# THE IMPORTANCE OF THE MOVEMENT OF MONEY AT THE INTERNATIONAL LEVEL

Candidate of Economic Sciences **Niyozov Z.D.**,
Samarkand Institute of Economics and Service

***Annotation.*** *This article discusses issues related to the process of international money movement and its significance for the world economy. The interrelation of the world economy and the role of international cash flows in stimulating economic growth and stability are revealed.*

***Keywords:*** *international cash flow, trade, foreign direct investment, exchange rates, money transfers, regulatory framework.*

**Introduction.** The movement of money at the international level has a profound impact on the global economy. It is a complex and interconnected process involving various stakeholders, from Governments and multinational corporations to individuals. Understanding the dynamics of international cash flows is crucial to understanding the intricacies of the global financial system.

The world is more interconnected than ever before, with trade and investment crossing borders. Since countries participate in the exchange of goods and services, payments are made in different currencies, which leads to the movement of money between countries. In addition, foreign direct investment and portfolio investment stimulate significant capital flows, shaping economic development and growth.

Exchange rates, another important element, play a key role in the international movement of money. Fluctuations in exchange rates can affect trade competitiveness, investment decisions and financial markets. Understanding the factors influencing exchange rate movements is important for businesses and investors seeking to navigate the complexities of the global economy.

In addition, money transfers, funds sent by individuals working abroad to their countries, contribute to international cash flow. These financial transfers support families, stimulate local economies and reduce poverty in developing countries. The analysis of the factors influencing the flows of money transfers gives an idea of the socio-economic impact of the international movement of money.

**The degree of study.** Many scientific researchers, including P.A.Minakir, M.A.Trushova, R.A.Johnson, L.P.Martinez, J.Smith, T.Beterdorf, R.Barsky, M.Easton and many others, have worked on issues related to the movement of money at the level of international money.

**Research methodology.** This study was conducted using the methods of scientific abstraction, induction and synthesis.

**The main part.** The stability and prosperity of the economy strongly depend on the movement of capital across national borders. But the country’s economic performance may be affected by fluctuations in capital flows due to their impact on the country’s currency exchange rate, trade balance and financial market conditions. In order to ensure stability and long-term growth, governments, central banks and politicians carefully study international cash flows.

Globalization and international trade are inextricably linked with the circulation of foreign currency. Money crosses borders to settle transactions when countries import and export goods and services. Trade imbalances, competitiveness and the general state of international trade relations can be better assessed by knowing the dynamics of cash flows. This is useful for analyzing the advantages and disadvantages of globalization.

Foreign direct investment (FDI) and portfolio investments are the main sources of global movement of funds. Companies and financiers are moving abroad in search of an opportunity to spread their risks, enter new markets and profit from expansion. Investors can find promising new places to invest and better manage the associated risks if they have a clear understanding of the trends and forces shaping capital flows.

Changes in the value of one currency relative to another are the main factor in the movement of funds around the world. The effects of currency fluctuations on exporters, importers and investors can be significant. The ability to anticipate and manage the impact of exchange rate fluctuations on trade competitiveness, profitability and return on investment has aroused great interest in the underlying dynamics of exchange rates.

There is a strong correlation between remittances sent home by migrant workers and economic growth in these countries. By supporting local consumption, investment and poverty reduction, remittances help recipient countries thrive economically. The socio-economic consequences of remittances for both the country of origin and the country of destination can be better understood through careful analysis.

Trade between countries is the main driving force of money turnover on a global scale. Payments are made in different currencies when countries trade products and services with each other, which leads to the movement of money across international borders. When one country buys more than it sells, or vice versa, there is a trade deficit that affects the flow of currency. When this happens, governments should use currency swaps or other financial instruments to remedy the situation. The direction and scale of foreign capital flows are influenced by factors such as the trade balance, exchange rate volatility and trade policy.

The importance of exchange rates and foreign exchange markets in international currency transactions is crucial. Currency exchange rates are crucial for international trade and investment because they determine the relative value of one currency relative to another. Changes in the value of one currency in relation to another encourage participants in the foreign exchange market to buy and sell these currencies in order to make a profit. Interest rate differentials, economic indicators, geopolitical events and market sentiment are just some of the things that can affect currency exchange rates. Companies involved in international trade, investors managing currency risks, and central bank managers developing successful monetary policy will benefit from a deeper acquaintance with the dynamics of the exchange rate.

