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STOCK MARKET ANALYSIS IN TERMS OF CHANGES IN BEHAVIOR OF UKRAINIAN INVESTORS

At the present stage of economic development the investment activity of individual investors and entities involve the investing of surplus funds in a large number of investment instruments, thereby it generates a diversification of assets. Nowadays, the main issue for investors is the protection and conservation of available funds. Therefore, the risk's assessment, which corresponds to particular project, has a priority position. To support this point of view, the psychological characteristics of investors have been defined in the article regarding to investment decision process, namely, cognitive errors and emotional biases. Hence, the investors during the crisis tend to create a portfolio of investments with higher risk aversion in terms of larger probability of losses.

During the crisis the situation in Ukrainian stock market has been characterized by activation of the long-term financial instruments, such as debt securities. On the one hand, this trend leads to reduction of the speculative risk. This type of risk forms the basis for overheating market and the formation of asset bubbles. On the other hand, the problem of lack liquidity has been solved as well in terms of investing in this type of assets. Furthermore, on the Ukrainian stock market, only 7% of shares are liquid. Consequently, the liquidity is a crucial indicator for investors and the main difference between short- and long-term financial assets in terms of different level of reinvestment risk.

Moreover, during the analysis the key problems of long-term stock market have been identified. Among them are: small capitalization of stock market, underdeveloped corporate bond market, stock trading discrepancy world tendencies, lack of domestic derivatives market, lack of transparency in the Ukrainian stock market, a small amount of liquid securities in the market, etc. All these factors led to determine the specificity of the investment environment in Ukraine.