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STABILITY OF ECONOMIC TURNOVER AS A FACTOR OF MARKET PREDICTABILITY

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Abstract. The *subject* of the present study is market predictability as an autonomous economic and legal category, and its functional relationship with the stability of economic turnover. Market predictability is defined as an aggregated characteristic of the institutional environment that reflects the extent to which market participants are able, in advance and with a reasonable degree of certainty, to relate their economic conduct to its probable legal and economic consequences. This enables them to form expectations that remain stable over time regarding the operation of rules, the enforceability of obligations, and the protection of rights. The relevance of the topic is heightened by contemporary armed conflicts, particularly the full-scale war against Ukraine. The consequences of this war are disrupting supply chains, contractual ties and investment horizons, thereby eroding predictability in both the global and national economies. The *purpose* of the article is threefold: to substantiate market predictability as a distinct phenomenon and functional result of stable economic turnover; to define its content, features and nature; and to develop a system of criteria for assessing market predictability that captures the influence of stable economic turnover on market participants' behaviour. Methodology. The study combines economic and legal approaches. General scientific methods of analysis and synthesis are employed to break down the category into its components and functions. The systemic-structural and functional methods form the basis of the two-channel model of influence, while the formal-legal and comparative-legal methods are used to organise legal instruments and align national approaches with the EU acquis. This argument is supported by recent European empirical research indexed in Scopus and Web of Science. *Results.* Firstly, market predictability is distinguished from neighbouring categories. Legal certainty is characterised by the clarity, coherence and consistency of norms and their application. Stability of economic turnover reflects the continuity, protection and recoverability of economic ties. Market predictability, on the other hand, is characterised by participants' ability to form well-founded expectations. Therefore, predictability is not identical to the stability of turnover, but is one of its functional results. Secondly, the formation of predictability through a two-channel mechanism is revealed: turnover stability shapes participants' expectations by reducing transaction costs at the stages of concluding, performing and enforcing contracts, and by strengthening institutional trust among counterparties, creditors and investors. Empirical studies confirm the link between judicial efficiency and the development of trade credit, the level of doubtful receivables and economic growth rates. This supports the idea that the consistency and effectiveness of legal regulation's application is more important than its formal immutability. Thirdly, a system of criteria for assessing market predictability has been developed. Each criterion is linked to an observable indicator and the corresponding channel through which turnover stability affects market conduct. This design ensures the system's empirical verifiability and distinguishes it from generalised assessments of institutional quality. This gives the approach a diagnostic character, making it possible to identify the sources of a predictability deficit and determine appropriate legal responses. Fourthly, the significance of predictable insolvency procedures in forming a system is substantiated. Uncertainty regarding the duration, cost and outcome of such proceedings complicates credit risk assessment and may increase financing costs, whereas timely and foreseeable restructuring and liquidation procedures boost the confidence of creditors and investors. *Conclusions.* The insolvency regime should not be regarded as a peripheral matter, but as a key element in ensuring the stability and predictability of economic

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turnover. The practical value of the results lies in the applicability of the proposed system of criteria for evaluating the impact of reforms to economic legislation, the judiciary, enforcement proceedings and insolvency procedures on the behavioural expectations of market participants. During wartime and the subsequent period of transformation, the criteria for the restoration of economic ties, the effectiveness of rights protection and the trust of creditors acquire particular importance. In this context, securing market predictability – notably by aligning national insolvency legislation with EU law – should be considered an independent area of economic and legal policy, and a precondition for sustainable recovery.

Keywords: market predictability, stability of economic turnover, legal certainty, institutional trust, transaction costs, insolvency, economic legal order, sustainable development.

JEL Classification: K20, K35, D02, O43

1. Introduction

One of the prerequisites for investment, contractual and credit activity is the ability of market participants to assess the legal and economic consequences of their business decisions with an acceptable degree of validity. Increasing uncertainty makes it more difficult to assess future income and risks, shortens planning horizons, increases financing costs and encourages business entities to postpone decisions, particularly if the associated costs are significant or irreversible. Empirical studies have found a link between increased uncertainty in economic policy and a decrease in investment, employment and production volumes. According to S. Baker, N. Bloom and S. Davis, an increase in uncertainty comparable to that experienced in 2011–2012 preceded a 6% reduction in aggregate investment in a panel sample of leading economies. However, the strength of this impact varies depending on the industry, institutional environment and enterprise financing structure (Baker, Bloom & Davis, 2016).

The relevance of the problem has escalated in 2025 against the backdrop of a sharp increase in global uncertainty. According to the United Nations Conference on Trade and Development (UNCTAD), the global economic policy uncertainty index attained its zenith in early 2025, surpassing the peak values recorded during the global financial crisis of 2008 and the COVD-19 pandemic (UNCTAD, 2025). Conversely, this index does not directly measure market predictability; rather, it reflects the intensity of uncertainty surrounding economic policy, which is merely one of the factors influencing the expectations of market participants. Consequently, it is pertinent to utilise it as empirical evidence of the deterioration of the predictability of the economic environment, though not as a direct indicator of market predictability or the stability of economic turnover.

