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## **INNOVATIVE AND INVESTMENT STRATEGY OF THE ENTERPRISES IN THE FINANCIAL MARKET**

The integral element of the national economy modernization is innovation and investment development of enterprises of all activity types, which must have legislative support and be stimulated by the state.

It is impossible to introduce modern innovative technologies at enterprises, increase their competitiveness and financial and economic activity efficiency without investment activity development in the areas of real and financial investment, accelerated attraction of domestic and foreign investments. Peculiarities enterprises functioning in Ukraine and strategic directions of their innovative development require systematic and complex management of investment activity, efficient use of own funds and attracted resources at the financial market. It requires improving the legislative, social and economic, scientific and technical, financial and investment and organizational and managerial mechanisms that will increase the level of their investment attractiveness and stimulate innovative development [1–2].

Intensification of innovation and investment processes in Ukraine's economy depends on effective European integration, acceleration of scientific and technological progress, growth of capitalization and investment attractiveness of enterprises, increasing the level of social and economic development of the country as a whole and many other factors. It is impossible to introduce modern innovative technologies at enterprises, increase the competitiveness of products at the market and increase the efficiency of financial and economic activity without development of investment activity in the spheres of real and financial investment, accelerated attraction of domestic and foreign investments.

Foreign researchers have made significant contribution to the development of enterprise investment management theory: G. J. Alexander, R. Allen, J. W. Bailey, E. Berg, J. Brigham, C. Brue, L. J. Hitman, P. Drucker, M. Erhardt, J. M. Keynes, R. Coase, K. McConnell, M. Miller, F. Modigliani, J. Stiglitz, and others.

Scientific and methodological approaches to the management of investment activity of enterprises are covered in the scientific works of domestic economists, including I.A. Blank, L.M. Borshch, V.M. Hrynova, I.Yu. Yepifanov, L.D. Zabrodska, A.H. Zahorodnii, T.D. Kosova, N.S. Krasnokutska, T.V. Maiorova, I.P. Moiseienko, S.V. Mochernyi, L.O. Omelianovych, P.H. Pererva,

A.A. Peresada, O.M. Pietukhova, V.H. Fedorenko, O.V. Feier, N.A. Khrushch, A.V. Cherep, M.V. Chorna and others.

Under high assessment of the scientific research results, it should be noted that in the scientific literature the mechanism of credit and investment activity of enterprises at the financial market is insufficiently covered. Issues, related to finding reserves of efficiency increasing of real and financial investments, substantiation of methodological approaches to optimizing the structure of lending and investing in fixed and working capital of enterprises in Ukraine as financial sources for ensuring their innovative development, determining and implementation of legal, economic and organizational principles of state regulation of investment and innovation activity of enterprises, require further development.

The purpose of the research paper is substantiating the mechanism of credit and investment activity of enterprises at the financial market in the system of ensuring and stimulating their innovative development.

Creating conditions for the national economy growth in Ukraine and providing its attainment of new competitive level is impossible without expanding the financial opportunities of economic entities.

Enterprises activity under the market economy is associated with the use of various forms of financing for forming the necessary amount of financial resources – both own and borrowed. One of the most important problems which are faced by domestic enterprises is the lack of efficiency in the formation and use of financial resources under resource and consumer markets changing environment.

Solving the problem of enterprises resource potential increasing is impossible without the functioning of such separate area of the financial system as the financial market, including the credit sector and the securities market. Effective operation of a enterprise is possible under free access to financial capital markets. enterprises need a large amount of short-, medium- and long-term credit and investment resources within the specifics of their activity.

In the economic space, entities are becoming more independent in choosing options for providing financial resources for their and economic activity. The financial market is becoming promising and favorable source and supplier of additional capital for the development of enterprises. enterprise with working at the consumer goods market, is also a participant at the financial market.

The economy has appropriate financial system where important place is occupied by the financial market, at which the movement of temporarily free funds of various market participants occurs, as well as their distribution, redistribution and use in the form of loan and investment capital.

The financial market is an integral part of the financial system of the state. It can function successfully only under the market economy, when most of the financial resources are accumulated by business entities. With the help of the financial market, as a rule, temporarily free financial resources in the form of savings and accumulations, which then are transformed into loan and investment capital are mobilized and used.

Thus, the financial market under market conditions becomes promising and important source of attracting credit and investment resources for the stable operation and intensification of enterprises innovative development.

