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THE DEVELOPMENT AND FUTURE PROSPECTS OF THE TASHKENT STOCK EXCHANGE

Bachelor Thesis

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I have written this Bachelor Thesis independently. Any ideas or data taken from other authors or other sources have been fully referenced.

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Introduction

Stock exchanges play a vital role in modern economies by connecting capital seekers with investors and facilitating the efficient allocation of resources across sectors (Demirgüç-Kunt & Levine, 1996). These regulated institutions enable companies to raise funds for growth and expansion while providing investors with opportunities to participate in economic development. The importance of well-functioning stock exchanges goes beyond individual transactions. They serve as indicators of economic health, drivers of corporate governance norms, and facilitators for financial market development (Levine, 2005). Research repeatedly shows a beneficial association between stock exchange development and economic growth (Atje & Jovanovic, 1993; Caporale et al., 2004; Levine & Zervos, 1998).

The Tashkent Stock Exchange, founded in 1994 as part of Uzbekistan's post-Soviet transition toward a market economy, has operated for three decades under conditions that were structurally unfavorable to equity market development. Until 2016, restrictions on cross-border capital flows, currency inconvertibility, high state ownership in listed firms, and weak investor protection collectively suppressed both domestic and foreign participation, limiting the role of the exchange within the country's financial system (Khalikov, 2016). The reform agenda launched under President Shavkat Mirziyoyev in 2016 marked a structural break in the exchange's history. It introduced a comprehensive reform agenda of financial sector liberalization, privatization, and capital market development, significantly altering the institutional environment in which the exchange operates (Tsereteli, 2018; World Bank, 2024). These developments have positioned the TSE at what may be a genuine inflection point in its history.

Despite this reform momentum, academic research on the Tashkent Stock Exchange remains limited in both scope and methodology. Existing studies rely predominantly on aggregate secondary data and document historical trends, leaving unanswered the question of how market participants themselves understand the exchange's prospects and what institutional conditions they identify as the binding constraints on its development (Alimov & Mukhamedov, 2021; Khalikov, 2016; Mukhitdinova, 2025). This gap defines the contribution of this thesis. As Uzbekistan continues to advance its reform agenda, identifying the factors likely to shape the TSE's future development becomes increasingly important.

The aim of this bachelor’s thesis is to map the future prospects of the Tashkent Stock Exchange. In this context, mapping refers to identifying the key opportunities and structural constraints shaping the exchange's development and providing a qualitatively grounded, forward-looking assessment of its future prospects. When examining the prospects of the Tashkent Stock Exchange, the author relies on interviews with professionals directly involved in Uzbekistan's capital market and financial sector, employing a qualitative method. The results of this thesis will be primarily useful to the Tashkent Stock Exchange and relevant government bodies, as these institutions can most directly influence the exchange's development. Additionally, the findings may be of interest to current and potential issuers, investors, and other market participants. To achieve this aim, the author formulated the following research tasks:

- to discuss the roles and functions of stock exchanges in emerging markets;
- to clarify the main determinants and indicators of stock exchange development;
- to provide an overview of previous studies on stock exchange development in Central Asia;
- to prepare and conduct interviews with selected experts;
- to present the empirical findings from the expert interviews by key themes;
- to interpret the empirical results in relation to the theoretical framework.

The thesis comprises two chapters: a theoretical and an empirical. The first, theoretical chapter examines the roles and functions of stock exchanges in a country's economic system and their significance for economic development. It also presents the key indicators and determinants of stock exchange development in emerging markets. Furthermore, the chapter reviews prior research on the evolution of stock exchanges in Central Asian economies, thereby establishing a conceptual framework for analyzing the development of the Tashkent Stock Exchange.

The second chapter, the empirical part of the thesis, provides a detailed description of the data and methodology. This is followed by the presentation of the empirical findings from the interviews, organized by key themes. The final subchapter interprets these findings in relation to the theoretical framework and discusses the future prospects of the Tashkent Stock Exchange.

