

WAYS TO ENSURE THE COMPETITIVENESS OF COMMERCIAL BANKS

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In the new development strategy of Uzbekistan, approved by the Decree of the President of the Republic of Uzbekistan No. PF-60 dated January 28, 2022, 70 bln. Attracting foreign investments in the amount of US dollars will increase the turnover of the country's stock market to the current 200 mln. 7 billion from US dollars. Urgent tasks such as delivery to the US dollar have been set. This creates the need to ensure the international competitiveness of the country's commercial banks. In turn, it requires the development of scientifically based ways to ensure the competitiveness of commercial banks. It should be admitted that at the present time there are actual problems related to the improvement of the evaluation of the competitiveness of the commercial banks of the Republic of Uzbekistan and its improvement. In particular, the system of indicators that allows for a clear and complete assessment of the competitiveness of banks has not been formed in the commercial banks of our republic. In addition, there are problems related to ensuring the liquidity and financial stability of commercial banks of our republic (the presence of transformation risk in banks, the high weight of demand deposits in the volume of gross deposits, the low level of diversification of the banks' loan portfolio, the low level of profitability of assets, etc.). In ensuring the competitiveness of the commercial banks of our republic, special attention should be paid to the use of the system of indicators that serve to solve the actual problems in the banks' activities. One of the main indicators used in evaluating the international competitiveness of commercial banks is the capital adequacy indicator, and in the world banking practice, the capital adequacy of commercial banks is evaluated by two financial coefficients developed by the Basel Committee - regulatory capital adequacy ratio and Tier 1 capital adequacy ratio.

The Central Bank of the Republic of Uzbekistan has accepted the requirements of the Basel Committee on banking supervision, but the requirements of the Committee on the formation of the capital structure have not been fully accepted. For example, the Central Bank included the devaluation reserve in the capital of commercial banks. The Basel standard prohibits the inclusion of devaluation reserves in the capital of commercial banks.

Commercial banks of the Republic of Uzbekistan do not pay attention to the use of the expert evaluation method in the assessment of competitiveness. However, the expert assessment method complements the quantitative indicators used in the assessment of competitiveness.

Marketing analysis plays a very important role in determining the competitive advantage of banking products. The main focus is on the analysis of the following two indicators:

*the share of the bank in the interbank market;

*level of compliance of bank products with customer requirements.

A comparison of bank products with similar products of competing banks occupies an important place in the quality indicators of commercial bank competitiveness assessment. The qualitative indicators of the evaluation of the international competitiveness of the commercial bank include assessment and classification criteria.

The evaluation criteria determines whether the bank product complies with the regulatory framework of the commercial bank or not.

Classification criteria make it possible to determine whether bank products meet customer requirements or not.

In our opinion, it is necessary to develop a strategy to ensure the international competitiveness of each commercial bank, and this strategy should consist of the following priorities:

- increase efficiency and stability of banks;
- expanding the range of banking services and further improving the quality of customer service;
- improvement of control over banks;
- adaptation of banking legislation to modern conditions;
- Implementing the recommendations of the Basel Committee on Banking Supervision on bank liquidity, financial stability and risk assessment and management;
- bank secrecy;
- introduction of new banking technologies;
- formation of the innovation portfolio of a commercial bank;
- a system of indicators that allows a full assessment of the bank's international competitiveness.

In our opinion, ensuring the standard level of the net interest margin indicator in commercial banks allows to ensure a high and stable level of net interest income compared to gross assets. Because the net interest margin indicator is defined as the ratio of net interest income to gross assets, and ensuring the standard level of this indicator allows to ensure a stable level of net interest income.

Ensuring the balance between the growth rate of commercial banks' net profit and the growth rate of gross assets is important in ensuring the profitability of assets. The fact that the rate of growth of net profit is lower than the rate of growth of gross assets in a commercial bank does not allow to increase the level of profitability of assets.