A more precise confirmation of the link between the level of uncertainty and investment activity is provided by the assessment of the Organisation for Economic Co-operation and Development. According to OECD calculations, if the level of uncertainty were reduced to the average values of 2015–2019, the cumulative increase in business investment by the end of 2026 could be about 1.8 percentage points (OECD, 2025). Consequently, the reduction of uncertainty and the re-establishment of predictability within the economic environment have the potential to engender further incentives for investment activity.

2. Delimitation of Related Categories and Scientific Problem

This study builds on the concept of stability of economic turnover; however, its main focus is *market predictability* as an independent economic and legal category. It describes the state of the institutional environment in which business entities can sufficiently accurately assess the potential legal and economic ramifications of entering into and fulfilling contracts, making investments, obtaining credit, seeking legal protection, enforcing decisions and implementing insolvency procedures.

The scientific problem is that market predictability is often equated with legal certainty, legislative stability or economic turnover stability. However, this identification is methodologically incorrect since these categories characterise different, albeit interrelated, levels of the economic and legal systems' functioning. Legal certainty reflects the clarity and coherence of legal provisions, the predictability of their application, and the quality of legal regulation. The stability of economic turnover, on the other hand, characterises the ability of commercial relations to maintain continuity, security, and recoverability in the face of internal and external risks. Market predictability is manifested in the ability of market participants to form well-founded expectations about the consequences of their economic behaviour, based on available information and the consistent application of current rules. The relationship between these categories should be considered as a functional sequence of the transformation of institutional quality into predictability of economic decisions. Legal certainty creates regulatory prerequisites for the stability of economic turnover, and the stability of turnover, in turn, forms the institutional basis for market predictability. However, this relationship is not purely linear. The level of predictability is also affected by macroeconomic dynamics, the availability of information, geopolitical risks, the competitive environment and the quality of public administration.

Therefore, market predictability is not the same as the stability of economic turnover; rather, it is one of its functional results. This is evident in the ability of market participants to predict the legal and economic consequences of economic decisions, enabling them to establish long-term contracts, credit and investment behaviour based on this knowledge (Figure 1).

The key caveat is that while stable economic turnover creates the institutional prerequisites for well-founded market participant expectations, it is not the only factor in market predictability. The level of stability is also influenced by macroeconomic policy, the availability and quality of information, geopolitical risks, the state of the competitive environment, and the effectiveness of public administration. Therefore, rather than identifying these categories, the study focuses on the mechanism by which the stability of economic turnover reduces uncertainty and increases the validity of economic decisions.

Such a mechanism is implemented through at least three interconnected channels. The first channel reduces the transaction costs associated with concluding contracts, ensuring their performance, monitoring the behaviour of counterparties, and protecting violated rights. The second channel involves expanding the time horizons of economic planning thanks to the predictability of legal applications, the effective execution of court decisions, and the proper functioning of restructuring and insolvency procedures. The third channel is associated with reducing the institutional component of risk, affecting the cost of capital, lending conditions, and investors' willingness to invest in the long term.

Market predictability acquires applied economic significance through the action of these channels. It enables participants in the turnover to assess risks more accurately, form long-term contractual and investment strategies, and maintain the sustainability of economic activity.

Purpose and objectives of the study. The purpose of the study is threefold: to substantiate the concept of market predictability as an independent economic and legal category, and as a functional result of stable economic turnover; to reveal its content, features, and nature; and to develop a system of criteria for assessing market predictability that can be used to analyse the impact of stable economic turnover on market participants' behaviour. Achieving the stated objective involves addressing the following tasks: defining the content, characteristics and essence of market predictability and distinguishing it from related categories – legal certainty and the stability of economic activity; to identify the two-pronged mechanism through which

