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THE VALUATION OF BANK'S CURRENCY OPERATIONS EFFICIENCY LEVEL

Olesya V. LEBID

PhD in Economics, associated professor of Bank Department of Simon Kuznets Kharkiv National University of Economics

Anastasiya S. CHORNOBAI

student of magister course of Simon Kuznets Kharkiv National University of Economics

Summary. The scientifically based set of indicators with a minimum number of them to determine the effectiveness of foreign exchange transactions of banks was done. A grouping of Ukrainian banks according to their level of efficiency of foreign exchange transactions was done using multivariate

cluster analysis based on method of k-means. Epy discriminant functions for groups of banks according to their rate of efficiency of foreign exchange transactions were built. The general scheme of the foreign exchange transactions efficiency level of Ukrainian banks was created.

Key words: *foreign exchange transactions of banks, the effectiveness of foreign exchange operations, foreign exchange transactions efficiency level of banks, multi-dimensional classification of banks, discriminant analysis of banks, stages of determining the foreign exchange transactions efficiency level of banks.*

The bank's currency operation could be both the high income sources and the reason of huge loss during economic and financial crisis. The bank's currency operation results depend on instruments and methods that management uses substantially. The effectiveness of instruments and methods could be confirmed or disproved by the result that means the currency operations efficiency. That is why the problem of a valuation of bank's currency operations efficiency level became topical.

The aim of the article is to develop the methodical approach of valuation of bank's currency operations efficiency level.

The aim of the article was attained in such steps. The first task that was done is the analysis of last scientific publication devoted to the issues of bank's currency operation. The second task was to perform the set of indexes that evaluate a bank's currency operations efficiency. They are currency operation profitability, currency income per 1 hryvnia of assets, currency operation income index.

Then the cluster analysis using formed set of currency indexes and k-means method was done on the basis of statistic information of thirteen biggest banks of Ukraine. The results of cluster analysis displayed

three groups of banks according to their currency operations efficiency level. OTP Bank, UkrGasBank and SberBak had the most efficient currency operations and created third cluster. The members of second cluster that had medium level of currency operation efficiency are Raiffizen Bank Aval, Prom-InvestBank, VTB Bank and UkrSibbank. Privatbank, OshcadBank, UkrExImBank, UkrSocBank, FUIB, Alfa-Bank had low level of currency operation efficiency.

The discriminant analysis helped us to create discriminant function of currency operation efficiency level (COEL) and to build the scale for COEL. The COEL scale has three levels. If the COEL value is less than 9.0 the currency operation efficiency level is low. If the COEL value is less than 19.0 but more than 9.0 the currency operation efficiency level is medium. If the COEL value is more than 19.0 the currency operation efficiency level is high.

Developed methodical approach of valuation of bank's currency operations efficiency level has such advantages: simplicity of using, substantiveness of valuation, unambiguity of results, science validity of a conclusion, practical importance.

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