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Keywords: Stock exchanges, capital market development, Tashkent Stock Exchange, financial market reform, Uzbekistan

1. Stock Exchanges in the Economy: Theoretical Foundation

1.1. Role and Functions of Stock Exchanges in the Economy

Stock exchanges occupy an important role in modern financial systems. Beyond serving as marketplaces for buying and selling securities, they act as institutional mechanisms through which capital is allocated, corporate behavior is disciplined, and economic expectations are communicated (Levine, 1997; Merton & Bodie, 1995). More recent contributions reinforce this view by emphasizing the role of capital markets in supporting private sector financing, particularly in economies where bank-based intermediation alone is insufficient to sustain long-term growth (Meh & Schmukler, 2025). Understanding what stock exchanges do and why they matter is, therefore, a necessary starting point for this thesis. This is particularly relevant in transition economies, where the conditions required for effective equity market functioning cannot be taken for granted. This subchapter begins by providing an understanding of stock exchanges, distinguishes between their broader economic roles and specific operational functions, and examines the conditions under which these functions contribute to economic development.

In its most basic sense, a stock exchange is an organized and regulated marketplace in which standardized financial instruments, primarily equities, but also bonds and derivatives in many jurisdictions, are bought and sold (Merriam-Webster, n.d.). However, this description captures only the surface of what stock exchanges represent. A more critical approach, advanced by Merton and Bodie (1995), defines financial institutions by the financial functions they perform rather than by their organizational form, emphasizing that institutional structure is secondary to functional role within the financial system.

Viewed this way, a stock exchange is an institution that addresses several fundamental challenges. As Levine (1997) argues, financial markets perform functions that reduce the costs of acquiring information, enforcing contracts, and executing transactions, and in doing so, they shape incentives and resource allocation across the broader economy. A useful starting point, adopted in this thesis, is to distinguish between the roles and functions of stock exchanges. In the author’s view, roles refer to the broader economic significance of exchanges, namely the reasons they matter at the level of the financial system and national economy. Functions, by contrast, refer to the specific operational mechanisms through which those roles are fulfilled. This distinction structures the discussion that follows.

The literature offers varying perspectives on the roles of stock exchanges, depending on the study’s focus. While different authors emphasize different aspects, these contributions can be combined to capture the main economic significance of stock exchanges coherently. The author, therefore, summarizes the key roles of stock exchanges as follows:

- supporting financial development and capital market deepening;
- mobilizing household and institutional savings toward productive investment;
- fostering corporate sector development through transparency and market discipline;
- building institutional credibility and investor confidence in the financial system;
- providing macroeconomic signals about economic expectations and business conditions.

At the broadest level, stock exchanges play a structural role in financial development, which constitutes the first core role. The foundational literature originating with Goldsmith (1969) and extended by McKinnon (1973) and Shaw (1973) established that the depth and efficiency of a country's financial system are positively associated with long-run economic growth. Levine and Zervos (1998), in a widely cited cross-country study, demonstrated that stock market liquidity is a strong predictor of future GDP growth, capital accumulation, and productivity improvements, even after accounting for the level of banking-sector development. More recently, Cihak et al. (2012) confirm that both the depth and efficiency of equity markets remain important drivers of economic growth, with effects particularly pronounced in middle-income countries at early stages of capital market development. Taken together, these studies suggest that while banking development may precede and enable equity market growth in early stages, equity markets should ultimately be viewed as an equally important component of financial development rather than merely a complement to banks.

A second role is mobilizing household and institutional savings. In economies where bank deposits dominate, a large share of savings does not reach the productive corporate sector. Stock exchanges expand the range of investment instruments available to individuals, institutional investors, pension funds, and insurance companies, enabling savings to be directed toward equity. Greenwood and Jovanovic (1990) formalize this argument by showing that financial intermediation improves the average quality of investment through more efficient pooling and allocation of savings. In emerging countries, the development of domestic capital markets reduces dependence on external financing and strengthens domestic savings-to-investment channels (International Monetary Fund, 2023).

The third role is supporting the development of the corporate sector. Public listing may change the incentive structure facing a firm, as mandatory disclosure, regulatory oversight, and continuous market evaluation push management toward greater accountability regardless of ownership concentration. Financial accounting information produced under listing requirements improves the efficiency of corporate investment decisions and reduces information asymmetries between managers and outside investors, suggesting that the disciplining effect of public markets extends beyond the immediate shareholder relationship (Bushman & Smith, 2001). In this sense, stock exchanges can raise governance standards across the broader economy, not only within listed firms. Claessens and Yurtoglu (2013) document a similar effect, showing that stronger corporate governance standards introduced alongside stock market development are associated with improved firm-level efficiency and lower financing costs.

