Ministry of Education and Science of Ukraine
Sumy State University
Academic and Research Institute of Business,
Economics and Management
Lovely Professional University

Financial Markets, Institutions and Risks

Proceedings
of the International Scientific and Practical
Online-Conference

(Sumy, November 20-22, 2021)

FINANCIAL MARKETS,
INSTITUTIONS AND
RISKS

Sumy
Sumy State University
2021

330.3:005(063)
S62

Approved by the Academic Council of Sumy State University
(protocol № 4, 16 December 2021)

S62S Financial Markets, Institutions and Risks: Proceedings of the International Scientific and Practical Online-Conference, Sumy, November 20-22, 2021 / edited by Prof., Dr. Vasilyeva Tetyana. – Sumy: Sumy State University, 2021. – 73 p.

The Proceedings contain the abstracts of the International Scientific and Practical Online-Conference "Financial Markets, Institutions and Risks" (Sumy, November 20-22, 2021).

For scientists, scientists, students, graduate students, representatives of business and public organizations and higher education institutions and a wide range of readers.

330.3:005(063)

TABLE OF CONTENTS

Kumar Ravi, *Dhiman Babli*	SOYBEAN FUTURES MARKETS-EXPLORING LINKAGES BETWEEN INDIA AND CHINA	5
Sharma Swaty, *Dhiman Babli*	IDENTIFICATION OF CO-INTEGRATION BETWEEN INDIAN AND US ENERGY AND AGRICULTURE COMMODITIES	8
Chorna Svitlana	FINANCIAL SOLVENCY OF INSURERS AS A BASIS FOR INSURANCE DEVELOPMENTFINANCIAL SOLVENCY OF INSURERS AS A BASIS FOR INSURANCE DEVELOPMENT	11
Sharma Parmod K, *Dhiman Babli*	NEED FOR PRIVATE SECTOR BANKS' CONSOLIDATION IN INDIA	16
Mynenko Serhii, *Chevguz Karina*	REVIEW OF METHODS OF ECONOMIC AND MATHEMATICAL MODELING OF BANKING RISKS	21
Tverezovska Oleksandra, *Hrytsenko Larysa*	GREEN BANKING IN THE SYSTEM OF EFFECTIVE FINANCING OF INVESTMENTS PROJECTS	26
Gagandeep Singh, *Rahul Sharma,* *Sukhpreet Kaur*	SHAREHOLDER ACTIVISM AND CORPORATE PERFORMANCE DURING COVID-19: EVIDENCE FROM THE INDIAN BANKING SECTOR	31
Jasneet Kaur *Ajay Chandel*	CONCEPT OF CREATIVE ACCOUNTING	34
Shkarupa Olena, *Kalchenko Ihor*	ANALYSIS OF THE IMPACT OF ONLINE PAYMENTS ON THE SECURITY OF BUSINESS DIGITALIZATION	39
Lavryk Yevheniia	BASIC APPROACHES TO MANAGING THE ECONOMIC STABILITY OF ENTERPRISES	44
Ponyrko Ivan, *Us Yana,* *Pimonenko Tetyana,* *Lyulyov Olexii,* *Kwilinski Aleksy*	DIGITAL MARKETING FOR SMALL AND MEDIUM BUSINESS	49

Vynogradov Vladislav, Troian Maria	THE GLOBAL FINANCIAL CRISIS AND ITS IMPACT ON UKRAINE'S ECONOMY	55
Ziabina Yevheniia	THE IMPACT OF LABOR RESOURCES ON GREEN COMPETITIVENESS AND FINANCIAL STABILITY OF ENTERPRISES	59
Bozhenko Victoria, Lysenko Oksana	SHADOW ECONOMY AS A THREAT TO NATIONAL SECURITY	63
Kravchenko Olena Shapoval Oleksii	BLOCKCHAIN TECHNOLOGY: CURRENT STATUS AND PROSPECTS	68
Semenog Andrii Ostrivnnyi Vadym	DEVELOPMENT OF DIGITAL BANKING	70

THE GLOBAL FINANCIAL CRISIS AND ITS IMPACT ON UKRAINE'S ECONOMY

Vladislav Vynogradov, *student,*
Sumy State University, Ukraine
Maria Troian, *Ph.D., As.prof.*
Sumy State Pedagogical University, Ukraine