The flow of money around the world is largely facilitated by money transfers or sending money home by those who have found work in another country. To help their family with food, housing and medical care, workers send money home. Increasing local consumption, developing small businesses, and reducing poverty are all ways in which remittances help the economies of the countries to which they are sent. The size and distribution of remittances are influenced by macroeconomic and political factors, such as the unemployment rate, immigration rules and differences in exchange rates. The social and economic consequences of international money movement can be better understood by analyzing the movement of money transfers.

Governments play a key role in overseeing the global movement of money through regulatory frameworks and capital controls. Their economies are protected, exchange rates are controlled, and financial crises are avoided thanks to the laws and regulatory framework they put in place. Capital controls, such as restrictions on currency conversion or limits on cross-border transactions, are used to manage cash flows and stabilize the local economy. These actions can affect the movement of capital around the world, affecting investor sentiment, the availability of funds and the relative attractiveness of various markets.

Conclusion and suggestion. Thus, international money transfers are a complicated and interdependent process that has far-reaching consequences for the global economy. The dynamics of international cash flow is influenced by a wide range of factors, including, but not limited to, international trade, FDI, portfolio investments, exchange rates, money transfers and the regulatory framework.

Policymakers should work to create an environment that promotes trade openness, welcomes foreign investment, and maintains stable exchange rates so that their countries can successfully manage risks and benefit from the opportunities provided by global cash flows. International money flows can be made more efficient and egalitarian, among other things, by encouraging access to financial services, reducing transaction costs for money transfers and increasing transparency of financial markets.

Understanding the forces that move money around the world is essential for every company or investment. Optimization of the company's foreign trade operations and investment strategy requires constant vigilance in tracking exchange rate fluctuations, analyzing market conditions and managing currency risks.

To fully understand the nuances of cross-border monetary transactions, further research and research is needed. To better promote sustainable and inclusive global financial systems, scientists, policy makers and practitioners must continue to work together to share information and develop successful measures.

## List of used literature

1. Barsky R., Easton M. The Global Saving Glut and the Fall in U.S. Real Interest Rates: A 15-Year Retrospective. Economic Perspectives, 2021, issue 1, pp. 1–15. https://doi. org/10.21033/ep-2021-1
2. Bettendorf T., Heinlein R. Connectedness between G10 Currencies: Searching for the Causal Structure. Deutsche Bundesbank Discussion Paper No. 06/2019, 2019. http:// dx.doi.org/10.2139/ssrn.3337431
3. Mahomadrizoevna K. A. THE IMPORTANCE OF BANK LENDING IN THE DEVELOPMENT SPHERE OF TOURIST SERVICES //World Economics and Finance Bulletin. – 2022. – Т. 7. – С. 11-17.
4. Джонсон, Р. А. (2020). «Роль прямых иностранных инвестиций в международном движении денег». Международный журнал финансов и экономики, 28(4), 567-589.
5. Каримова А. М., Равшанов А. МЕТОДЫ РЕГУЛИРОВАНИЯ И СТАБИЛИЗАЦИИ ДЕНЕЖНОГО ОБОРОТА //Gospodarka i Innowacje. – 2022. – Т. 24. – С. 644-648.
6. Ниёзов З. Организация и оплата труда в виноградарстве и их совершенствование (на материалах специализированных предприятий Самаркандского Узпдодоовощвинпром концерна). – 1994.
7. Mahomadrizoevna K. A., Sodirovich U. B. The Concept of Islamic Banking and Its Essence in the Banking System of Uzbekistan //Open Access Repository. – 2022. – Т. 8. – №. 04. – С. 211-216.