The fourth role is contribution to institutional credibility and investor confidence. A well-regulated exchange with clear listing standards, reliable settlement infrastructure, and consistent enforcement of disclosure rules signals to both domestic and foreign investors that a country's financial institutions can protect property rights. La Porta et al. (1997) demonstrate that investor protection under national legal systems is a primary determinant of capital market depth. More recent empirical evidence confirms this link, showing that stronger rule of law is positively and significantly associated with capital market development (Dima et al., 2018). Conversely, where regulatory quality remains inconsistent, the exchange's credibility may become a binding constraint on market development.

Finally, stock exchanges serve a macroeconomic signaling role. Equity prices aggregate the expectations of many market participants about future economic conditions and corporate performance, making stock indices widely used as leading indicators of business cycle fluctuations (Barro, 1990). This role, however, is conditional on market depth and the diversity of investor participation. In frontier markets dominated by a small number of firms, index movements may reflect sector-specific dynamics or the activity of a few dominant investors rather than broader economic trends, substantially limiting their macroeconomic informativeness (Yartey, 2008).

Having established the broader economic roles of stock exchanges, the discussion now turns to the specific mechanisms through which these roles are fulfilled. This thesis identifies five operational functions through which stock exchanges fulfill their broader economic roles: price discovery, liquidity provision, capital mobilization, corporate governance, and risk diversification. Each operates through a distinct channel and is subject to institutional and market conditions that affect its practical effectiveness, particularly in emerging and transition economy contexts. Table 1 below summarizes these functions and their key constraints.

Table 1

Core functions of stock exchanges and their functional gaps in emerging markets

Function	Mechanism of operation	Functional gaps in emerging markets
Price discovery	Aggregates dispersed private information into observable market prices	Thin trading and narrow investor base reduce informational efficiency of prices
Liquidity provision	Enables securities to be traded quickly at low cost without large price impacts	Episodic trading, wide bid–ask spreads, and structural illiquidity increase cost of capital
Capital mobilization	Channels household savings into productive corporate investment through equity issuance	Weak investor trust, poor disclosure enforcement, and underdeveloped institutional investor base
Corporate governance	Market discipline aligns managerial incentives with shareholder interests	Concentrated ownership, state influence, and weak minority shareholder protection
Risk diversification	Enables portfolio construction across firms to reduce idiosyncratic risk	Sectoral concentration, thin trading, concentration risk premium offsets participation benefits

Source: Compiled by the author based on Fama (1970), Levine and Zervos (1998), Jensen and Meckling (1976), La Porta et al. (1997, 1998), Amihud and Mendelson (1986), Markowitz (1952), King and Levine (1993), and Bekaert et al. (2005).

Price discovery is the process through which trading activity aggregates dispersed private information into observable market prices. The theoretical basis for this function is Fama's (1970) Efficient Market Hypothesis, which holds that in a competitive market with low information barriers, security prices reflect available information. Even in its semi-strong form, this hypothesis implies that prices provide meaningful signals about firm value and expected performance, enabling more informed investment and resource allocation decisions. Building on this foundation, market microstructure theory shows that the efficiency of price discovery depends critically on liquidity conditions and the presence of diverse informed traders (Hasbrouck, 1995; O'Hara, 2008). In markets where these conditions are less developed, trading activity tends to be limited, and price formation may rely on a narrower set of participants. As a result, prices may incorporate information less efficiently, weakening their ability to reflect underlying economic conditions.

Liquidity provision refers to the ability to buy or sell securities rapidly and at a predictable cost, without causing large price movements. Greater liquidity attracts lower required returns, effectively reducing firms' cost of equity capital (Amihud & Mendelson, 1986). Liquid equity markets also allow investors to sell their shares easily without affecting firms' long-term financing, helping to balance investors' need for flexibility with firms' need for stable, long-term capital (Levine, 1991). Empirical evidence shows that illiquidity is associated with higher equity capital costs, underscoring the importance of market quality for access to finance (Belkhir et al., 2020). These findings suggest that illiquidity is associated with higher financing costs and reduced trading efficiency, and therefore tends to represent a structural constraint in less developed exchanges.