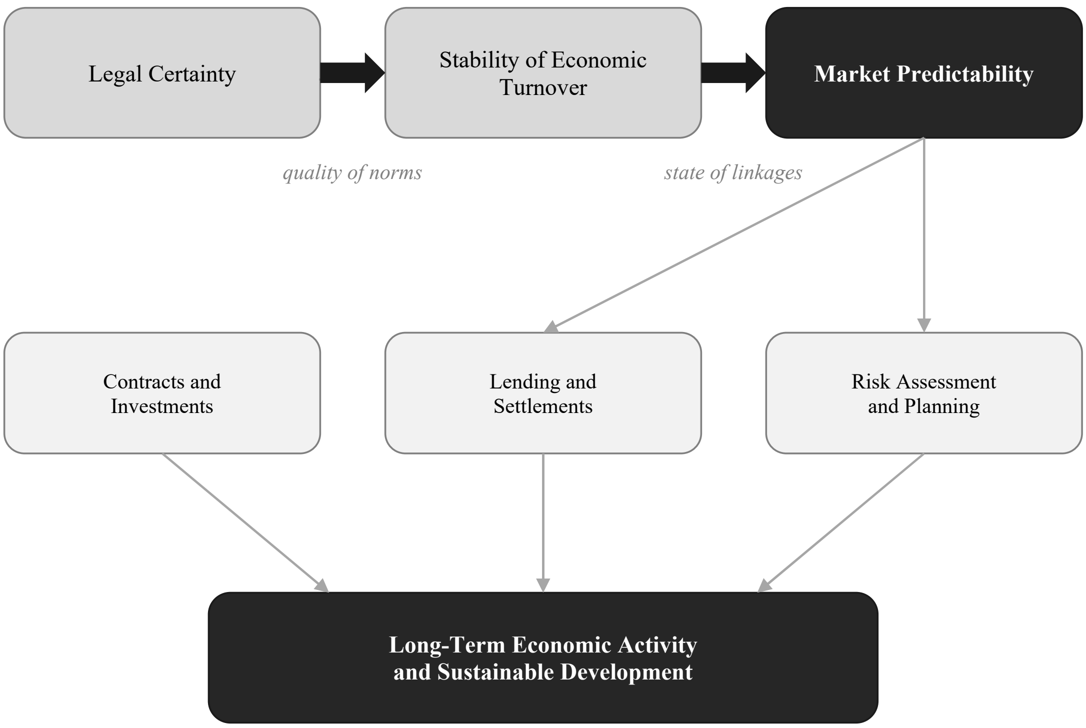

Figure 1. Market Predictability in the System of Economic and Legal Categories: From the Quality of Norms to Long-Term Decisions

Source: developed by the authors

the stability of economic activity is transformed into predictability – the reduction of transaction costs and the building of institutional trust; to substantiate the system-shaping role of the predictability of bankruptcy procedures for credit and debt relationships; to develop a system of criteria for assessing market predictability, linking each criterion to an observable indicator and the corresponding channel of influence.

The *methodological basis* of the study is a combination of economic and legal approaches, due to the interdisciplinary nature of the subject, which is at the intersection of institutional economic theory and commercial law. This symbiosis enables the consideration of market predictability not only as a legal phenomenon, but also as a factor in the economic behaviour of market participants. General scientific methods of analysis and synthesis were employed to decompose market predictability into structural features and functions, which were then generalised into a holistic concept. System-structural and functional methods were employed to develop a two-channel model illustrating the impact of economic turnover stability on predictability (via transaction costs and institutional trust), and to reveal the functions of this category. Scientific modelling was employed to formalise the cause-and-effect relationship between turnover stability and predictability. Classification and scientific abstraction methods were then used to develop a system of evaluation criteria and ensure terminological consistency. The formal legal method was employed to analyse legal instruments, ensuring predictability in areas such as the enforcement of obligations, judicial protection, and insolvency procedures. The comparative legal method was employed to correlate national approaches with EU acquis standards, primarily with regard to the harmonisation of insolvency legislation and preventive restructuring.

3. Analysis of Statistical and Other Empirical Data

Given that market predictability is not accompanied by a single quantitative indicator, its empirical study is primarily conducted using indirect indicators, chiefly uncertainty indicators. This reservation is of fundamental importance, since indicators of uncertainty do not measure predictability directly and cannot be considered its full statistical equivalent. Concurrently, the analysis of their impact on investment activity, consumption, the cost of financing and the expectations of business entities enables the quantitative assessment of the economic consequences of the lack of predictability. The following discussion will consider this relationship at three levels: microeconomic, macroeconomic and institutional and legal.

At the level of an individual business entity, the impact of uncertainty on investment behaviour is direct and quantifiable. According to a study by the European Investment Bank (EIB), which combined enterprise survey data from EIBIS with financial information from Orbis, firms that perceive uncertainty as a significant obstacle to investment have an investment rate that is approximately 3 percentage points lower. These firms also have a 4 percentage point higher probability of reducing investment and a 6 percentage point lower probability of increasing investment, compared to firms that do not perceive uncertainty as a significant obstacle (Kolev and Randall, 2024). These results are consistent with the concept of the 'option value of waiting', whereby postponing irreversible or difficult-to-reverse investments under high uncertainty can be an economically rational strategy (Dixit and Pindyck, 1994).

