

## **Analysis of Liquidity of Securities in Uzbekistan**

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**Abstract:** This article describes the assessment of the liquidity of securities and the current state of the Uzbek securities market and previous years, the issuance of securities by enterprises during the year and their prices on the market. , mentioned the factors affecting the price.

**Keywords:** Liquidity, Financial market money, Main board, property, market, bond, price, commodity.

**Introduction.** In the study of the stock exchanges of every developed country, the liquidity problem of the stock markets of this country occupies a high place, the main reason for this is the presence of several competitive forces that create conditions of uncertainty for campaigns as a result of the rapid change of the market situation in a certain period. Liquidity is one of the necessary conditions for the average functioning of markets and the normal price of financial assets. The concept of liquidity is derived from the Latin word "liquidus", which means liquid. The concept of liquidity has different meanings in different areas of finance. because it is used, its content varies depending on the object and the field of focus. The liquidity of securities is directly related to the volume of sales, but if 90 percent of the campaign belongs to one person and the remaining parts belong to other investors it is often difficult to call these securities liquid.[1] In calculating the liquidity of securities, the free market index is important. In turn, this is a part of the total number of freely traded securities in the financial markets. indicates whether the level of liquidity will be so high or low.

**Analysis of literature on the topic.**The theoretical and practical aspects of assessing the liquidity of securities have been studied by various scientists internationally and in our country. In particular, one of the English economists, J.M. Keynes was one of the first to interpret the term liquidity and considered the term liquidity to be a combination of the time required to implement contracts or transactions and the costs arising from it.[2]

Assessing the liquidity of securities is one of the most complex tasks of financial analysis. The main reason for this is that there are many factors that affect the price of securities, so it is almost impossible to study them completely. According to several economists, analysts To estimate the liquidity of securities, they use the market approach more than the discounted methods, but according to the results of observations, economists today use both of these methods.[3]

Professor L. Harris of the American University of New York focused on the important aspects of the liquidity concept of evaluating the level of liquidity of stock exchange securities.[4]

Uzbek scientists also have different views on the assessment of the liquidity of securities.

In order for securities to be effective in the financial market, it is appropriate to set the following requirements: securities and their base equivalence, securities as a commodity and wealth of the

stock market, a reliable economic-legal-informational mechanism and a special open financial market providing infrastructure and (S-I)-environment.[5]

Methods used in research implementation (Methods/Metody). The methods of logical and structural analysis, grouping, economic-statistical analysis, mutual and comparative comparison were effectively used in the implementation of the goals set in the implementation of the research.

**Analysis.** Liquidity is defined differently in different countries. However, according to the approaches of different scientists, exactly four main predictors of liquidity have been mentioned: These are time, volume, transaction costs and price.

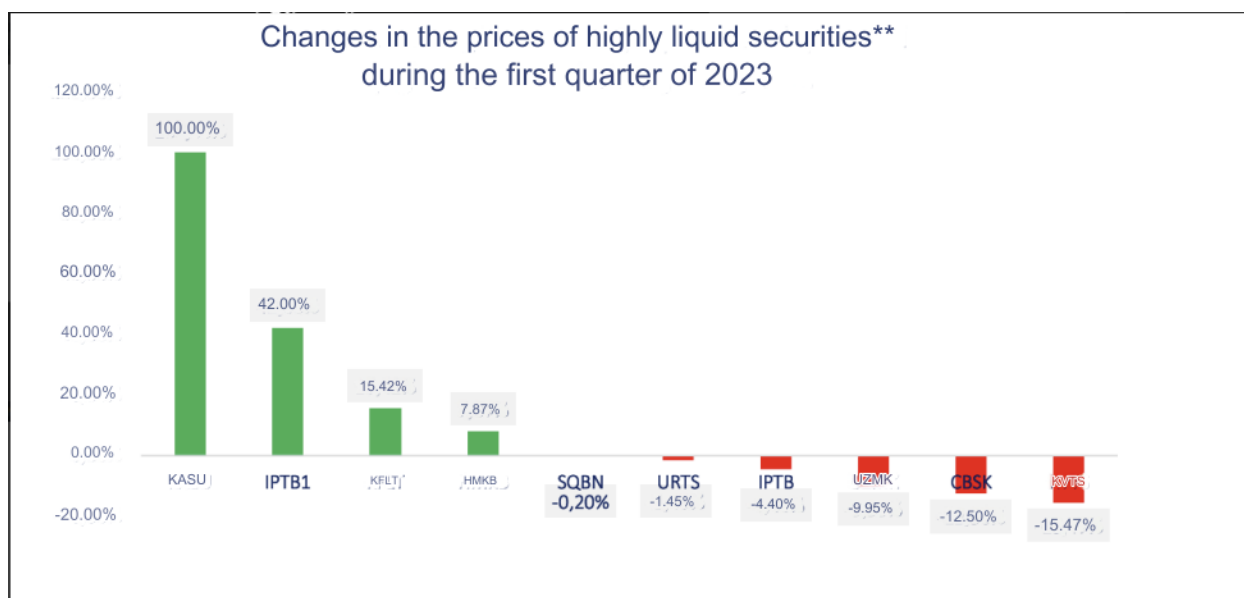
The most important characteristic of the economic system reflecting the saturation with liquid assets is the degree of monetization of the economy.

