The essence of risks in the process of making investment decisions

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Real investments are divided into three main areas: business investment in fixed capital, housing and changes in inventories (investments in material assets). Investments have the following essential features: in all cases, the purpose of the investment – receiving certain benefits (profit, income, economic benefits, another useful effect); one who invests, ready for these benefits, abandon the current consumption of certain resources; as benefits expected to obtain in the future, the investment process takes place in conditions of risk and uncertainty.

Thus, the adoption and implementation of investment decisions becomes a strategic moment, as these decisions become a special character for the investor: after making the investment, i.e., investment of resources in the assets of the company, they are connected and you can't easily return a profit, he changed the species nested in the assets of the enterprise financial and other resources.

Solidity of cost means their distinctive long-term involvement in the production process of distraction on a long term large amounts of all kinds of resources;

this investment should be profitable throughout the entire period of operation involved in the economic activities of the assets, and the investor is entitled to expect rate of return that would be comparable to the yield he would have received by investing these funds in other (alternative) investment areas;

investment decisions are strategic decisions of the type that determine, in many cases, future recurrent costs of the enterprise (it is clear that the acquisition of a particular type of equipment is put forward corresponding requirements used in the production of raw materials, materials, workforce, etc.);

investment decisions objectively connected with uncertainty and risk, making it possible to select inefficient capital investment plan.

To achieve the desired results, minimize uncertainty and risks, managers must take into account all the factors that affect the final adoption of this investment decision.

Methodological basis of research are principles of systemic analysis in order to reflect the nature, the elements and causal relations of the phenomena and systems. In the process of the dissertation research were widely used such methods of scientific knowledge, as the analytical, economic and statistical, as well as methods of economic-mathematical modeling.

The individual listed in the table risks to consider in more detail:

1. Two main types of investment risk stand out depending on the application object of investment activity is the risk of financial investment (risks on securities market) and the real investment risk (risks associated with the implementation of projects, construction risks).

The risk of financial investment – the probability of inefficiency or insufficient efficiency of investment operations at the time of the transaction, due to the inability to forecast future prices (for financial instruments (assets) and future dividends) by investing in financial instruments (assets) involving the acquisition of rights to participate in management of the Corporation and debt rights in the state securities and corporate securities, Bank deposits (shares, bonds, promissory notes and other securities and instruments), etc. in the stock and money markets.

This risk is associated with ill-conceived selection of financial investment instruments, financial difficulties or bankruptcy of individual issuers, unanticipated changes of conditions of investment, direct deception of investors, etc. The risk of real investment – is the probability of inefficiency or insufficient efficiency of investment projects at the beginning of their implementation, due to the peculiarities of life cycle, type, geographical location and characteristics of the customer, the subcontractors, the necessary raw materials and component parts, etc., the inability to forecast prices and volumes in the future (for financial instruments (assets) and future dividends) by investing in tangible and intangible assets, as a rule, directly involved in the production process (in the creation and reproduction of fixed assets, including.

The risk of real investment is associated with a failed location determination of the object under construction, disruptions in the supply of construction materials and equipment, substantial price increases for Investment goods, the selection of unqualified or unscrupulous contractor and other factors, delaying the commissioning of the object of investment or reducing the income (profit) in the process of its operation.

2. Forms of ownership on investment resources risks are subdivided into risks of public, private, foreign and joint investment. The risks of public investment – the probability of investment losses (negative changes in the value of assets), while investments of assets made by Federal and local authorities and management in the form of means of budgets of all levels, extra-budgetary funds and borrowed funds, as well as state enterprises and organizations in the form of equity and debt. The risks of private investment – the probability of investment losses (negative changes in the value of assets) the investment of funds by individuals and enterprises, non-state forms of ownership, especially collective.

Risks of foreign investing – the probability of investment losses (negative changes in the value of assets) in investment by foreign citizens, legal persons and States. Risks of joint investment – the probability of investment losses the investment of funds by the subjects of this and foreign countries.

3. The nature of participation in investment allocate the risks of direct and indirect investments. Risks of direct investment – the probability of investment losses as a result of inefficiency or lack of effectiveness of the investment object and (or) irrational investment in the case when the choice of object of investment is done directly by the investor. Such investments typically include real investment in the material object.

Mainly direct investment carried out prepared to investors with sufficient information about the investment object and familiar with the mechanisms and organizational forms of investment. Risks of indirect investments, that is, the probability of investment losses due to bad investments or lack of income when investing, characterized by the presence of the intermediary investment Fund or a financial intermediary.

This probability is usually associated with an incorrect rating or a bad choice of the investor or investment Fund for investments. Such investments typically include portfolio investments. Not all investors have adequate skills for the effective selection of investment facilities and its subsequent management. In this case, they acquire securities issued by investment or other financial intermediaries who place accumulated thus investment funds in the most effective from their point of view, the objects of investment, participate in the management of, and the proceeds are distributed among the certificate holders.

4. Organizational forms, all the risks are subdivided into risks of investment programmes and projects and risks of the investment portfolio. Risks of investment programmes and projects – the probability of ineffectiveness or lack of effectiveness, including social investment programmes and projects at the beginning of their implementation, due to the peculiarities of their life cycle, type, geographical location and characteristics of the customer, subcontractors; supplying necessary raw materials and component parts, etc., the impossibility of predicting future prices, sales volumes, the social impact in the future.

The risk of the investment project is divided into types depending on the ways of financing, the range and variety of products, competitive strategy, etc. the risk of the economic entity that implements the investment project, and the risk of the investment projects themselves are to a large extent manageable. Risks of the investment portfolio – the probability of reducing the quality investment portfolio at the time of its formation, due to the inability to forecast future prices by investing in financial instruments (assets) in the equity and money markets