At the macroeconomic level, the impact of uncertainty is statistically significant and uneven across transmission channels. According to estimates by the European Commission based on a VAR model for the euro area, a standard exogenous uncertainty shock reduces cumulative investment growth by around 1.2 percentage points and cumulative private consumption growth by around 0.3 percentage points. For Italy, the negative impact on investment is estimated to be around 1.3 percentage points (European Commission, 2024). This asymmetry, as shown in panel (a) of Figure 1, has significant conceptual implications. Uncertainty has a stronger impact on long-term, capital-intensive decisions that influence the renewal of the production base, technological development and long-term economic growth. In contrast, its influence on current consumption is relatively weaker. A scenario of reduced uncertainty is particularly important for this study. According to the European Commission, a gradual return to the average level recorded in 2009–2019 could increase the real GDP of the euro area by around 1.2%, compared to the baseline scenario which assumes an unchanged level of uncertainty. Under this scenario, investment growth is estimated at around 2.8 percentage points and private consumption growth at around 1.0 percentage points (European Commission, 2024). These figures confirm that uncertainty reduction potentially has a stronger impact on investment activity than on current consumption, as shown in Figure 2, panel (b).

At the same time, the above estimates require correct interpretation. They are the result of econometric modelling and scenario analysis, rather than a record of actual outcomes. They should therefore be considered an assessment of the potential macroeconomic effect of reducing uncertainty under certain model assumptions. In this context, it is advisable to view the restoration of market predictability as one of the institutional factors that reduce the risk component of economic decisions, expand planning horizons, and create more favourable conditions for investment, rather than as a self-sufficient and isolated cause of economic growth.

It is imperative that the sources of uncertainty are characterised by heterogeneity in terms of both nature and impact. A body of research has demonstrated that the political and regulatory components of uncertainty within the Eurozone have a particularly pronounced negative impact on investment and consumption. In contrast, other varieties of uncertainty act heterogeneously (Azqueta-Gavaldón et al., 2023). This conclusion is of fundamental importance for the concept: it shows that market predictability is determined not only by macroeconomic factors, but also by institutional and legal factors, such as the quality, stability and consistency of the regulatory and legal environments. Therefore, legal certainty emerges as a tangible factor influencing investment behaviour.

That is why predictability should be assessed using both macroeconomic and legal indicators. One such indicator is the predictability of legal application: according to professional practice, the average time taken to resolve a commercial dispute in Ukraine, from filing a claim to reaching a cassation decision, is approximately eight months, which is relatively short by international standards (Legal500, 2025). However, some trends in the application of law are moving in the opposite direction. The increasing number of cases in which the prosecutor's office represented the state's interests in commercial disputes (from 5,937 in 2022 to 10,727 in 2024; see Figure 3) is indicative of the dynamics at play. Professional observers associate this practice with the revision of previously concluded transactions and decisions, which directly undermines the legal certainty and predictability of the investment environment (CEE Legal Matters, 2026). For the authors of this article, who specialise in commercial law, this example is illustrative as it shows that regulatory text stability does not equate to legal application predictability.

The issue of predictability is particularly acute in economies operating under crisis conditions, where turnover stability is put under pressure. Ukraine is a good example of this. According to a survey by the National Bank of Ukraine, the business expectation index for enterprises in the fourth quarter of 2025 was 102.1%, having decreased for the third consecutive