Liquidity is one of the key concepts that is very important to investors and the market. Assessing the liquidity of a stock is very important to investors because it helps them understand how easy it is to buy or sell an asset without significantly affecting its price in the market. Liquidity is a key factor in managing investment portfolios and minimizing transaction costs.

Liquidity assessment in any market should be an integral part of overall risk management and investment strategy.

As the Republic of Uzbekistan is facing the global market, of course, attention has also been paid to the stock market, which is the most relevant market today and is important to the entire world community. Just as every country has its own domestic market, Uzbekistan's need for its own stock market has also increased. Today, the only stock exchange in Uzbekistan, "Tashkent" stock exchange, stock prices and we would not be mistaken if we say that it ranks first among the Central Asian countries in terms of trade. Therefore, the number of securities with high liquidity is increasing in this market.

**Figure 1.1 below shows the price changes of highly liquid securities in the Uzbek market in the 1st quarter of 2023.**



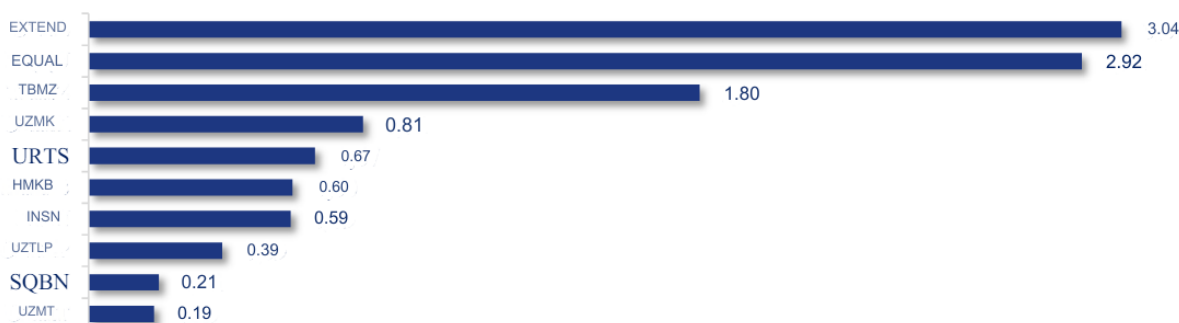
In Figure 1. Changes in the prices of highly liquid securities in the banking and insurance sectors during the 1st quarter of 2023. [6]

Statistics showing the most significant increase in prices from the beginning to the end of 2023 for the banking and insurance sectors, the prices of the shares of "Capital Insurance" JSC and "KAFOLAT Insurance Company" JSC are +100% and +15.45%, respectively. Also, the rate of price growth of securities of "IPOTEKA-BANK" ATB /IPTB1/ and "Hamkorbank" ATB /HMKB/ was reported by +42.00% and +7.84%, respectively.

While there was a slight decrease in the securities of the 4 issuers depicted in the graph, the prices of the shares of "Chilonzor Buyum Trade Complex" JSC and "Kvarts" JSC were -12.50% and -15.47%, respectively, in the last period. they walked together.