Against the background of the recent and current global financial crisis traceable to corporate irresponsibility on the part of some financial sector players in developed countries especially the United States of America in the housing and credit markets, many economists and non-economists are raising their voices against globalization of finance. In simple language, globalization of finance is evident as the integration of the financial systems of many countries of the world. On the other hand, the financial crisis describes various negative changes in the financial system evident as the sudden loss of value of assets, banking sector panics, credit crunch, sovereign defaults and stock market crashes among others (Mazurenko et al., 2021; Bozhenko, 2021; Starchenko et al., 2021; Dudchenko, 2020; Yelnikova and Barhaq, 2020; Goncharenko and Lopa, 2020; Eddassi, 2020).

The recent financial crisis has resulted in major losses on the part of individuals and corporate entities and nations even with reports of high-profile businessmen committing suicide following the loss of huge sums of money. This paper thus seeks to look at the problem of the spread and effects of the financial crisis from the scope of one country to another, especially among developing countries.

We can see many views on the causes of the financial crisis and it can include high personal and corporate debt, the inability of homeowners to make mortgage payments, poor sense of judgement by borrowers and lenders, speculation and overbidding during borrowing period, risky mortgage products, complex financial innovation that concealed default risk, lack of proper government regulation. The other important question on the other hand is whether globalization of finance's benefits outweighs the adverse effects (Ziabina et al., 2020; Chukwu and Kasztelnik, 2021; Medani and Bhandari, 2019; Samoilikova, 2020; Yarovenko et al., 2020; Mazurenko and Tiutiunyk, 2021; Pimonenko et al., 2021; Kryvych and Goncharenko, 2020; Matsenko et al., 2021; Lazorenko et al., 2021; Oleksich et al., 2021; Mamay et al., 2021; Taraniuk et al., 2020).

The global economic crisis that started in 2008 has engulfed the entire world and has laid waste to the process of globalization that was blamed by many as being the root cause of the crisis.

After the American Investment Bank, Lehmann Brothers filed for Bankruptcy in September 2008, the entire global financial system was at the risk of collapse because of the integrated and interconnected nature of the global economy.

However, it would not be fair to say that globalization alone is responsible for the crisis and individual governments had a role to play in ensuring that their economies were well regulated and insulated from global shocks (Shkarlet et al., 2019; Vasilieva et al., 2017; Bublyk et al., 2017; Fila et al., 2020; Gallo et al., 2019). This line of thinking holds the view that though the global economy is integrated, a mixture of policies designed to keep the flows of hot money and capital in check and ensuring proper regulation would have gone a long way in insulating the economies of the world from the aftershocks of the global economic crisis. The growth of trade, deliberate removal of barriers and the advancement of technology have led to the integration of the financial systems of nations with each other. This however has both beneficial and adverse consequences depending on what factors are on display at any point in time not minding the present financial crisis in the world.

Globalization, which is promoted by the growth of technology, migration, trade, tourism, currency convertibility and capital account liberalization makes the mobility of capital higher than it has ever been in the history of mankind. Individuals and firms who own idle funds do benefit from the globalization of finance largely through the possibility of reduced risk and improved returns synonymous with global diversification.

There are signs that are used for predicting crisis such as high unemployment, near-bank collapse, and an economic contraction. financial crises occur following either bank runs or a sudden severe drop of asset prices in capital markets, both of which will consequently cause the collapse of big financial and non-financial firms. Using historical data on financial crises around the world, we show that crises are substantially predictable.

The combination of rapid credit and asset price growth over the prior three years, whether in the nonfinancial business or the household sector, is associated with about a 40% probability of entering a financial crisis within the next three years.

Financial crises are substantially predictable byproducts of rapid expansions of credit accompanied by asset price booms that show that rapid credit growth and asset price growth predict banking crises in 34 countries between 1970 and 1999, these are called “early warning indicators”. One critical early warning is “super-exponential growth” in investment returns — 5% in year one, 10% in year two, 20% in year 3, and so on. This was the level of growth that inflated the bubble prior to 2007.

