наповнювати місцеві фонди модернізації житла. Фонд енергоефективності може доповнювати ремонтно-будівельні проекти фінансуванням енергоохоронних заходів.

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INVESTMENT OPPORTUNITIES AND STRATEGIES OF HEDGE FUNDS

Hedge funds are beginning to attract the attention of academic circles in the context of economic nature and the peculiarities of the functioning of this form of capital investment. The growth of the economic power of these structures, even in times of various crisis phenomena, still needs to be considered in detail. Hedge Fund is a private investment fund focused on the implementation of active trading strategies, including arbitrage, based on the use of borrowed funds. Hedge funds among others have following advantages: they are created by a limited number of individuals, managed by a professional investment manager, characterized by a particular structure of remuneration for asset management and subject to limited regulatory control. These financial institutions are widely used in the financial markets of Western countries.

Distinguishing features of hedge funds operating in world markets are: they are barely controlled by government bodies as most of them are registered in offshore jurisdictions; normally hedge funds do not intervene with small investors; in order to reduce the administrative burden and avoid plagiarism, hedge funds usually do not publish their positions and do not inform investors about their daily transactions; hedge funds are characterised by low liquidity.

Following factors influenced the development of hedge funds:
- active growth of stock markets in the last two decades.
- formation of a liberal regime of legal regulation.
- possibility of non-public investment.
- removal of restrictions on the movement of capital.
- widely usage of leverage and derivative financial instruments in investment strategies.
- achievement of high historical profitability indexes.

Investments in hedge funds are considered as alternative investments, because their investment policy is very different from the policy of traditional mutual funds. Hedge funds are at their disposal to invest their funds with a wider range of financial
instruments and trading strategies. Therefore, the classification of investment strategies for hedge funds is an important issue.

Hedge funds widely practise a variety of the following strategies: global macro, convertible arbitrage, equity long-short, equity market neutral, fixed income arbitrage, emerging markets, distressed debt, event driven, volatility arbitrage, relative value, merger arbitrage, managed futures, multi-strategy funds.

Equity long-short and equity market neutral are the most widespread strategies. From 50 to 70% of hedge funds use them. The idea is to buy one shares and, having taken a "short" position, sell others at the same time. It will not matter whether the market grows or falls. It is important that the shares purchased grew faster or dropped slower than sold ones. The difference lies in the fact that the long-short-manager will strive to maintain a zero total position: the amount spend on the buying of shares, should be the same as the amount of sold shares. The market neutral manager should make sure that the beta of its total position is zero. The disproportionately high popularity of these strategies is due to the fact that most managers begin their careers with traditional asset management, which focuses mainly on working with stocks and partly on bonds.

Traditionally, hedge funds were considered to be high-risk financial instruments. This view is based on the fact that the activity of hedge funds is much less controlled compared with the activities of traditional funds. Long-term statistics show that hedge funds can receive significantly more income with less risk compared to traditional ones. The inherent risks of hedge funds can be reduced by using next models.

Multi-strategic hedge funds. These are hedge funds, whose assets are divided among several investment managers. These managers use different investment strategies. Strategies are selected in such a way that their returns do not correlate with each other.

Funds of hedge funds (FHF). Without their own investment managers, these funds place depositors' funds into other hedge funds. Selecting the effective funds for their portfolio, they achieve high average returns with little volatility. If several funds
out of a hundred that are part of the portfolio of FHF will suffer losses, this will not be reflected in the overall profitability. In the next period, funds-losers will be excluded from the portfolio.

Index hedge funds (IHF). Have advantage compared to other funds. The funds are based on portfolio, carefully selected by the companies that form the index. Therefore, the IHF do not require active selection of funds for the portfolio. The IHF achieves a great diversification with little management and transaction costs.

In conclusion, in order to create and operate hedge funds in Ukraine, it is necessary to modify the legislation and regulatory system. Hedge funds in world markets use investment instruments that for many reasons are not available in Ukraine. Development of the derivatives market and the stock market plays an important role in this. The lack of qualified specialists and the unwillingness of investors to face high risk, especially in times of the crisis, is another obstacle to the creation and development of hedge funds in Ukraine.

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АКТИВІЗАЦІЯ ВНУТРІШНІХ ДЖЕРЕЛ
ІНВЕСТИЦІЙНОГО РОЗВИТКУ