

APPROACHES TO FINANCIAL RISK MANAGEMENT IN THE SECURITIES MARKET

Risk assessment is one of the most important stages of risk management, as risk management needs to be analysed and evaluated first. In the economic literature, there are many definitions of the concept of "risk assessment", but in the general case, it should be understood as a systematic process of identifying factors and types of risk, their quantitative and qualitative assessment.

Determining the nature of financial risks, their nature and place of origin is important both theoretical and practical, as it will contribute to the creation of an effective system of strategic analysis of financial risks and an effective system of stock market management.

An important issue faced by domestic analysts today is the problem of assessing the risks of the financial market, as financial instruments play a huge role in the current stage of economic development. That is why the article is devoted to a comprehensive study of approaches to financial risk management, taking into account the peculiarities of their appearance in the securities market.

In the course of the analysis, it was substantiated that the existing approaches to measuring the financial risks of securities can be grouped into four different categories: a face value approach, a sensitivity factor, a risk based loss distribution and a risk scenario. In the context of grouping approaches to measuring financial risks of securities, an analysis of modern methods of risk assessment was presented, which allowed to distinguish three directions of their use: analysis of the sensitivity of the asset price to changing external conditions; estimation of variance and standard deviation; estimation of probability of possible damage. The choice of the direction of using the methodology by a particular investor depends on its strategic advantages for investing and on the level of structure of the market environment.

Key words: financial risks, risk management, securities market, stock market, risk assessment methods, risk measure.

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