Competitiveness is a concept that can be described by the activities of the enterprise without looking through its balance sheets. Today competition of any product in the world market with political conditions is doubly hard. The question how it can be estimated immediately rises. The answer to this question is considered in this article: the relationship between the concepts of "competition" and "competitiveness" is quite logical and is manifested by the notion of "competitive advantage". Thus, the dependence between the level of competitiveness and the competition is becoming equally logical. As for the assessment of the level of competition on the world market, the scientific opinion on this matter boils down to the concept of property which characterizes the hierarchy. Such scientists as L. Andreeva, M. Gelvanovsky, and G. Azoev, A. Chelenkov represent the structure of competitiveness, where lower-level are competitive enterprises and higher level is the state, linked by means of the competitive advantages of different orders. So, it appears that competition among states can be determined by their internal competitive advantages, which in their turn are created due to the competitiveness of each company in each country.

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PERSPECTIVE FORMS OF EXPANDING THE RESOURCE BASE OF THE COMMERCIAL BANKS BASING ON THE USAGE OF ADVANCED TOOLS OF FINANCIAL ENGINEERING

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The author offers the ways to increase the resource base of commercial banks using advanced tools of financial engineering.

The modern development of banking systems is characterized by mutual penetration of capital of the banking system of one country to another. This is largely due to the improvement of banking technologies, improving the quality of the Bank's services, the development of foreign economic activity of business entities. In this regard, in most developing countries, there is a significant increase in competition not only between the national, but also foreign financial – banking institutions. The consequences of the global financial crisis of 2008 and the Belarusian economic crisis in 2011 revealed a deep relationship of the real and financial sectors, as well as the important role of the stability of national banking systems to external and internal challenges. At this time, a reduction in the volume of lending under government programs to support the development of the economy, many Belarusian companies and banks are forced to adjust their business development plans and include them in the use of other alternative sources of funding for expansion and investment projects [1, p. 73].

To the problems of management of the resource base of commercial banks the works of Russian scientists Alymova Yu, T. Cooper, G. Kravtsova A. Rakov, S. Sploshnova, F. Cherniavskii, S. Pelikh, as well as foreign researchers A. Berger, V.Vagnera, E. Zhukov, M. Goncharov, M. Dempsey, O. Lavrushina, Tavasieva A. are devoted [1, p. 74].

In order to ensure sustainable activities, as well as effective provision of banking services to commercial banks a constant increase in the volume of attracted funds is necessary. In the world and domestic practice for this purpose a variety of methods are used, which vary depending on the reasons and initiators of their use, methods of implementation and documentation [2, p. 63].

In recent years, along with Belarusian banks credits (loans), deposits, bills funds from non-residents in foreign currency started to be raised with the help of other forms, such as syndicated loans and credit notes. In the long term – the emergence of Eurobonds [3, p. 39].

International syndicated loans – loans provided by several lenders to one borrower. They do not require obtaining a rating, although the presence of the rating is desirable as it helps reduce interest rates and increase the number of creditors. Compared with the assistance of a standard bilateral loan all the conditions of the syndicated loan are uniform for each lender and allow the borrower to reduce labor costs for debt service.

The syndicated loan is used in cases where a borrower requests too large loan amounts, and for one bank it is undesirable to have such a concentration risk of loan portfolio.

The disadvantages of the syndicated loan: restrictions on the bank's activities in connection with the signing of the contract syndicated loan. These may be increased requirements to comply with the capital adequacy constraints associated with the acquisition or sale of assets, provision of audited financial statements according to international requirements as soon as possible, and more [4, p. 90].

Consider another form of raising funds from non-residents in a foreign currency - credit notes.

Credit linked notes - forms of raising funds in the open market. The issue is in the form of securities issued by non-resident legal entities, payments on which depend directly on the performance of obligations under subject to the asset (for example, a loan issued by non-resident Belarusian bank). In this case, an investor who buys CLN (notes associated with credit) or LPN (loan participation notes), assumes the risk of the Belarusian bank. Its income depends on whether Belarus will perform a credit institution with its obligations under the underlying loan CLN or LPN [3, p. 39].

Eurobonds – a kind of securities in the form of coupon bonds issued by the Issuer in order to obtain long-term debt in the international market [3, p. 40].

Consider another way to increase the resource base – the securitization of assets. Securitization can become a profitable tool for expanding the resource base of Belarusian banks, will significantly improve the attractiveness of their loan products. The very concept of Asset Securitization (asset securitization) means equipment financing, which is widely recognized initially in the US and then in Europe. The mechanism of asset securitization consists in write-offs of certain assets of the bank, their separation from the rest of the property and transfer the balance to a specially created financial intermediary (Special Purpose Vehicle – SPV) for the refinancing of such assets at the local or international stock market [5, p. 51].

The basic structure of the securitization of assets is shown in the figure 1.

