysis showed that the coefficient of selected factors was statistically significant. Because the probability of the R value is less than 5 and the coefficient of the coefficients is 95%. Consequently, if we

interpret the multi-factor regression model above, if the net asset value of the investment fund's assets exceeds \$ 1 trillion, the net assets of investment funds in the world will increase by \$ 1.03 trillion and the net assets of the compounded investment funds will amount to 1 trillion while the value of net assets of investment funds in the world will increase to \$ 1.15 trillion. Net assets of investment funds will rise to \$ 1 trillion, while net assets of global investment funds will increase by \$ 0.98 trillion, net assets of US \$ 1 trillion in investment funds will increase net assets by \$ 0.98 trillion.

V. CONCLUSIONS AND SUGGESTIONS

Based on the analysis, the following conclusions and recommendations were formulated:

1. In Uzbekistan, it is necessary to improve the legal base of investment funds activities in order to stimulate the attraction of free funds to the national economy and to integrate the population and business entities into the global financial market.

Particularly, the fact that the legislation has not been worked out in our country to prevent the establishment and operation of investment funds, which has been investing fund, has prevented them from operating in the financial market. Development and implementation of these normative and legal documents is one of the main factors of growth of net assets of investment funds.

2. It is desirable to increase the number of legal entities in the portfolio of investment funds to increase the net assets of investment funds in Uzbekistan. The increase in the number of shares with legal entities allows investment funds to increase the value of their net assets.

3. Changes in the market of debt market debt, which is one of the major factors affecting the growth of net assets of investment funds in the world.

4. Changes in the portfolios of investment funds formed in securities in the real sector have a higher impact on the net assets of international investment funds.

5. Change of net assets of these investment funds by one percent in the assets of investment funds, on the basis of shares, bonds and foreign currencies, will lead to the change of net assets of the world's investment funds by fifteen percent.

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