In addition, the shares issued by enterprises with high liquidity in the stock market of Uzbekistan changed several times compared to the beginning of the year, and the prices of the shares of enterprises with low prices at the beginning of the year rose to higher prices by the end of the year. we can

Top 10 stocks by volume of transactions, billion soums



**Figure 2: Top 10 stocks by the number and volume of transactions concluded in December 2023 in the G1- "Main Board" area of the "Stock Market" stock market of the "Tashkent" RFB.[7]**

According to the December 2023 calendar, the largest deals worth 3.04 billion soums were registered with ordinary shares of "Uzbektelecom" JSC (UZTL). Later, transactions of 2.92 billion and 1.80 billion soums were successfully implemented with ordinary shares of "Elektrqishloqqurilish" JSC (EQQU) and "1-Temir concrete products plant" JSC (TBMZ). Uz sanoatqurilishbank ATB (SQBN) and the transactions concluded with the shares of "UzAuto Motors" JSC (UZMT) reached the sums of 206.99 million and 192.63 million soums, respectively, in the top 10 places.

In addition, in this month, the price of shares increased due to the changes in the transactions made with the shares of enterprises. The main reason for this is the increase in the possibility of issuing shares of these enterprises. we can reach

This figure shows the price changes of the most liquid securities in December 2023.

Changes in the price of the most liquid securities\*\* in December 2023

No	Issuer Name Ticker	on 01.12.2023 closing price	Closing price on 12/29/2023	Price change	Closing price dynamics
1	<Uzbektelecom> AK UZTL	1 154.00	6 450.00	458.93%	
2	<Hamkorbank> ATB HMKBP	52.04	59.99	15.28%	
3	<Silk Road> AITB IPKY	84.49	97.00	14.81%	
4	<Alokabank> AK ALKB	80.00	90.50	13.13%	
5	<Hamkorbank> ATB HMKBP	62.90	66.99	6.50%	
6	<Mortgage bank> ATIB IPTB	0.97	0.99	2.06%	
7	<Uz sanoatqurilishbank> ATB SQBN	10.00	10.00	0.00%	
8	<Capital insurance> JSC KASU	0.02	0.02	0.00%	
9	<Uzbektelecom> JSC UZTLP	6 999.00	6 310.00	-9.84%	
10	<Mortgage Bank> ATIB IPTBP	3.83	3.45	-9.92%	

### **Figure 3: Price changes of the most liquid securities in December 2023[8]**

A comparison of the closing stock prices on December 1st with the closing prices on December 29th shows an increase in the prices of securities of 6 issuers among the most traded stocks. The most significant of these increases appeared in ordinary shares of "Uzbektelecom" JSC (UZTL), in which the increase was 458.93%. The main reason for this additional increase was the successful completion of the IPO, and shares with a nominal value of 1,154.00 soums increased by an average of 6,500.00 soums after the completion of the IPO. The price of "Hamkorbank" ATB (HMKBP) preferred shares increased from 52.04 soums to 59.99 soums and the increase was 15.28%.

The price of ordinary shares of "Uzsanoat Kurilish Bank" ATB (SQBN) and "Capital Insurance" JSC (KASU) remained at the level at the beginning of the month on December 29. The price of preferred shares of Uzbektelekom JSC (UTLP) decreased slightly. showed - 9.84%. Also, the price of preferred shares of "Ipoteka Bank" ATB (IPTBP) was observed to fall by 9.92%.

#### **Conclusions.**

Based on the above analyzes and results, the liquidity aspect of securities in the financial market is considered one of the aspects that determine the level of income of the enterprise, and the increase in the price of the enterprise's or company's securities is directly related to the increase in the liquidity of these securities. while showing a secret.

Today, against the background of the rapid development of the stock market, companies should try to increase the liquidity of the securities they issue in the stock market, if they want to make investments and save the company and get high income in the future, and develop a system that is constantly moving in this market. will be forced to exit. Large enterprises are the largest tax payers of the state, and the tax system is one of the main links of the state. So we can know from this that the survival of large enterprises in the financial market cannot but affect the state's financial situation. For this reason, we can suggest that the development of the financial market should be one of the main goals of the state, and that it will open the door to wide opportunities for specialists with global experience.

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