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THE REFINEMENT OF ECONOMIC DEFINITION OF «THE FINANCIAL INTERMEDIARY»

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Summary. Critical analysis of the essence of the concept of "financial intermediary" was done and the author's interpretation of its content offer. On this basis, the number of participants of the financial market relating to financial intermediaries established. Signs that allow to characterize the financial intermediaries as institutional investors, are formulated.

Key words: *financial intermediation, financial intermediaries, financial institution, financial services, financial markets, institutional investors.*

The existence of financial intermediaries, primarily, associated with the development of the economy, increasing its size and needs. Problematics of further development and complexity of the financial intermediaries' activities remains relevant in conditions of globalization processes.

The purpose of the article is a critical analysis of theoretical approaches to the interpretation of the concept of «financial intermediary», to ground a more systematic approach to allocate major financial intermediation services and features allowing to characterize financial intermediaries as institutional investors.

Based on a critical analysis of scientific works the author's interpretation of the concept of «financial intermediaries» is suggested. Financial intermediaries are financial institutions specializing in the provision of financial services to the aggregation of capital and the transformation of the volume, timing and risks of its use by investing in financial assets or lending, ensuring the reduction of transaction costs in the under asymmetric information. It promotes the effective interaction of financial market participants,

to optimize the placement of financial resources in the economy and creates preconditions for the investment of technological innovation as the basis for long-term economic growth.

It was found the range of financial market participants that relate to financial intermediaries. It was proved that under the institutional intermediaries should understand professional financial institutions that are designed to perform specialized operations dealerships to attract, accumulation and movement of funds from investors to borrowers and efficient allocation of financial resources and to obtain investment income. Signs that allow to characterize financial intermediaries as institutional investors are formulated, namely: 1) the accumulation of financial resources through indirect movement of financial assets; 2) implementation of the activities of financial institutions in the interests of third parties; 3) an element of profitable financial activities; 4) the provision of financial services on the basis of the agreement concluded between the financial institution and the client; 5) specificity.

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