Financial crisis mostly caused by deregulation in the financial industry. That permitted banks to engage in hedge funds then demanded more mortgages to support the profitable sale of these derivatives. For example, in 2007-2009 economic conditions in the United States and other countries were favourable. Economic growth was strong and stable, and rates of inflation, unemployment and interest were relatively low. In this environment, house prices grew strongly. Expectations that house prices would continue to rise led households, in the United States especially, to borrow imprudently to purchase and build houses. A similar expectation on house prices also led property developers and households in European countries to borrow excessively. Many of the mortgage loans, especially in the United States, were for amounts close to the purchase of a house A large share of such risky borrowing was done by investors seeking to make short-term profits.

References

Bozhenko, V. (2021). Enhancing Business Integrity as a Mechanism for Combating Corruption and Shadow Schemes in the Country. Business Ethics and Leadership, 5(3), 97-101. https://doi.org/10.21272/bel.5(3).97-101.2021

Bublyk, M., Koval, V., Redkva, O. (2017). Analysis impact of the structural competition preconditions for ensuring economic security of the machine building complex. Marketing and Management of Innovations, 4, 229-240, http://doi.org/10.21272/mmi.2017.4-20

Chukwu, A.O., Kasztelnik, K. (2021). Innovative Strategies For Social-Economic Development Financial Strategies In The Development Country. SocioEconomic Challenges, 5(1), 44-65. https://doi.org/10.21272/sec.5(1).44-65.2021

Dudchenko, V.Yu. (2020). Interaction of Central Bank Independence and Transparency: Bibliometric Analysis. Business Ethics and Leadership, 4(2), 109-115. https://doi.org/10.21272/bel.4(2).109-115.2020.

Eddassi, H. (2020). Fiscal Regime and Tax Policy in Resource-Rich Countries In The Process Of Globalization: Literature Review. SocioEconomic Challenges, 4(2), 67-77. https://doi.org/10.21272/sec.4(2).67-77.2020.

Fila, M., Levicky, M., Mura, L., Maros, M., & Korenkova, M. (2020). Innovations for Business Management: Motivation and Barriers. Marketing and Management of Innovations, 4, 266-278. http://doi.org/10.21272/mmi.2020.4-22

Gallo, P., Mihalcova, B., Vegsoova, O., Dzurov-Vargova, T & Busova, N. (2019). Innovative Trends in Human Resources Management: Evidence for the Health Care System. Marketing and Management of Innovations, 2, 11-20. http://doi.org/10.21272/mmi.2019.2-01

Goncharenko, T., Lopa L. (2020). Balance Between Risk And Profit In The Context Of Strategic Management: The Case Of Ukrainian Banks. SocioEconomic Challenges, 4(1), 111-121. http://doi.org/10.21272/sec.4(1).111-121.2020.

Kryvych, Y., Goncharenko, T. (2020). Banking strategic management and business model: bibliometric analysis. Financial Markets, Institutions and Risks, 4(1), 76-85. http://doi.org/10.21272/fmir.4(1).76-85.2020.

Lazorenko, V., Saher, L., & Jasnikowski, J. (2021). Web management as a marketing management determinant: case for pharmaceutical enterprises. Health Economics and Management Review, 2(2), 105-114. https://doi.org/10.21272/hem.2021.2-10

Mamay, A.,Myroshnychenko, Iu., & Dzwigol. H. (2021). Motivation management model and practical realization within the health care institutions. Health Economics and Management Review, 2(2), 23-30. https://doi.org/10.21272/hem.2021.2-03

Matsenko, O., Kubatko, O., Bardachenko, V., & Demchuk, K. (2021). Transformation of the

Restaurant Business as a Result of the COVID-19 Pandemic: Improving the Security of Service and Maintaining the Health of Human Capital. Health Economics and Management Review, 2(3), 27-38. https://doi.org/10.21272/hem.2021.3-03

Mazurenko, O., Tiutiunyk, I. (2021). The International Tax Competitiveness: Bibliometric Analysis. Financial Markets, Institutions and Risks, 5(1), 126-138. https://doi.org/10.21272/fmir.5(1).126-138.2021

Mazurenko, O., Tiutiunyk, I., Derkach, L. (2021). The Impact of Tax Morality on Tax Evasion: Evidence of EU Countries. Business Ethics and Leadership, 5(3), 108-112. https://doi.org/10.21272/bel.5(3).108-112.2021

Medani P. Bhandari (2019). Sustainable Development: Is This Paradigm The Remedy of All Challenges? Does Its Goals Capture The Essence of Real Development and Sustainability? With Reference to Discourses, Creativeness, Boundaries and Institutional Architecture. SocioEconomic Challenges, 3(4), 97-128. http://doi.org/10.21272/sec.3(4).97-128.2019.