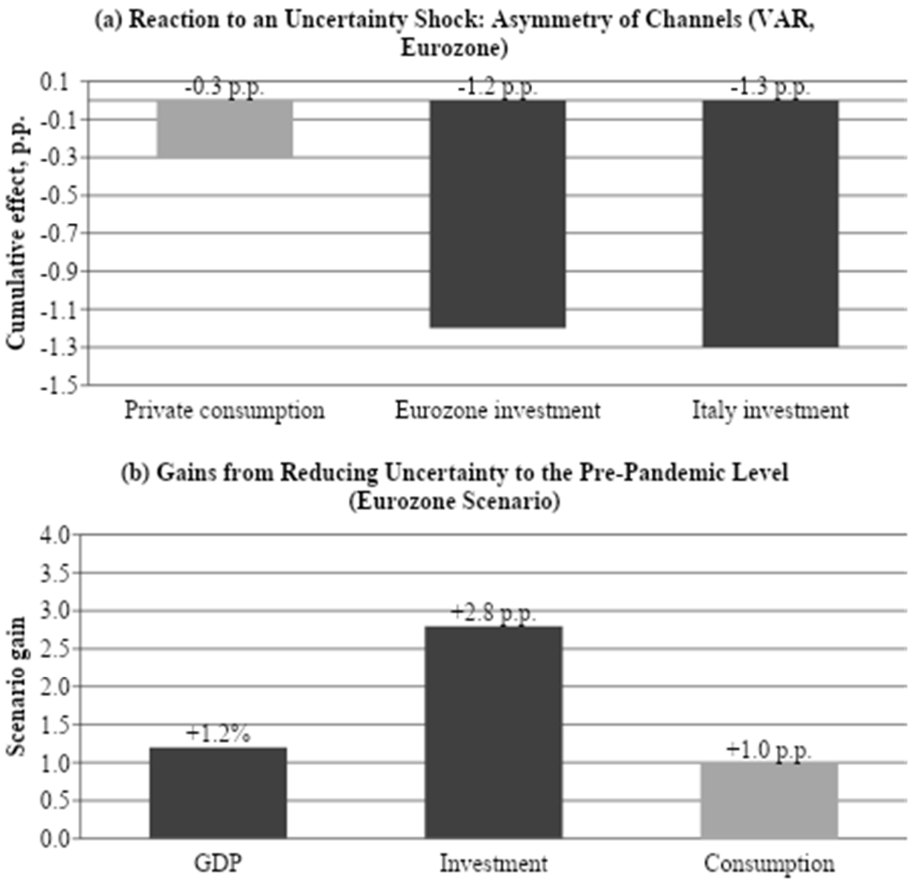

Figure 2. Asymmetric Impact of Uncertainty on Channels of Economic Activity (a) and Potential Gains from Restoring Predictability (b), Eurozone

Source: constructed by the authors based on (European Commission, 2024)

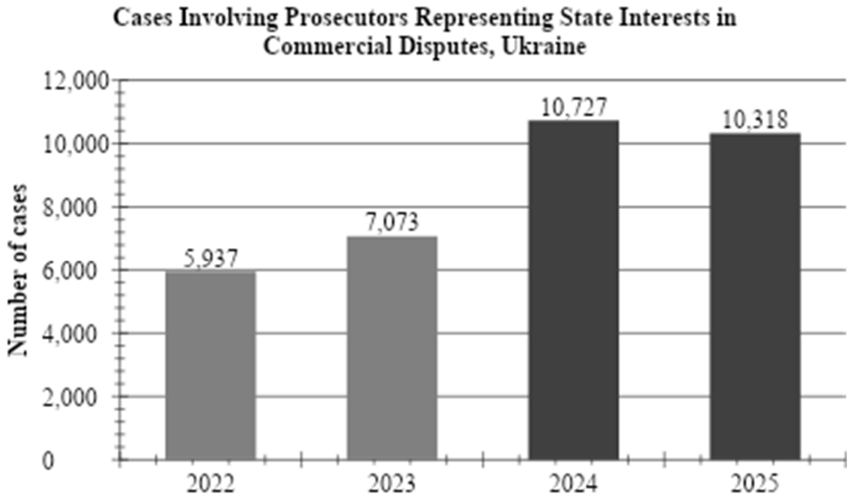

Figure 3. Dynamics of Cases Involving Prosecutors Representing State Interests in Commercial Disputes in Ukraine, 2022–2025

Source: constructed by the authors based on (CEE Legal Matters, 2026)

quarter (from 108.2% in the first quarter), though it remained in positive territory. Despite their restrained optimism regarding their own activities, the proportion of business entities planning to attract foreign investment over the next twelve months fell to 21.5% (down from 23.3% the previous quarter), with 43.9% of respondents citing high interest rates as the primary barrier to new lending (National Bank of Ukraine, 2026).

This gap between moderate optimism about current activities and restraint in long-term investment decisions empirically confirms the study's central argument. It shows that predictability is an independent factor in economic decisions and is not just based on the current assessment of business activity. A business can have a positive view of its own situation and still avoid long-term commitments due to uncertainty about future legal and economic conditions. Here, Ukraine is not the subject of study, but an example of an economy in which the value of predictability is tested by systemic risks, making it a particularly prominent case.

4. Presentation of the Main Content and Results of the Study

In order to reveal market predictability as one of the institutional results of stable economic turnover, three tasks must be completed consistently: the content of predictability must be determined, the formation mechanism must be clarified, and the criteria by which the corresponding relationship can be empirically assessed must be established.

The concept, characteristics and nature of market predictability. *Market predictability* is an aggregate characteristic of the institutional environment. It reflects the extent to which market participants can correlate their economic behaviour with probable legal and economic consequences in advance, and therefore form stable expectations regarding the operation of rules, the enforceability of obligations, and the protection of rights. Based on the availability of information, the clarity of current rules, and the consistency with which they are applied, it applies to all typical economic transactions, including contractual, investment, credit and settlement activities, as well as jurisdictional protection, decision enforcement and insolvency procedures. Unlike legal certainty, which characterises the quality of norms, and the stability of turnover, which describes the state of relations, predictability represents the expectations of market participants. By its nature, market predictability is not a property of a single legal norm or institution. It is formed as a result of the interaction between normative regulation, contractual practice, judicial interpretation, the enforcement of decisions, the availability of information and the consistency of state economic policy. Therefore, it should be considered an overall characteristic of the institutional environment rather than a mere sum of individual legal factors.

