

## PORTFOLIO INVESTMENTS IN THE MODERN WORLD: AN EMPIRICAL REVIEW OF HYPOTHESES

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Contemporary international portfolio investment research is mainly focused on exploring their scope, scale and trends. There are also works that are designed to counterbalance FDI and portfolio investment in terms of their impact on recipient and investor countries. Summarizing the findings in these and other studies, several hypotheses can be identified that relate to portfolio investment with the scale and level of country development, as well as economic growth.

The article is devoted to empirical testing of common hypotheses regarding determining the status of the country (recipient or investor), depending on the size of the economy and the degree of its development and assessment of the impact of portfolio investments on the dynamics of the country's GDP. The analysis, based on the data of the World Bank for the last 19 years, did not find empirical confirmation of the hypothesis about the dependence of the size and directions of portfolio investments on the size and level of economic development. Developed countries are roughly the same proportion of recipient and investor leaders. This suggests that belonging to a particular group is determined by the economic model chosen by a particular country. It can also be assumed that net portfolio investment is to some extent influenced by the country's balance of payments. However, this provision requires additional argumentation and empirical validation, which may be the purpose of future research.

For a number of countries, there is a significant correlation between net portfolio investment and economic growth. More often, this relationship has an inverse relationship for the current year. At the same time, cases and direct dependencies were detected (especially with the shift of economic growth by one year). Such multivariate dependencies can be explained by the multifactorial interplay of investment and economic growth. A number of factors have the opposite direction of influence. Since they all act simultaneously, the actual direction of the relationship between the studied indicators will be determined by the ratio of the power of these factors.

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