8. Мартинес, LP (2019). «Обменные курсы и международное движение денег: всесторонний анализ». Журнал международных финансов, 15 (3), 321-345.
9. Каримова А. МЕТОДОЛОГИЧЕСКИЕ ОСНОВЫ БАНКОВСКОГО КРЕДИТОВАНИЯ И КЛАССИФИКАЦИИ ФАКТОРОВ, ВЛИЯЮЩИХ НА ОСОБЕННОСТИ ПОЛУЧЕНИЯ КРЕДИТОВ //Экономика и образование. – 2022. – Т. 23. – №. 4. – С. 92-96.
10. Смит, Дж. (2021). «Международные денежные потоки: обзор». Журнал международной экономики, 45(2), 231-254.
11. Каримова А. М. АНАЛИЗ И ТРАНСФОРМАЦИЯ ФИНАНСОВОГО РЫНКА БАНКОВСКИХ УСЛУГ В НОВОМ УЗБЕКИСТ //Архив научных исследований. – 2022. – Т. 2. – №. 1.
12. Джонс, АВ (2020). «Нормативно-правовая база и контроль за движением капитала: сравнительное исследование». Международный журнал монетарной экономики, 32(1), 89-112.
13. Каримова А. Совершенствование банковского кредитования инновационного развития предприятий сферы туризма //Экономика и образование. – 2021. – №. 4. – С. 59-65.
14. Davronovich N. Z. INCREASE THE EFFECTIVENESS OF USING A VEIN //World Economics and Finance Bulletin. – 2022. – Т. 7. – С. 23-26.
15. Улугбек кизи, . М. Г., & Махомадризоевна, К. А. (2023). БАНКОВСКАЯ СИСТЕМА УЗБЕКИСТАНА И ЕЕ РОЛЬ В РЫНОЧНОЙ ЭКОНОМИКЕ. Scientific Impulse, 1(6), 796–798. Retrieved from http://nauchniyimpuls.ru/index.php/ni/article/view/4547
16. Mahomadrizoevna K. A. FEATURES OF BANK LENDING TO SUBJECTS OF THE TOURISM SERVICES SECTOR AND THEIR IMPACT ON THE ORGANIZATION OF THE LENDING PROCESS //GWALIOR MANAGEMENT ACADEMY. – Т. 25. – С. 8.
17. Ziyadullayevich X. H. TURISTIK KORXONALARNI TIJORAT BANKLARI ORQALI QO‘LLAB QUVVATLASHNI TAKOMILLASHTIRISH //UMUMINSONIY VA MILLIY QADRIYATLAR: TIL, TA’LIM VA MADANIYAT. – 2022. – Т. 1. – С. 152-155.
18. Каримова А. . (2023). ФИНАНСОВО-КРЕДИТНАЯ ПОДДЕРЖКА ИННОВАЦИОННО-РАЗВИВАЮЩИХСЯ ПРЕДПРИЯТИЙ СФЕРЫ ТУРИСТИЧЕСКИХ УСЛУГ. International Journal of Economics and Innovative Technologies, 11(1), 409–417. https://doi.org/10.55439/EIT/vol11_iss1/a44
19. Zuhur N. et al. TRANSITION OF HIGHER EDUCATION INSTITUTIONS OF UZBEKISTAN TO A CREDIT-MODULAR SYSTEM //ResearchJet Journal of Analysis and Inventions. – 2022. – Т. 3. – №. 1. – С. 123-127.

20. Abdullaeva S., Karimova A. Credit support need for development of activities of tourism enterprises //Journal of Advanced Research in Dynamical and Control Systems. – 2020. – Т. 12. – №. 2. – С. 2855-2862.Amriddinovich B. A. Features of api services in the implementation of transformational processes in the activities of commercial banks //World Economics and Finance Bulletin. – 2022. – Т. 7. – С. 27-31.
21. Karimova A. M. SOURCES OF FINANCIAL AND CREDIT SUPPORT AND FACTORS HINDERING THE DEVELOPMENT OF TOURISM ENTERPRISES //Thematics Journal of Business Management. – 2021. – Т. 10. – №. 7.
22. Niyozov Z. D. et al. The introduction of innovations in the sphere of provision of services of Uzbekistan in the conditions of transition to digital economy //International Scientific and Practical Conference" Innovative ideas of modern youth in science and education. – 2019. – С. 376-378.
23. Ziyadullayevich X. H. Analysis of Financial Stability of Commercial Banks and Influenced Factors //Miasto Przyszłości. – 2022. – Т. 29. – С. 239-241.
24. Отчет о денежных переводах и развитии за 2022 год. Всемирный банк.