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Internal Sources of Investments in Uzbekistan

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ABSTRACT

This article discusses the economic nature of savings as an indicator of the economic well-being of the population and an internal source of investment. Evaluated from the standpoint of investment attractiveness. The dynamics of investments in fixed assets is analyzed, the size of investments is compared with the volume of savings of the population

KEYWORDS: *source of investment, savings, bank, deposits, investment program.*

Introduction

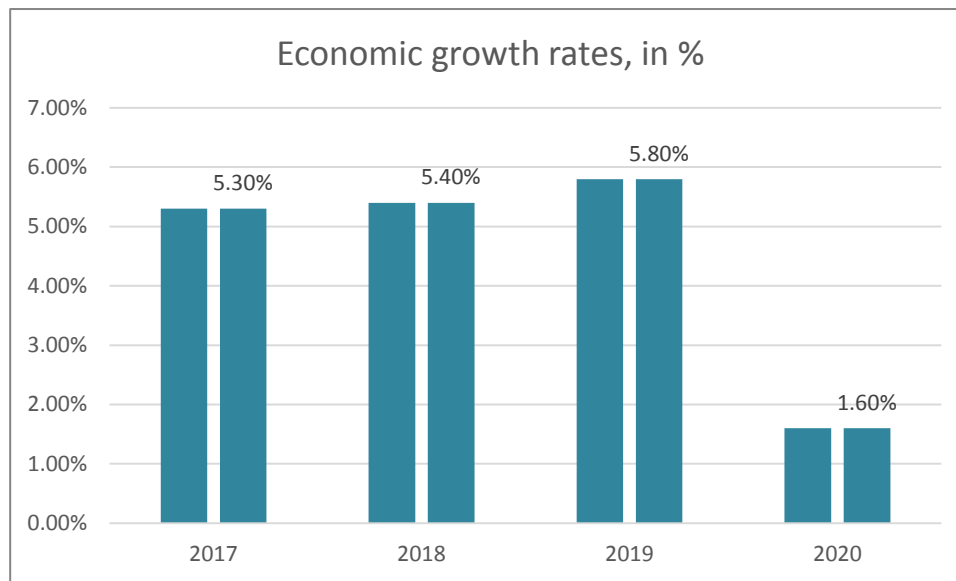
In the context of a significant limitation of the possibilities of attracting external financing, it becomes especially important to increase investment through domestic investment. Sources of investment financing are divided into internal and external funds. External sources of funding include funds "from outside". This includes investments by individuals or companies, subsidies from the state, loans, loans, leasing from financial institutions, income from the issuance of bonds, sales of company shares, etc. Internal sources are those that arise in the business itself. This includes everything that belongs to the owners of the enterprise - profit (it can be diverted from circulation, or it can be left in business), personal funds of the owner, as well as company property - depreciation, wage fund, enterprise assets (which can be sold if necessary), Reserve capital

Purpose of the study: Identification of methodological approaches to internal sources of investment in Uzbekistan; the need for active investment of the savings of the population.

The savings of the population represent a powerful reserve of investments for the development of small private businesses and the growth of housing construction. They are an important component of the formation of bank capital, they are the basis for the development of the securities market, the insurance market, private pension insurance and, transforming into investments, contribute to the development of the country's economy. The savings of the population are a significant source of investment for many developing countries, including Uzbekistan. The rate of economic growth plays an important role.

The pace of renewal, the accumulation of fixed capital, the growth of labor productivity and the transition to an innovative development path - all these factors determine the pace of economic growth in the economy of Uzbekistan. Trend:

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Uzbekistan's GDP growth until 2020 is driven by an increase in private consumption, as well as investment in infrastructure. Remittances from migrants also played their part, rising by 35% in the first eight months. [one]. In 2020, despite the Covid-19 pandemic, the economy of Uzbekistan has a slight growth trend. Despite the stable GDP growth in recent years, our economy cannot rely only on foreign investment or remittances from our compatriots abroad. A good lesson in terms of diversification was shown to us by the quarantine of 2020. The economy of the whole country should grow due to many factors, one of which is the use of the population's funds.

In the context of increased resource needs, the need to attract additional domestic sources of investment is of particular relevance. Public investment and own assets of enterprises are the main part of domestic investment. However, an important part, along with the above, is the savings of the population.

Savings of the population is a part of the money left after meeting consumer needs, guaranteeing the possibility of reproducing human capital and paying mandatory payments, withdrawn from the circulation process for a certain period of time in order to meet the needs and increase economic well-being in the future.

An important indicator of the well-being of the country's population is the amount of accumulated savings. A high indicator of this indicator brings great benefits, both to the population, who have free funds, and to the financial sector, which receives additional funds in the form of investments. In many developed countries and some developing countries, the savings of the population invested in securities and the banking sector bring additional funds to their owners.

According to the Central Bank of Uzbekistan in 2019, the total savings of citizens of the republic amounted to about \$10.2 billion. In particular, 54 percent of respondents indicated that they have accumulated savings in foreign currency. Taking into account the average income of the population by regions of the country, and taking into account the answers of the respondents, the average amount of savings per capita is \$1,134. [2] The low share of household savings in the turnover of investment capital means that there are great potential opportunities for the development of the institutional investment market in Uzbekistan.

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