



ANALYSIS OF THE CURRENT STATE OF IMPROVEMENT OF BANKS' ASSET AND LIABILITY MANAGEMENT PRACTICES

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Annotation *This article analyzes the ways of effective management of the activities of commercial banks of Uzbekistan and improving bank assets. The main aspects are considered, such as the introduction of technologies to increase the efficiency of commercial banks. The article proposes modern methods and strategies to increase the profitability of banks and ensure economic stability. It also provides recommendations on diversifying asset portfolios, introducing customer-oriented services, and using international experience.*

Keywords: *Assets, liabilities, capital, analysis, statistical, mathematical modeling, empirical analysis, risk management, financial stability, commercial banks, management strategies, method, best practice.*

Introduction

Today, the activities of commercial banks are of great importance for the sustainable development of the economy. Banks play a significant role in ensuring economic stability by accumulating their economic resources, effectively deploying them, and establishing financial relationships with customers. Therefore, increasing the efficiency of commercial banks and improving their financial results is an urgent issue. The most important factor in increasing the efficiency of banks is the improvement of bank assets. Optimization and proper management of assets serve to increase the profitability, liquidity and overall stability of the bank. In this article, we will consider ways to improve the assets of commercial banks and methods aimed at increasing their efficiency. Through effective asset management, banks will be able to maximize the use of their resources to users, minimize risks, and quickly

adapt to the economic situation. The article analyzes modern approaches, innovative technologies, and management methods for optimizing bank assets.

Review of literature on the topic.

The issues of effective management of commercial banks, optimization of their assets, and support for economic growth are among the most widely studied topics in the fields of international finance and economics. Scientific developments related to the management and improvement of bank assets have been analyzed by many researchers, and methods for increasing the profitability, liquidity, and capital efficiency of banks have been studied.

In addition, C. Andersen and E. Burger expressed their views on the basic concepts of bank asset management and the economic and financial efficiency of bank portfolios. Andersen and Burger emphasize the importance of diversification in bank asset management. They say that banks should mix different assets, such as loans, securities and other investment instruments, when forming their portfolios. Diversification helps to reduce risks and increase overall profitability. They also show that diversification of the loan portfolio is an important tool in managing bank risks.

As American professor J. Sinki (2017) noted in his study, it is necessary to develop clear strategic plans for each area of activity of commercial banks, which should be aimed at ensuring harmony between the profitability of bank assets and risk levels.

According to Moiseev S.R. (2021), in some countries, in particular Sweden and Russia, Central Banks are providing daily loans without interest, but against the collateral of securities. This practice serves to ensure the stability of the national payment system.

Research methodology.

The article studied the views of foreign and local experts on the topic analyzed, the research proposed by them, and the recommendations and proposals developed by the author used methods such as induction and deduction, grouping, comparative comparison, statistical and dynamic analysis.

Analysis and discussion of results.

The modern banking system, as an integral part of the global financial market, plays an important role in ensuring economic stability. In particular, lending, which is the main activity of commercial banks, serves as their main source of income.

Loans provided by banks to customers are an impetus for the circulation of cash flows in the economy and are considered the main financial source for financing the current activities and investment projects of enterprises and business entities. In today's competitive economic environment, one of the most important tasks facing banks is to form an optimal structure of the loan portfolio and manage it effectively. In this case, factors such as loan terms, interest rates, distribution by economic sectors, types of credit support and their quality are constantly analyzed in depth.

Based on these factors, the real situation of the credit policy is assessed and, if necessary, appropriate adjustments are made. Commercial banks offer their clients a variety of credit products, depending on their financial needs and creditworthiness. This allows them to diversify the composition of the credit portfolio, reduce risk and maximize profit. The structure and quality of the credit portfolio are one of the important tools in ensuring the financial stability of the bank.

Table 1

Number of credit institutions and their structural divisions ¹

¹ Prepared by the author based on data from the Central Bank.

Indicators	01 .12.20	01 .12.21	01 .12.22	01 .12.23	01 .12.24	01 .12.25
1.Total credit institutions	169	176	197	205	226	229
including						
Commercial banks, from that	32	33	31	35	36	36
banks with state shareholding	13	12	12	10	9	9
other banks	19	21	19	25	27	27
Non-bank credit organizations, from that:	128	143	166	170	190	193
microfinance institutions	63	69	84	84	96	100
pawnshops	64	73	81	85	93	92
mortgage	1	1	1	1	1	1

refinancing organization s						
2.Com mercial bank branches, total	86 1	86 0	84 2	69 6	43 3	28 8
3.Ban king service centers	1 204	1 246	1 516	1 796	1 759	1 720
4. 24/7 branches	1 364	2 245	2 926	3 707	4 409	4 447

As can be seen from the analysis of Table 1, the total number of credit organizations and their structural units operating in the country as of December 12, 2020 was 160. Of this figure, 32 were commercial banks, and 128 were non-bank credit institutions. 861 branches, 1,204 bank service centers At the same time, 1,364 bank branches operating 24/7 were operating., affiliated with commercial banks (service offices and mini-banks) and Five years later, that is, as of January 1, 2025, these figures have changed significantly.

The number of credit institutions has reached 229, of which 36 are commercial banks and 193 are non-bank financial institutions. Although the number of branches of commercial banks has decreased to 288, the number of bank service centers has reached 1,720, and the number of 24/7 bank branches has reached 4,447. The joint-stock commercial bank "Hamkorbank" has also expanded its infrastructure and today has 157 bank service offices covering all administrative and territorial units of Uzbekistan.

Conclusion and suggestions.

Based on the results of the study, the following recommendations were developed: Increase asset diversification. Banks should further diversify their loan portfolios and investment assets. This will help reduce risks and increase profitability.

Introduce technologies. Banks should increase their efficiency by automating their activities and introducing modern technologies. For example, operational efficiency can be increased through the use of digital banking services and artificial intelligence.

Strengthening risk management. Banks should improve their credit risk and market risk management systems. This will increase their stability and profitability. Improving financial leverage. Banks should improve their financial performance by strengthening their capital base and managing it effectively.

In conclusion, there are many opportunities for effective management of the activities of commercial banks in Uzbekistan, improvement of bank assets and increase in profitability. Also, banks can effectively organize their activities by introducing modern technologies, strengthening risk management and optimizing lending policies. The development and strengthening of the banking system has a positive impact on the country's economy, which also increases competitiveness in international financial markets.

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