

## **ABSTRACTS**

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### **PRAGMATISTS OF APPLYING METHODS OF INVESTMENT PROJECT APPRAISAL IN UKRAINIAN REALITIES**

The measure of justification of investment decisions taken depends on the applied methods for investment project appraisal and, ultimately, the financial results of the entity. Any companies, local and state authorities, international organizations and institutions faced investment decisions. On the other hand, there are some pragmatic aspects of different methods of investment project appraisal using which the realities of the Ukrainian economy should be taken into account.

The characteristics of static and dynamic methods of investment project appraisal vary. Both groups are applied in practice, but using dynamic methods is more practicable than the static ones. The special attention should be paid to the determining of the discount rate for the project cash flows and value of equity for the classical approach and for the current situation in the country. The investigation results showed the impossibility of carrying on the practice of developed countries for the Ukrainian realities and determination of a discount rate in a way which is appropriate for countries with the stable economies. The application of dynamic methods of investment project appraisal have been substantiated using a discount rate equal to the average rate of return of available alternative investment at least to keep capital investment and save business value. Besides, the dynamic methods which are based on the compounding and using different rates for the inflows and outflows could be applied.