Market predictability requires clear distinctions from related categories. Legal certainty is characterised by the clarity, accessibility, consistency and predictability of legal norms and how they are applied in practice. The stability of economic turnover reflects the ability of commercial relations to maintain continuity, security, and recoverability. In turn, market predictability characterises the ability of market participants to form well-founded expectations regarding the consequences of their own behaviour. Therefore, market predictability is not identical to the stability of economic turnover, but it can be one of its functional results.

This approach is theoretically based on the provisions of normative legal theory and institutional economics.

L. Fuller (1969) argued that a law's ability to guide behaviour depends on the generality, accessibility, clarity, consistency, lack of retroactivity, and relative stability of legal rules. D. North, meanwhile, viewed institutions as socially constructed constraints that structure interaction and reduce uncertainty in economic exchange (North, 1990). Together, these approaches imply that the quality of legal institutions affects economic behaviour by shaping expectations regarding permitted actions, costs, risks and solutions.

At the same time, this relationship is neither automatic nor consistent across different economic systems. A study by A. Azqueta-Gavaldón, D. Hirschbühl, L. Onorante and L. Saiz shows that, in eurozone countries, the impact of uncertainty on investment depends on its source and the national context. Political and regulatory uncertainty has the greatest impact, while the consequences of trade and fiscal shocks differ for individual countries (Azqueta-Gavaldón et al., 2023). At the same time, A. Azimli found no statistically significant overall impact of political and economic uncertainty on corporate capital investment when using materials from Eastern European countries and Turkey. This indicates that the relevant mechanism depends on the institutional and macroeconomic environment (Azimli, 2022). A further study by J. Baxa and T. Šestořád shows that significant macroeconomic consequences for European economies are primarily caused by synchronised pan-European uncertainty shocks, whereas purely national shocks may have a limited impact (Baxa and Šestořád, 2025).

Therefore, market predictability does not imply the absolute immutability of the legal or economic environment. The defining feature of predictability is the ability of market participants to anticipate the direction, nature and impact of changes in advance. Predictability can be increased by consistent, properly justified and transitional regulatory updates, while it can be reduced by sudden, retroactive or internally contradictory changes. This approach is consistent with the position of the European Parliament, which in its resolution of 10.03.2026 on the quality of rulemaking emphasised that legal predictability and legal certainty are necessary conditions for the proper functioning of the internal market (European Parliament, 2026). Thus, market predictability is formed not only by the stability of economic turnover, but also by a set of interrelated regulatory, legal, informational and macroeconomic factors. While stable turnover creates the basic institutional prerequisites, the extent to which these are implemented depends on the quality of public administration, the consistency of economic policy, and the legal system's ability to ensure the uniform and effective application of rules.

Mechanism of influence: transaction costs and institutional trust. The central thesis of this study is that economic turnover stability affects predictability indirectly, via two interrelated channels: reducing transaction costs and fostering institutional trust (see Figure 4). These channels are supported by both classical institutional theory and recent European empirical research.

The *first channel* is based on transaction cost theory. R. Coase demonstrated that using the market mechanism incurs costs (Coase, 1937), a concept that O. Williamson expanded upon in his theory of contract

