макроэкономические риски в кризисные периоды представляют значительную угрозу банковской деятельности, в то время как поддержка государства и поиск путей санации банков путем списания и покрытия части долгов является одним из приоритетных преимуществ лидеров российского банковского сектора. В кризисный период 2014-2016 годов Центральным банком России были отозваны лицензии 89, 101 и 110 банков соответственно, в то время как банки с государственным участием получили существенную материальную помощь. В 2015 году Агентство по страхованию вкладов разделило 830 млрд руб. в качестве материальной помощи, в том числе 300 млрд. руб. для группы ПАО «ВТБ», 65 млрд. руб. ПАО Банк «ФК Открытие», 13 млрд. руб. Банк «Россия», а также ОАО «Россельхозбанк» и ОАО «Газпромбанк» [6].

Во-вторых, в условиях макроэкономической нестабильности надежность банка становится наиболее важным критерием выбора банка, чем качество обслуживания или цена услуги. В таком разрезе российские банки–лидеры рынка имеют сформированный имидж, который и является ключевым конкурентным преимуществом.

Таким образом, проблема конкурентоспособности в российском банковском секторе имеет характерные отличия от рынка развитых стран, так как основным конкурентным преимуществом является участие государства в капитале.

Размер инвестиций в корпоративное управление увеличивается. Повысив его уровень, банки могут рассчитывать на доверие клиентов и вкладчиков, повышение рейтингов у рейтинговых агентств, улучшение своей репутации. Основная цель состоит в укреплении доверия к России, как объекту инвестиций, а к российским банкам – как к надежным партнерам.

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Insurance market risks of Azerbaijan

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Abstract

First blossom of insurance market has seen in Azerbaijan with declaration of independence in 1918. Insurance market such a huge that can cover all the risks of different fields of economy and also its own risks. Insurance market risk segmentation has enough variety of them and failing in the especially insurance risks can lunch sistematic risks for all the parts of economy and paralyze it as well as. In this article research is based on the risks of Azerbaijan insurance market.

Keywords: risk, insurance, finance, pricing.

Insurance history in the Republic of Azerbaijan is affluent old as its independence and insurance market aligns both economic and social problems at one point and forms the best option among existing solutions. Thus, the decision of the Parliament of the Democratic Republic of Azerbaijan dated by December 7, 1918 “On the Issue of Workers” provides insurance payment of workers for full or partial loss of employment, which is the first step in the insurance field. Insurance market in Azerbaijan has been fought with plenty of risks and shut down as a result of them from primitive to modern times.

The purpose of examining the level of the insurance market risks in Azerbaijan is to create a clear picture of the risks of the field that provides the most dynamic and sustainable development of the non-oil sector. Dual role of the insurance in the economy, as well as estimated multifunctional. Insurance creates its own market as a free and independent. It prevents other economic markets from stagnation of losing value and covers most of the potential risk groups. It creates such an insurance system that is both stimulating and adherent for all economic markets.

It is necessary to have positive macroeconomic and demographic indicators for the formation and adjustment of the insurance market by own. For an ideal insurance market, the state policy in this area, the age and national consciousness of the population are indispensable. This can also be observed in the “Global Insurance Potential Index” reports. Thus, in this index the same countries ranked in the top ten by types of life and non-life insurance from 2018-2019. China, United States, India, Japan, Turkey and other countries include this top ten list. All existing life insurance demand based on the estimations would be supplied for a period of 12 years in the well-developed countries and in the 23 years it may work for the developing countries. In the developed countries, all non-life insurance requirements would complete up to 5 years and in 15 years the same process can be noticed for developing countries.

Azerbaijan insurance market is taking initial steps in the specter of world insurance and its target as little as 0.129% of global market. Azerbaijan insurance market have not been expressed in the “Global Insurance Potential Index”, which may indicate its current problems and unsystematic risks. By the chart analysing of the market share of local insurance companies, actually could got a clear image of how the market is distributed and the determination of the competitiveness of market as well.

By exploring the insurance market entities, it could also be identifiable major risk factor groups that would forge such giant lost on in short term or long term as their proper characters. Market entities include the state as a regulatory and legislative body, insurance companies as major participants and individuals plus companies as partners. Insurance funds periodically increase the amount of the fund by circulating their financial assets in various financial markets. It can be sized up basicaly with CAPM.

Chart 1

Market share of insurance companies.

Source: <https://www.fimsa.az/menu/sigortacilar-uzre/117>

The role of the government in the insurance market is significant because of its to do as both the regulatory and legislative aspect of the market, since it is the main figure between market suppliers as insurance companies and consumers as individuals, legal entities. Restrictions on foreign insurance companies in Azerbaijan generalizes risk assumption. Of course, this assumption has both pros and cons. Negative aspect is to avoid massive financial inflows from the foreign market and limit the rise of the domestic insurance market from these funds. On the positive side, the government shield for domestic market by creating a closed environment develops good condition to growing and flourishing local insurers. One of the main views in shaping market supply and demand is protecting it from external interventions like foreign capital inflows. Since any fund with an excess of money can finance more services at a lower price and it could destroy domestic insurance market by impact on competition between companies. So domestic companies would offer services only in an expensive price due to small scale financial funds in the comparison with foreign companies.

Insurance market is capable to stand over the whole market risks as insurance companies manoeuvre solely like business entity and also give guarantee to businesses for working definitely without concern. This character of insurance market makes gain bunch of risk. That gives reason to scrutinize both of systematic and unsystematic risks for financial phase of economy.

Chart 2.

Top business risks for 2019

Source: <https://www.agcs.allianz.com/content/dam/>

Global outlook of risk specification shows that in 2019 there are ten main risk factors that are most predictable for all businesses. In the Azerbaijan insurance market has main problems with shortage of skilled workforce, new technologies, fire explosion, changes in legislation. Skilled workforce is the essential default for Azerbaijan situation as from 2015 with brain drain and deep gap in the education and training of insurance specialists and especially in actuaries. This primary deficit leads new technologies risks that, shortage of skilled workforce makes intentional issues of adoption and effective use of new technologies. As gradually develops skilled workforce by getting supplementary education and training in the foreign countries and on the back of them to the home country, legislation and regulation are exposed to be changed by their offer and contributions. It commits various arguments about whole insurance market and between entities.

Systematic concerns of Azerbaijan insurance market subjects in both life and non-life are better condition. In the correlation chart of analysis among 22 life and non-life insurance companies about their premiums and claims, it could be coherent that positive correlation is realised. Solvency issues in short run could be unavailable.

Chart 2

Correlation among local companies for 2019

Source: <https://www.fimsa.az/menu/sigortacilar-uzre/117>

Azerbaijan Insurance market in the long run could be more attached its particular potential to get considerable value in Southern Caucase region. Deficit in the skilled workforce could be narrowed by the increase in the quality of education and with the state succedent sholarships about getting education in the top of universities of foreign countries. New technologies issue could disappear with the increase of skilled workforce in the insurance field. Fire exploison problem may be fixed firmly. Changes in legislation and regulation may stay constant as its half about politics and in long run it may draw on systematic risks for insurance market and financial system. Market developments also could be risk factor for Azerbaijan insurance market as it is planned to opean local market for foreign insurance companies. Climate changes and natural catastrophes are predicted for worldwide economies and Azerbaijan would be affected as well as. Solvency issues could get unsatisfactory in the long run and analysis show that financial soundness could ease. Financial sector stagnation may rest deepen and economic growth may lower down in the contrast of previous years.

The uncertainty and risks should be kept in on under control and insurance market should regulate it by itself.

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