
Improving Risk Management System in Commercial Banks

Asrorov Azizbek Isomiddinovich

Samarkand Institute of Economics and Service Assistant trainee of the "Real Economy" department

Samadov Sunnatillo

Samarkand Institute of Economics and Service

Abstract: In this article, the essence of the concept of banking risks is presented causes, types of discharge, its detection, prevention and minimization issues are covered theoretically and practically.

Key words: banking risks, risk monitoring, risk management, stress test, "three lines of defense.

Introduction

Optimum level between efficiency and risk of currency operations the balance summarizes complex requirements for each aspect of activity: 1. Profitability (minimum level of profitability in personal funds). 2. Liquidity (allowance of liquidity coefficient for periods minimum amount possible). 3. Risk (the maximum permissible level of risk for the bank and for individual operations). The optimal balance between the efficiency of operations and risk, as well as the optimality of the bank's goals, is one of the complex selection criteria of the asset management strategy. The trade-off between the level of risk and the efficiency of operations is different depending on the priority of the current activity of a particular commercial bank is determined. In our opinion, an important factor in strengthening the position of a commercial bank in the financial market is the improvement of the system that encourages the adoption of floating management of currency transactions.

Literature review

Improving the quality of foreign exchange transactions in large commercial banks and in order to improve the management of currency risk reduction, it is necessary to organize an integrated banking system of processing indicators, data storage and centralization of the processing system of business system flows. The introduction of the unified banking system allows not only to solve all the tasks of the institution, but also to: implement innovative technologies, showing comprehensive planning of banking activities in a tactical, fast and strategic manner. Conducting complex marketing research, reducing the number of managements, centralizing operations on the first account. Representation of the risks that can be encountered in the activity of banks through various indicators is important in their management and elimination.

Research methodology and empirical analysis

From the point of view of the classification of risks, we divide these indicators into two types, and the amount of the necessary value level is expressed in percentages (Comparative analysis of forward, futures, option and gold dinar instruments of currency risk management. In our opinion, the gold dinar instrument is a forward contract If we see the similarity, the problem of "barter" in the gold dinar, speculation and arbitrage etc. have been removed, but compared to futures and options, it is noticeable that it is a slightly better tool. Austria, like other countries, does not set limits for the capital adequacy of currency positions, but the minimum capital requirement is set to

cover the risks arising from open currency positions. If the open currency positions of credit institutions exceed 2% of their funds, the minimum capital for the open currency position of currency risk demand will be 8 percent. With the weakening of this situation, the minimum capital requirement of credit institutions is calculated as follows: after deducting the minimum capital requirement from the appropriate position, the currency should be around 8 percent; the minimum capital requirement for a suitable position is around 4 need Among the different stages of risk management, the implementation of modern stages of risk management is one of the important tools of risk management. In particular, the Central Bank of the Russian Federation decided to establish an internal control service in order to solve the task of "minimizing the risks of banking activity". This risk minimization is divided into three levels: individual (employee), micro and macro level. It is also worth noting that the final entity bearing the foreign exchange risk covered by swap transactions is a non-resident, and then the Australian Bank will cover this final risk in foreign exchange. Achieves through obligations. Non-resident foreign institutions are entities that borrow Australian dollars and hedge this position to return foreign currency.

Results and discussion

The effective composition of bank risk management includes the following main elements: risks that clearly define the roles (functions), powers and obligations (responsibilities) of the bank's bodies and persons involved in risk acceptance and management, including the supervisory board, risk management committee, bank management and risk management structure in bank risk management management organizational structure; risk management culture, code of ethics and prevention of conflicts of interest; risk appetite and resulting risk limits; risk management system - clearly expressed regulatory documents, methods, instruments and processes of risk management, including risk identification, measurement, preparation of reports, monitoring and control; new product introduction policy; risk information management system. Taking into account the specific characteristics of the bank's activity, the nature, complexity and size of its operations, risk profile, it should create an effective risk management system that meets the following principles: efficiency - a comprehensive objective and reliable assessment of the amount of existing or potentially important risks at all organizational levels of all important types of bank activity (for example, at the level of transactions and bank portfolio) and all its structural structures, as well as the completeness of risk management measures. providing optimal use of interaction and financial resources, personnel, risk management information system; timeliness - timely identification, measurement, monitoring and control of all types of risks, reporting and mitigation; Continuity – continuous and special assessment of current, new and potential risks faced by the bank (possible to face), timely and adequate management of risk management in order to mitigate these risks and reduce losses (damages) associated with them. creating a system that ensures composition - clear distribution of risk management tasks, obligations, responsibilities and powers among all structural structures and employees of the bank. Therefore, avoiding the situation where one person/organization performs both bank operations and control functions at the same time; independence - freedom from conditions that threaten the impartial performance of control functions, as well as risk management and legal compliance control (compliance control) structures.

The bank must create an effective risk management system for at least the following types of risk: credit risk; liquidity risk; market risk; operational risk; non-compliance risk; reputational risk; country risk; interest rate risk.

CONCLUSION

In conclusion, it should be said that currency during the activity of commercial banks It is important to foresee the risks arising as a result of operations and to create the necessary conditions for eliminating their consequences. From this point of view, it is important to study advanced foreign experiences in currency risk management and apply their unique features in the conditions of our republic.

List of references

1. The President of the Republic of Uzbekistan "For 2020-2025 Decree No. PF-5992 of January 12, 2020 on the strategy of reforming the banking system of the Republic of Uzbekistan.
2. "In commercial banks" of the Central Bank of the Republic of Uzbekistan Regulation No. 3254 on corporate governance. June 30, 2020. "PEDAGOGS" international research journal ISSN: 2181-4027_SJIF: 4.995 www.pedagoglar.uz Volume-28, Issue-1, February – 202355
3. Pashkovskaya I.V., Hotkin A.V. Commercial bank management strategy the importance of risk appetite in development // Economy: yesterday, today, tomorrow. 2020. 10- Vol. No. 3A. Pages 57-64. DOI: 10.34670/AR.2020.94.4.007 4. Chris Becker, Daniel Fabbro. Limit currency exposure by hedging: Australian experience RDP 2016-09. – rr10. 38 in total.
4. "Organization of internal control in the bank" of the Central Bank of the Russian Federation "Regulation of
5. Ahamed Kameel Mydin Meer. Currency risk is covered by forwards, futures, options and gold dinar hedging: a comparison note. Malaysia Department of Business Administration, International Islamic University. 2012.
6. Dilovar Najmiddinovich Rashidov, Sharofat Amonovna Kadirova, & Ziyoda Abduvositovna Karimova (2022). ON EQUAL CONDITIONS IN THE LABOR MARKET THOSE WHO CANNOT COMPETE, ESPECIALLY THE DISABLED RECRUITMENT FOR RESERVED POSTS PROBLEMS. Academic research in educational sciences, 3 (TSTU Conference 2), 281-285
7. Rashidov Dilovar Najmiddinovich, & Kholboev Yigitali Avganovich (2022). SOCIAL PROTECTION IN ENTERPRISES AND ORGANIZATIONS JOB REFERRALS FOR NEEDY PERSONS INCREASING THE EFFICIENCY OF RESERVATION IN THE CUT. Transformation modeley korporativnogo upravleniya v usloviyakh tsifrovoy Economic, 1 (1), 73-78. doi: 10.24412/cl-36899-2022-1-73-78 9. <https://annualreport.10.www.ziyonet.u>