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**FINANCIAL RISKS OF EU WITHIN INTERNATIONAL LOGISTICS
SYSTEM DEVELOPMENT: UKRAINIAN MARKETS DURING THE WAR
RECONSTRUCTION PERIOD**

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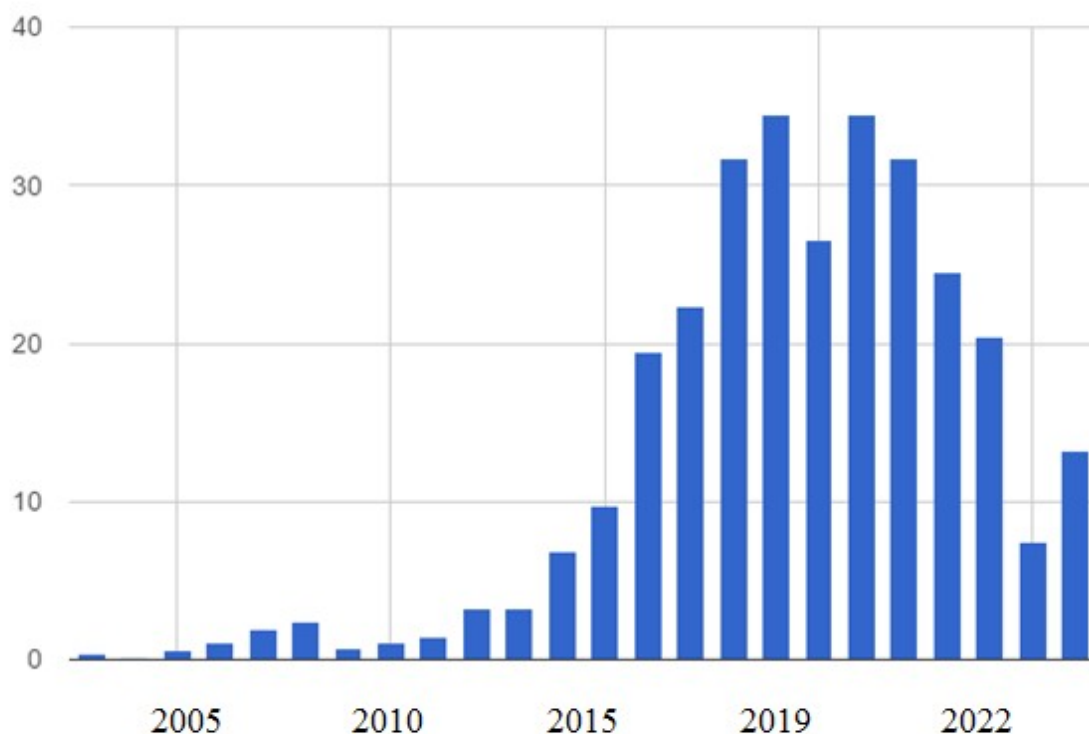
This article has used a specific methodology to study the quantitative and qualitative characteristics of "Financial Risks". Most of the statistical methods were used - the purpose of which was to determine the likelihood of the risk being realized and to determine its magnitude - used the statistics of profit and loss. These methods are also based on the theory of probability of distribution of random variables. Some expert judgment methods are similar to statistical ones.

The fundamental difference lies in the fact that expert methods involve the analysis of assessments made by various specialists (internal or external experts). Expert judgment can be obtained both after conducting relevant research and using the accumulated experience of leading specialists. In turn, analytical methods are based on game theory and include the following stages: 1) selection of a key indicator (for example, rate of return); 2) determination of the factors of the external and internal environment that affect the selected indicator; 3) calculation of indicator values when changing factors of the external or internal environment [1].

The analogy method is used when analyzing new products or business lines of a credit institution. The essence of this method is to transfer a similar situation to the object of research. The main disadvantage of this method is that it is very difficult to create conditions in which the past experience would be repeated.

Matter's related to the world economy has got dramatic development of credit relations on the unprecedented scale recently. The accelerated trans-nationalization of the production, banking and trade as for the merger of companies, financial assets holders and foreign enterprises require some adequate development of the international credit and

stock markets [2]. The rapid and often uncontrolled development of international crediting is accompanied by the establishment of stronger and deeper interdependence among countries.



Source: Composed by the author, using data

Figure 1. The state of the gold and foreign exchange reserves in Ukraine

The main European financial risks impacting Ukraine:

- the unfavorable situation in the world markets which is a key for Ukraine;
- the uneven development of different countries;
- a financial flows and assets redistribution;
- world currency and commodity prices fluctuations;
- the national currency exchange rate instability;
- the aggravation of problems in trade, economic and political relations with Russia;
- the irrational structure of the domestic export dominated by raw materials and products with a low level of processing;
- the low competitiveness of the Ukrainian goods and services;
- an increase of financial obligations due to untimely settlements of the Ukrainian enterprises with foreign partners [3].

So, in order to prevent risks and overcome the threats of the Ukrainian foreign trade activity we propose:

- to diversify the geographical structure of the foreign trade minimizing a dependence on individual markets and states;
- to optimize and balance the structure of imports and exports;
- to develop long-term programs of the Ukrainian international cooperation with the world's leading economies and leading importers of domestic products taking into account the dynamics of their development and the risks of a new financial crisis in the group of countries with emerging markets [4];

In the conclusion of the article we should say that the effective implementation of a foreign economic activity contributes to an increase of domestic producers' products competitiveness. It is a determining factor of the economic growth, as well as a real instrument of the structural transformation and stabilization of the national economy of Ukraine. Modern crisis phenomena raise the problem formation of qualitatively new methodological foundations of management [5]. This is naturally accompanied by the actualization of the issue of improving the efficiency of financial risk management. The variety of financial risks, methods of their assessment and management, indicates the need for constant modernization of the risk management system.

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