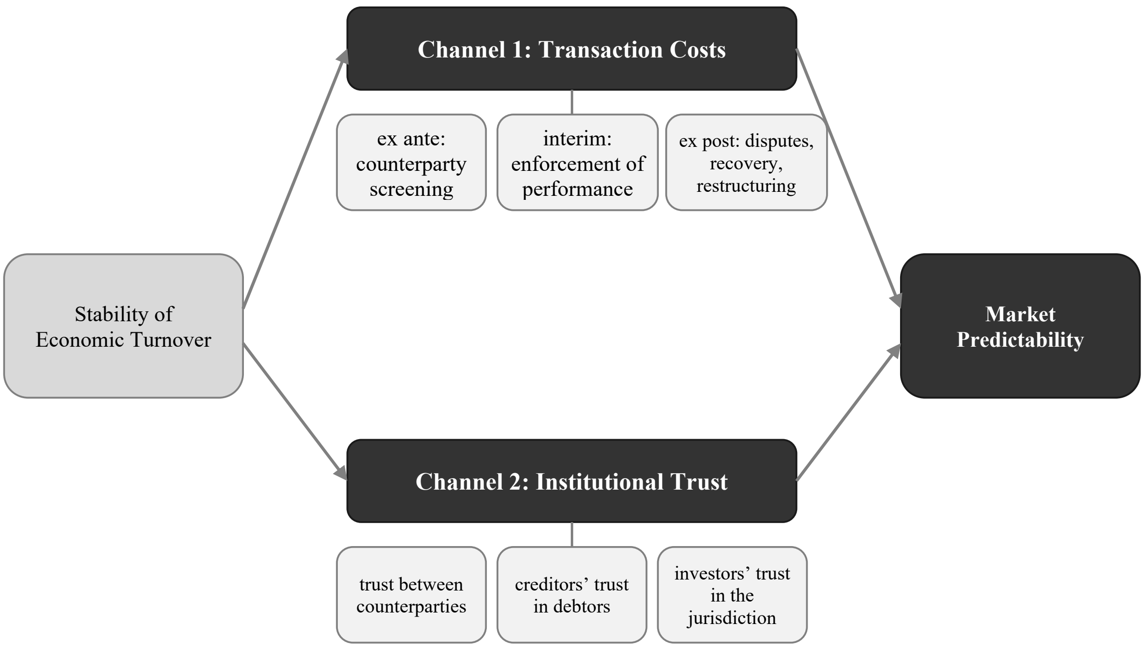

Figure 4. Two-Channel Mechanism of Transforming the Stability of Economic Turnover into Market Predictability

Source: developed by the authors

management. In this theory, uncertainty is one of the key factors that determine the choice of transaction management structure (Williamson, 1985). Based on this logic, it can be argued that unstable turnover increases costs at all stages of the contract cycle: ex ante (searching for and checking counterparties, and concluding contracts); interim (ensuring the fulfilment of obligations); ex post (litigation, debt collection, and debt restructuring). Conversely, stable turnover reduces these costs, freeing up resources for productive use. This relationship is not purely theoretical. Empirical evidence suggests that higher judicial efficiency is associated with increased trade credit provided by counterparties and a lower proportion of doubtful receivables (Aguiar-Díaz et al., 2024). It is also positively related to economic growth rates in EU economies, primarily through its ability to enforce contracts (Kapopoulos & Rizos, 2024). However, these relationships are deliberately framed as associative, as the endogeneity problem (whereby better institutions and higher activity may reinforce each other) limits a purely causal interpretation.

The predictability of insolvency proceedings is of particular importance in this channel, as it is critical for credit and debt relations, according to the authors. Unpredictable bankruptcy proceedings make it difficult to assess the risk of debt instruments and increase the cost of borrowing. This is why one of the declared goals of harmonising bankruptcy law in the EU is to increase the predictability of national insolvency regimes for creditors and investors, particularly within the framework of the Directive on Preventive Restructuring (Directive (EU) 2019/1023), which prioritises the managed and predictable restoration of solvency over disorderly liquidation. This confirms that the effectiveness of insolvency proceedings is not peripheral, but rather a criterion that shapes the stability of turnover.

The *second channel* is institutional trust. It translates legal issues into economic behaviour. Trust acts as an informal institution, partially replacing the need for expensive formal guarantees. Where participants have confidence in the fulfilment of obligations and protection of rights, costly security mechanisms are less necessary. A classic study by L. Guiso, P. Sapienza and L. Zingales (2008) demonstrated that trust is an independent factor influencing investors' willingness to enter a market that reliably protects rights and enforces contracts. Turnover stability influences various aspects of trust, including trust between counterparties, creditors' trust in debtors' solvency, and investors' trust in the jurisdiction. This is consistent with contemporary findings that the quality of institutions, particularly the rule of law, is a prerequisite for investment activity and growth in European economies (Kapopoulos & Rizos, 2024). Together, these two factors explain why turnover stability is a functional rather than a declarative precondition for predictability.

System of evaluation criteria. Developing a system of evaluation criteria enables the stability of economic turnover to be translated from a theoretical concept into a measurable characteristic of the economic legal order. This system meets two requirements. Firstly, each criterion is correlated with an observable indicator, making the assessment empirically verifiable. Secondly, each criterion is tied to one of the two channels of influence mentioned above, as well as to a source that attests to its economic significance. In other words, the list is not arbitrary, but follows directly from the previously substantiated mechanism (see Table 1).

The system has twofold practical value. Firstly, it has a diagnostic function: it enables us to identify the level at which the lack of predictability arises (normative, contractual, jurisdictional or anti-crisis) and apply legal

Table 1
System of Criteria for Assessing the Stability of Economic Turnover

Criterion	Observable Indicator	Channel of Influence	Basis in the Literature
Normative Predictability	Frequency and manner of changes to key norms; availability of transitional periods	Transaction costs (ex ante)	European Parliament, 2026
Contractual Enforceability	Share of duly performed contracts; cost of securing performance	Transaction costs (interim)	Aguiar-Díaz et al., 2024
Payment Discipline	Volume and dynamics of overdue debt; settlement period	Transaction costs / trust	Kapopoulos & Rizos, 2024
Judicial Protection and Enforcement of Judgments	Duration of dispute resolution; share of enforced court decisions	Transaction costs (ex post)	Kapopoulos & Rizos, 2024
Effectiveness of Insolvency Procedures	Claim satisfaction rate; ratio of rehabilitations to liquidations; duration of proceedings	Transaction costs / trust	Directive (EU) 2019/1023
Creditor and Investor Trust	Volume of business lending; institutional risk premium	Institutional trust	Guiso et al., 2008
Digital Infrastructure Capacity	Coverage of e-services; share of electronic proceedings	Transaction costs (all stages)	European Parliament, 2026
Crisis Recoverability	Speed of restoring settlements and supplies after a shock	Institutional trust	North, 1990

