

COMPARATIVE ANALYSIS OF THE REPRESENTATIVENESS OF FOREIGN INVESTMENT RATINGS

International ratings are an effective tool for analyzing the investment attractiveness of countries, and therefore have a great influence on the investor's decision concerning the feasibility of investing in a particular country and, thus, on the distribution of the global foreign investment flow.

Today, there are a large number of world rankings that publish more than 100 ratings every year, and among their number, it is difficult to navigate and find the most representative ones. Therefore, the purpose of the article is to make a comparative analysis of the international investment attractiveness ratings and determine the most representative ones.

In the course of writing the article, four main groups of methods for assessing the investment attractiveness of countries were considered, namely the methods: by the factor of investment receipt; expert method based on scientists' survey; rating method based on various statistics and rating method based on sociological surveys. Among them the rating method based on statistics, which ranked the leading international investment attractiveness ratings in determining the comparative advantage of business entities, was determined.

Benchmarking revealed a lack of regularity between UNCTAD recommendations, which shows the actual attracted volume of foreign investment flow with international ratings. Therefore, a comparative analysis of such leading international ratings as BDO International Business Compass, Doing business, The Global Competitiveness Index, Index of Economic Freedom, Legatum Prosperity Index and Human Development Index was carried out.

The study of the synchrony of existing fluctuations of actually attracted direct foreign investments with international investment attractiveness ratings using a sixth-order polynomial trend line yielded regression equations and coefficients of determination, which were ranked by the representativeness. In the course of the analysis of the results obtained, determination coefficients, which showed better data synchronization than the others, and therefore the most representative ones, were determined.

Keywords: comparative analysis; international investments; coefficient of determination; rating.

References

1. Haidutskyi, A. P. (2004). Otsinka investytsiinoi pryvablyvosti ekonomiky [Assessment of the investment attractiveness of the economy]. *Ekonomika i prohnozuvannia – Economics and forecasting*, 4, 3–7 [in Ukrainian].
2. Horna, M. O., Ishchuk, Ya. V., Khalilova, T. M. (2017). Umovy ta faktory formuvannia investytsiinoi pryvablyvosti krain Skhidnoi Yevropy [Conditions and Factors Forming Investment Attractiveness of Eastern Europe Countries]. *Mizhnarodna ekonomichna polityka – International Economic Policy*, 2(27), 43 [in Ukrainian].
3. Yerina, A. M. (2016). Mizhnarodni reitynhy: statystychni aspekty obchyslennia ta zastosuvannia. Indeksy ekonomichnoi svobody ta hlobalnoi konkurentospromozhnosti [International ratings: statistical aspects of comparing and registering. Index of economic freedom and global competitiveness]. *Statystyka Ukrainy – Statistics of Ukraine*, 3, 56–64 [in Ukrainian].
4. Ilychuk, V., Kurach, D., Lukash, V. (2018). Faktory vplyvu na dynamiku inozemnykh investytsii [Factors of influence on the dynamics of foreign investments]. *Finansovi doslidzhennia – Financial Researches*, 1 (4). Retrieved from <https://fr.stu.cn.ua/tmppdf/105.pdf>.
5. Lysa, O. I. (n.d.). Metody otsiniuvannia investytsiinoi pryvablyvosti rehionu [Methods for assessing the region's investment attractiveness]. *Sotsium. Nauka. Kultura – Socium. Science. Culture*. Retrieved from <http://intkonf.org/lisa-oi-metodi-otsiniuvannia-investytsiynoyi-privablyvosti-regionu/>
6. Khoroshkovskiy, V. I., Yurchyshyn, V. V. (2002). Investytsiina potreba liberalizatsii ta rozvytku [Investment demand for liberalisation and development]. *Statystyka Ukrainy – Statistics of Ukraine*, 1, 23–26 [in Ukrainian].
7. Shyshkina O., Kalchenko O. (2019). Sutnist i rol inozemnykh investytsii u rozvytku promyslovykh pidpriemstv [Essence and role of foreign investments in the development of industrial enterprises]. *Finansovi doslidzhennia – Financial Researches*, 1 (6). Retrieved from <https://fr.stu.cn.ua/tmppdf/173.pdf>.
8. BDO International Business Compass (2018). Retrieved from <https://www.bdo.global/en-gb/insights/bdo-germany/bdo-international-business-compass-2018>.
9. Doing business 2018. www.doingbusiness.org. Retrieved from <https://www.doingbusiness.org/content/dam/doingBusiness/media/Annual-Reports/English/DB2018-Full-Report.pdf>.
10. Human Development Index. hdr.undp.org. Retrieved from <http://hdr.undp.org/en/content/human-development-indices-indicators-2018-statistical-update>.
11. Index of Economic Freedom. www.heritage.org. Retrieved from <https://www.heritage.org/international-economies/commentary/2018-index-economic-freedom>.
12. Legatum Prosperity Index. www.prosperity.com. Retrieved from <https://www.prosperity.com/rankings>.

13. The Global Competitiveness Index. *www.weforum.org*. Retrieved from <https://www.weforum.org/reports/the-global-competitiveness-report-2018>.
14. World Investment Report. *unctad.org*. URL: https://unctad.org/en/PublicationsLibrary/wir2018_en.pdf.