The financial market structurally includes the credit market (loan capital) and the securities market (stock market). All its constituent segments are interconnected and have their own internal structure. The purpose of the financial market for enterprises is providing them with appropriate conditions for the effective attraction of additional funds and the sale of temporarily free resources, where enterprises' accumulation is converted into investment resources for the national economy development [3].

Let's consider the mechanism and main activities of enterprise at the financial market, determine its place in the overall system of formation, distribution and use of credit and investment resources.

Significant role in the financial and credit support of enterprises is played by the market of loan capital or credit. The credit market, both historically and in its importance, is a major component of the financial market. It provides the fastest access to financial resources. It is the credit market that allows accumulation, distribution, redistribution and redirection of loan capital to a enterprise. The loan can be obtained in a very short time – within a few days. This advantage is very important in terms of rapid financial support of enterprises financial and economic needs.

The opportunities of the securities (stock) market are of great importance for the formation of enterprises financial and investment resources. The process of attracting additional capital to finance assets takes place in the primary and secondary markets through the mechanism of issue and sale of securities, which can be systematized as follows: operations on the issue of equity (founding) securities (shares); debt issuance operations (promissory notes, bonds, deposit certificates) [4].

Enterprise stability providing, its competitiveness increasing, strengthening its position at the market are largely determined by the efficiency of its investments. The problem of the securities market efficiency improving as a mechanism for attracting investment in the real sector of the economy is one of the key tasks in recent times.

Enterprise in the role of issuer by issuing and selling its own equity and debt securities may attract foreign investors to the stock market for forming or replenishing equity and debt capital. As an investor, a enterprise can independently invest temporarily free money in various types of

securities, which can bring its fairly high and stable income in the form of dividends, interests, exchange rate differences.

It should be noted that the instability of the political situation in Ukraine, chronic crises in the development of the national economy at the macro and micro levels, high prices of credit resources at financial markets, threatening inflationary risks do not allow enterprises and organizations expanding investment and resources base at the expense of financial institutions and do not provide more active domestic and foreign investments attracting.

There is an urgent need to create an effective system of enterprises management and, in particular, its important subsystem – the management of investment and innovation activity, where financing and efficient implementation of investments play crucial role.

On the analysis base, we formulate the key requirements which should be taken into account during the development and implementation of investment and innovation strategy of domestic enterprises [5–6]:

- improvement of investment and other economic legislation and its adaptation to European standards;
- stimulation by the state of enterprises investment activity because of comprehensive provision and guarantee of favorable investment conditions;
- creation of new jobs by attracting internal and external investments in scientific and technical, innovative, social, environmental, infrastructural, information components of enterprises;
- formation of current and long-term policy of innovative development with taking into account the investment situation and the effect of social and economic factors of internal and external environments;
- search and attraction of borrowing and investment resources at the financial markets with taking into account their minimum value and low level of risk;
- achieving proportionality in the vertical and horizontal structure of assets and capital, own and borrowed sources of investment;
- accelerated growth of the own funds share in the structure of investment sources and investing efficiency increasing in real and financial investments;
- increasing the profitability of own and borrowed investment resources use in compliance with system-wide and specific principles and approaches to investment management;
- development of start-ups of investment projects for identifying business models that will allow quick entering the market and scaling newly created products or services.

Thus, in today's volatile market conditions, which are characterized by high competition at resource, financial and investment and consumer markets, as well as difficult social and economic situation in the country, potential investors need to reasonably assess the investment attractiveness of certain enterprises as potential objects of future capital or financial investments.

The problem of credit and stock markets efficiency improving as sources of attracting domestic investments in the economy, in particular, in , is one of the key issues today.

The purpose of financial market institutions and its individual sectors (credit and stock markets) for enterprises is in providing appropriate conditions for the effective and rapid attraction of additional credit and investment resources if it is necessary, or the sale of temporarily free funds for generating additional income when own accumulations through financial intermediaries are transformed into real or financial investments for the national economy development.

Forms and methods of mobilization and use of resources at the financial market are very diverse, but its important task is full, timely and least costly meeting the financial and economic needs of a enterprise, which can be effective lender and borrower, issuer and investor.

Providing the stability and further development of Ukrainian enterprises, increasing their competitiveness, strengthening their position at domestic and foreign consumer markets and capital markets are largely determined by the efficiency and effectiveness of investment activity that affects the level of investment attractiveness and strategic innovative development of enterprises.

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