Source: developed by the authors based on (Coase, 1937; North, 1990; Guiso et al., 2008; Directive (EU) 2019/1023; Aguiar-Díaz et al., 2024; Kapopoulos & Rizos, 2024; European Parliament, 2026) measures accordingly. Secondly, it ensures comparability since linking criteria to observable indicators makes it possible to compare turnover states empirically in different periods or jurisdictions. The demarcation of criteria by observable indicators and their linking to channels of influence distinguishes the proposed approach from the generalised assessments of the 'quality of institutions' that are common in the literature and which often fail to reveal a specific mechanism of influence.

Turnover stability in crisis conditions. The proposed system is particularly important in crisis-stricken economies, where turnover stability undergoes a kind of stress test. In times of war and post-war transition, economic turnover stability is important not only as a sign of normal market functioning, but also as a prerequisite for economic recovery. It ensures the maintenance of contractual relations, payment discipline, creditor confidence and investment predictability, thereby enabling businesses to adapt to systemic risks. Significantly, in such conditions, the anti-crisis and recovery criterion and the criterion of creditor confidence bear the greatest burden, while formal regulatory stability can be maintained. This empirically illustrates the central thesis that predictability is determined not by the immutability of the regulatory text, but by the effectiveness with which the law is applied and the state of institutional trust. For states in recovery and undergoing European integration, safeguarding turnover stability according to the above criteria becomes an independent economic and legal policy task, while approximation of national regimes (primarily insolvency regimes) to EU standards increases predictability.

5. Conclusions

The research conducted provided grounds to substantiate the predictability of the market as an independent economic and legal category, and to determine its functional relationship with the stability of economic turnover.

First, the authors propose their definition of market predictability as an aggregate characteristic of the institutional environment. This reflects the extent to which market participants can correlate their economic behaviour with probable legal and economic consequences in advance, and therefore form stable expectations regarding the operation of rules, fulfilment of obligations, and protection of rights. Unlike legal certainty, which is characterised by the clarity, coherence and consistency of norms and how they are applied, the stability of economic turnover reflects the continuity, security and recoverability of commercial relations. Market predictability, on the other hand, is characterised by the ability of participants to form well-founded expectations. While not identical to the stability of turnover, market predictability is one of its functional results.

Secondly, a two-channel mechanism for establishing market predictability is revealed. Stable economic turnover affects participants' expectations by reducing transaction costs at the stages of concluding, executing and protecting a contract, and by strengthening institutional trust between counterparties, creditors and investors. Empirical studies confirm the link between judicial efficiency and the development of trade credit, the level of doubtful receivables, and the pace of economic growth. This suggests that the decisive factor is not the formal immutability of normative regulation, but rather the consistency and effectiveness with which it is applied.

Thirdly, a system of criteria for assessing market predictability has been developed. Each criterion is correlated with the observed indicator and the corresponding channel of influence of the stability of economic turnover on the behaviour of market participants. This ensures the system's empirical verifiability and distinguishes it from generalised assessments of institutional quality. The proposed approach is diagnostic in nature, as it enables the identification of sources of predictability deficits and the determination of appropriate legal responses.

Fourthly, the significance of the predictability of insolvency procedures in forming the system is substantiated. Uncertainty surrounding the duration, costs and outcomes of relevant proceedings complicates credit risk assessment and may increase financing costs. Conversely, timely and predictable restructuring and liquidation procedures boost the confidence of creditors and investors. Consequently, insolvency institutions should be regarded as a key element in ensuring the stability and predictability of economic turnover, rather than as peripheral.

The practical significance of the results obtained lies in the possibility of applying the proposed system of criteria to assess the impact of reforms to economic legislation, judicial proceedings, enforcement proceedings and insolvency procedures on the behavioural expectations of market participants. In conditions of war and post-war transformation, criteria such as the recoverability of commercial relations, the effectiveness of rights protection, and creditor confidence acquire special importance. In this context, ensuring market predictability – particularly by aligning national insolvency legislation with the EU acquis – should be considered an independent economic and legal policy direction and a prerequisite for sustainable recovery. Further research should focus on empirically verifying the proposed criteria, determining their relative importance, and constructing an integral indicator of the predictability of the economic environment.

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