

INVESTMENT STRATEGIES IN THE TIME OF WAR IN UKRAINE

Russia's military attack against Ukraine led to a significant deterioration of the economic situation in the country, which negatively affected the investment activity of business entities. As a result of the war, the volume of investments in Ukraine's economy decreased significantly. According to the State Statistics Service of Ukraine, in 2022 only, the volume of investments in fixed capital amounted to UAH 233.1 billion, which is 30.3% less than in 2021 [1].

During the war, a change in the structure of investments is inevitable. The volume of investments in material production decreased, and the volume of investments in the social sphere and defense increased. Investment activity during the war is associated with increased risk. This is due to the unpredictability of the development of the situation, possible interruptions in the supply of raw materials and materials, and the possibility of destruction of infrastructure facilities. Under such conditions, business entities implement a number of measures to minimize risks and increase the efficiency of investment activities. In times of war, investments in these industries are the safest and most beneficial to society. In times of war, getting a quick return on investment is important to offset the risks. Foreign investors can provide financial and technological support, which will help Ukrainian enterprises to resume their activities and develop.

In the conditions of the war in Ukraine, investment activity is significant for the economy's recovery and ensuring its long-term development. It allows the restoration of destroyed assets, development of new sectors of the economy, and maintenance of employment for the population. Investing in Ukraine during the war is a complex and risky task. However, restoring the economy and ensuring its long-term development is necessary. The essence of the concept of investment activity of business entities is determined by such features as the purposeful nature (to obtain profit or benefit and may also serve social, political, or other non-economic purposes), investing funds (in tangible, intangible, and financial assets), obtaining profit or other beneficial effect. Another beneficial effect of investment activity may be related to the increase in the value of assets, increase in the enterprise's competitiveness, creation of new jobs, etc. [2, p. 125].

It is also appropriate to note that in the conditions of the war in Ukraine, the investment activity of business entities has a number of features that are due to a high level of risk, the unpredictability of the situation, and limited resources. The main types of investment activities of business entities in the war in Ukraine include the restoration of destroyed assets (aimed at the restoration of production facilities and workplaces), the development of new sectors of the economy (defense-industrial complex, production of food products, medical drugs and equipment), investments in human capital [3, p. 142].

Among the main factors influencing the investment activity of business entities in wartime conditions in Ukraine are the military situation (in regions where hostilities continue, investment activity is practically impossible), the economic situation, financial conditions (in wartime, access to financing is limited, which complicates the implementation of investment projects) [4, p. 65].

State measures to support investment activities in Ukraine during the war: introducing preferential taxation for investments, providing state support in the form of grants and loans, and creating a favorable investment climate. Despite all the difficulties, investment activity in Ukraine during the war is necessary to restore the economy and ensure its long-term development.

To stimulate investment activity in Ukraine, the government implements a number of measures, such as the creation of a favorable investment climate (including the implementation of reforms aimed at increasing the transparency and efficiency of public administration, ensuring the rights and freedoms of entrepreneurs), the introduction of benefits and incentives for investors (tax benefits, compensation of costs for investment projects, investment protection guarantees), infrastructure development (transport infrastructure, energy supply, communication) [5, p. 45].

Implementing these measures will contribute to the growth of investment activity in Ukraine and the development of the country's economy. Therefore, investments can be classified according to various characteristics. According to the objects of investment, investments are divided into real investments – this is the investment of capital in tangible and intangible assets (updating fixed assets; expanding production; research and development; development and implementation of new technologies; acquisition of qualified personnel; investments in intangible assets such as trademarks, patents, licenses, know-how, etc.); financial investment is the investment of capital in financial assets (securities, bank deposits, investment funds; other financial instruments).

According to sources of financing, investments are divided into own investments (investment of capital formed at the expense of the company's funds), leveraged investments (investment of capital formed at the expense of funds of third parties), bank loans, investments of investors (state, private, foreign, etc.), funds, involved as a result of the issue of securities.

By the implementation period, investments are divided into short-term investments (investment of capital for up to one year) and long-term investments (investment of capital for more than one year). By geographic location, investments are divided into domestic investments (capital investment in objects located within the country) and foreign investments (capital investment in objects outside the country). According to the investment goals, investments are divided into economic investments (investment of capital to obtain profit), social investments (investment of capital to achieve social goals), and innovative investments (investment of capital in the development of new technologies).

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