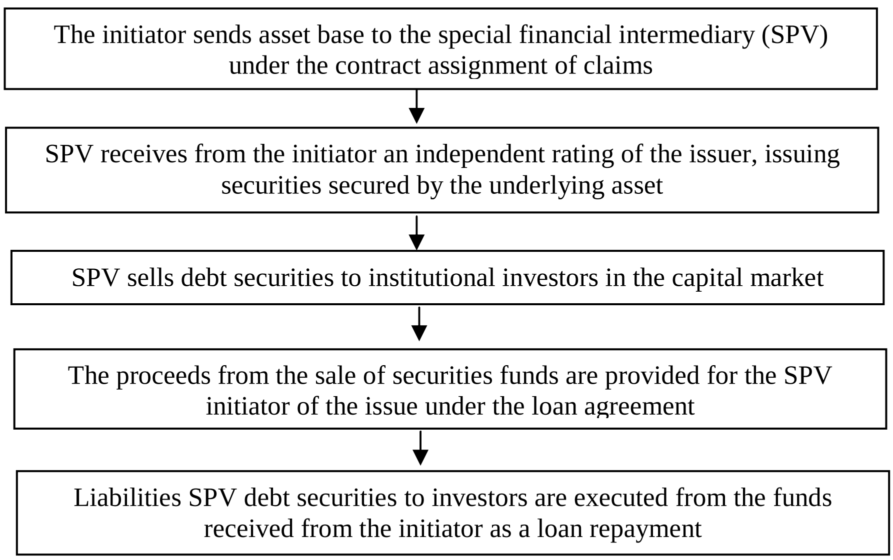

Fig. 1. The basic structure of the securitization of assets

Source: own elaboration based on [5, p. 52].

For customers (both individuals and legal entities) when placing their funds in the bank guarantee investments (investment) of these funds are necessary without the risk of loss. In today's banking business to solve such a problem, there are structured ("hybrid") deposits, which allow the client to provide psychological comfort and confidence in the preservation of his original investment, plus the probability of obtaining a yield higher than the rate of inflation and the average rate on conventional, classical deposits. This character of structured deposit creates association of constant (stable) and variable (changeable) cash flow [6, p. 13].

A structured deposit - this is essentially a product that combines the deposit and investment where the return depends on the market valuation of the underlying assets that underlie this product. Typical financial instrument that may be associated with such deposits, includes market indices, equities, interest rates, financial instruments that generate a fixed income, currency, or their combination. As an example, consider a structured product deposit + shares. The yield on the deposit is 32% per annum. The amount of investment – 200 million rubles. The risk of loss of a deposit – 0 % (the capital must be maintained in any case), the risk of loss on the shares – 100 %. What proportion should be placed on deposit to guarantee one year 100 % return of the capital. The share of risk capital is calculated by the formula 1:

$$Srisk = (B + r) / (B + R) \cdot 100\ \%, \tag{1}$$

where B – a guaranteed profit on the deposit,

R – the maximum possible losses on shares (in %),

r – allowable losses for the investor (in %).

Substituting the values into the formula yields $Srisk = (32 + 0) / (32 + 100) \cdot 100\% \approx 24{,}2\ \%$. That is, under these conditions, approximately 24.2 % or 200 mln rubles · 24.2 % = 48.4 million. rubles you can invest in stocks (or other risky instruments), so that in case of failure not to lose the original amount.

Risk-free: the part of the funds is invested in the most reliable financial fixed income instruments such as bank deposits and bonds. This part of the investment brings a steady income, forming a "financial cushion" that provides the investor a return of all his assets at the end of the investment period, regardless of the results of investment in the second – revenue – part.

Income: the part of the funds are invested in more profitable, but at the same time, and more risky instruments, such as options – financial tools allowing to buy or sell the selected assets and to get a significant profit under favorable circumstances. The practice of designing structured deposits allows the bank to substantially increase their level of financial engineering, which naturally affects the acquisition of additional competitive advantages. The presence of such products in the arsenal of the bank can not only attract the attention of a certain group of investors, but also to strengthen their loyalty in the future. Financial innovation as one of the driving forces of modern banking is perfectly reflected in the establishment and operation of structured deposits, even with the use of simple technology and option strategies at this time. All this altogether allows us to conclude that the development of programs for bank deposits is structured in today's realities profitable business [6, p. 17]. Structured deposits are generally less risky than direct investments in other financial instruments, such as stocks or bonds, because the bank is obliged to pay the investor all the invested capital back. However, they are riskier than ordinary deposits, as their profitability depends on an assessment of other financial instruments in the market, which are linked structured deposits. In some cases, an investor can get just invested money back without any additional income.

The implementation of the planned activities will not only enhance the ability of commercial banks, but also will give a powerful impetus to the development of all the domestic financial market, its tools, infrastructure and institutions that enhance the efficiency of capital allocation and create favorable conditions for the modernization and growth of the national economy.

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