

## TARGET CAPITAL MARKET FORMATION IN UKRAINE: BACKGROUND, PROBLEMS AND PROSPECTS

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*The essence, background and theoretical basis of the target capital market, and the mechanism of its functioning are investigated in the article. Areas of the target capital allocation and management strategy endowment funds in foreign financial practice are*

*considered. The need to form a culture of charity in Ukraine as a precondition of the target capital market functioning is emphasized. Special attention is paid to the main problems of the target capital market development in Ukraine and finding solutions.*

**Key words:** *assets, endowment, non-profit organization, target capital market, target capital.*

The target capital market essence, structure and functioning mechanism are investigated on the base of scientific sources studying scientific sources. This type of capital is considered in the light of the specific financial and credit relations between NPOs (non-profit organizations or nonprofits) and business financial market. Supply and demand in this area influence the creation, sale, exchange and turnover of the target capital, financial assets and instruments; financial services that mediate these processes are also provided.

Article reflects the market place of the target capital in the space of relations between the subjects of social and economic sphere, the mechanism of its functioning, and especially the use of active and passive strategies in relation to endowment asset allocation.

Is emphasized the need to form a culture of charity in Ukraine as a key precondition of the target capital market functioning, it is also outlined the necessity of Law of Ukraine "On the order of formation and use of the non-profit organizations target capital." The author vision of market formation target capital in Ukraine is suggested: it consists of improving fundraising activities and communication policy of non-profit organizations, taxing of revenues from target capital, providing transparency and control over endowments. Top-5 areas for the effective functioning of endowments in Ukraine are distinguished: endowment development strategy; resources; professional quality of staff; promotion and publicity; knowledge of donors and their motives.

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