Oleksich, Zh., Polcyn, J., & Shtorgin, O. (2021). Adaptation of the best European practices in administering local health care institutions. Health Economics and Management Review, 2(2), 15-22. https://doi.org/10.21272/hem.2021.2-02

Pimonenko, T., Us, Ya., Myroshnychenko, Yu., Dubyna, O., Vasylyna, T. (2021). Green Financing for Carbon-Free Growth: Role of Banks Marketing Strategy. Financial Markets, Institutions and Risks, 5(3), 71-78. https://doi.org/10.21272/fmir.5(3).71-78.2021

Samoilikova, A. (2020). Financial Policy of Innovation Development Providing: The Impact Formalization. Financial Markets, Institutions and Risks, 4(2), 5-15. https://doi.org/10.21272/fmir.4(2).5-15.2020.

Shkarlet, S., Kholiavko, N., Dubyna, M. (2019). Information Economy: Management of Educational, Innovation, and Research Determinants. Marketing and Management of Innovations, 3, 126-141. http://doi.org/10.21272/mmi.2019.3-10

Starchenko, L.V., Samusevych, Ya., Demchuk, K. (2021). Social and Eco-Friendly Enterpreneurship: The Keys to Sustainability. Business Ethics and Leadership, 5(1), 118-126. https://doi.org/10.21272/bel.5(1).118-126.2021

Taraniuk, L., D’yakonova, I., Taraniuk, K., & Qiu, H. (2020). Basic financing principles of anti-covid measures: the case of the bank for international settlements. Health Economics and Management Review, 1(2), 43-50. https://doi.org/10.21272/hem.2020.2-05

Vasilieva, T., Lieonov, S., Makarenko, I., Sirkovska, N. (2017). Sustainability information disclosure as an instrument of marketing communication with stakeholders: markets, social and economic aspects. Marketing and Management of Innovations, 4, 350 – 357. http://doi.org/10.21272/mmi.2017.4-31

Yarovenko, H., Kuzmenko, O., Stumpo, M. (2020). Strategy for Determining Country Ranking by Level of Cybersecurity. Financial Markets, Institutions and Risks, 4(3), 124-137. https://doi.org/10.21272/fmir.4(3).124-137.2020

Yelnikova, Ju., Barhaq, A.R. (2020). Transparency of Responsible Investment Environment. Business Ethics and Leadership, 4(4), 68-75. https://doi.org/10.21272/bel.4(4).68-75.2020

Ziabina, Ye., Pimonenko, T., Starchenko, L. (2020). Energy Efficiency Of National Economy: Social, Economic And Ecological Indicators. SocioEconomic Challenges, 4(4), 160-174. https://doi.org/10.21272/sec.4(4).160-174.2020

Наукове видання

ФІНАНСОВІ РИНКИ, ІНСТИТУЦІЇ ТА РИЗИКИ

Матеріали
Міжнародної науково-практичної конференції

(Суми, 20-22 листопада 2021 року)

Стиль та орфографія авторів збережені.
Організаційний комітет і редакційна колегія можуть не поділяти точки зору авторів.
Автори відповідають за точність, достовірність і зміст матеріалів.
Посилання на матеріали конференції обов’язкові.

Відповідальний за випуск Т. А. Васильєва
Комп’ютерне верстання Я.О. Ус

Формат 60×84/16. Ум. друк. арк. 29,86. Обл.-вид. арк. 38,58.

Видавець і виготовлювач
Сумський державний університет,
вул. Римського-Корсакова, 2, м. Суми, 40007
Свідоцтво суб’єкта видавничої справи ДК № 3062 від 17.