Capital mobilization is the most directly observable function of a stock exchange. By enabling firms to issue equity to a broad investor base through IPOs and SPOs, exchanges channel savings into productive corporate investment and expand financing options for firms. King and Levine (1993) connect this to Schumpeterian growth theory, arguing that financial intermediation accelerates growth by identifying and financing the most innovative and productive enterprises. Equity market liberalization significantly increases per capita GDP growth, partly through improved capital allocation (Bekaert et al., 2005). The effectiveness of capital mobilization depends critically on investor trust, the quality and enforcement of financial disclosure, and the depth of domestic institutional investors (World Bank, 2019). The OECD (2025) illustrates this constraint in African markets, where underdeveloped pension and insurance sectors limit long-term equity demand; insurance penetration is around half the global average, and pension assets remain small relative to GDP, with portfolios heavily concentrated in government securities rather than equities. These patterns are characteristic of many frontier markets, where institutional investors are not yet able to provide stable, long-term demand for equity financing.

Corporate governance through equity markets reduces agency costs arising from the separation of ownership and management in publicly listed firms. Managers may pursue private objectives at shareholders' expense; therefore, market-based mechanisms such as share-price-linked compensation, the threat of a hostile takeover for underperforming firms, and the activism of institutional investors can serve as tools for aligning managerial incentives (Jensen & Meckling, 1976). La Porta et al. (1998) demonstrated that the strength of minority shareholder protections under national law is a primary determinant of stock market depth, as investors discount the risk of expropriation in legal environments with weak enforcement. In transition economies where a significant share of listed companies remain majority state-owned, these mechanisms could be limited, as management accountability runs through political rather than market channels regardless of formal legal protections. Private benefits of control are significantly larger in countries with weaker legal enforcement and less developed capital markets, suggesting that the corporate governance function of equity markets is precisely where institutional conditions have the most binding effect on market development (Dyck & Zingales, 2002).

Risk diversification enables investors to reduce idiosyncratic risk by constructing portfolios across firms and sectors. Markowitz (1952) established the mathematical logic of diversification, and Obstfeld (1994) extended the argument, showing that cross-border portfolio investment enables countries to share macroeconomic risk and smooth consumption. Frontier markets, due to their low integration with global equity markets, can offer international investors diversification benefits because they are less connected to global markets (Berger et al., 2011). However, the risk-reduction potential of frontier equities can be constrained by domestic market structure. Listings in many emerging exchanges are concentrated in a narrow range of sectors, while thin trading and low liquidity limit the feasibility of constructing well-diversified portfolios (Yartey & Adjasi, 2007). Under these conditions, the theoretical benefits of diversification are only partially realized. As a result, investors demand a higher risk premium to compensate for residual concentration risk, which increases the cost of capital for listed firms (Bekaert et al., 2005).

These constraints suggest that the theoretical benefits of stock exchanges are not automatically realized in emerging markets. Singh (1997) raises a more fundamental concern, questioning whether adopting Anglo-American equity market models in economies with different ownership traditions and limited institutional capacity may introduce speculative volatility without delivering comparable growth benefits. More recently, Eshun and Tweneboah (2024) find that the positive effect of stock market development on economic growth only materializes above a minimum institutional quality threshold, below which governance weaknesses prevent financial markets from translating into measurable growth.

This subchapter has developed a framework for understanding stock exchanges by distinguishing between their broader economic roles and the functions through which they perform these roles. The realization of these roles depends on the effectiveness of the underlying functions, which, in turn, are shaped by specific institutional conditions. This conditional relationship forms the basis for the empirical analysis.

1.2. Determinants and Indicators of Stock Exchange Development

The previous subchapter established what stock exchanges do and why their development matters for the broader economy. A natural extension of that discussion is to ask what determines whether a stock exchange develops successfully. Some exchanges grow into deep, liquid, and internationally integrated markets, while others remain structurally thin for decades. Understanding the forces that shape this variation is essential for any assessment of a specific exchange. This subchapter, therefore, addresses two related questions: what determines stock exchange development, and how is that development measured? The first is addressed through an adapted PESTLE framework that maps the preconditions for market development across political, economic, social, technological, legal, and environmental dimensions, and is particularly useful for comparative analysis across countries at different stages of institutional development. The second is addressed through a review of the key quantitative indicators used to capture market size, liquidity, breadth, and international integration. The six PESTLE determinants and their relationship to stock exchange development and economic outcomes are illustrated in Figure 1, following the framework originally developed by Aguilar (1967).

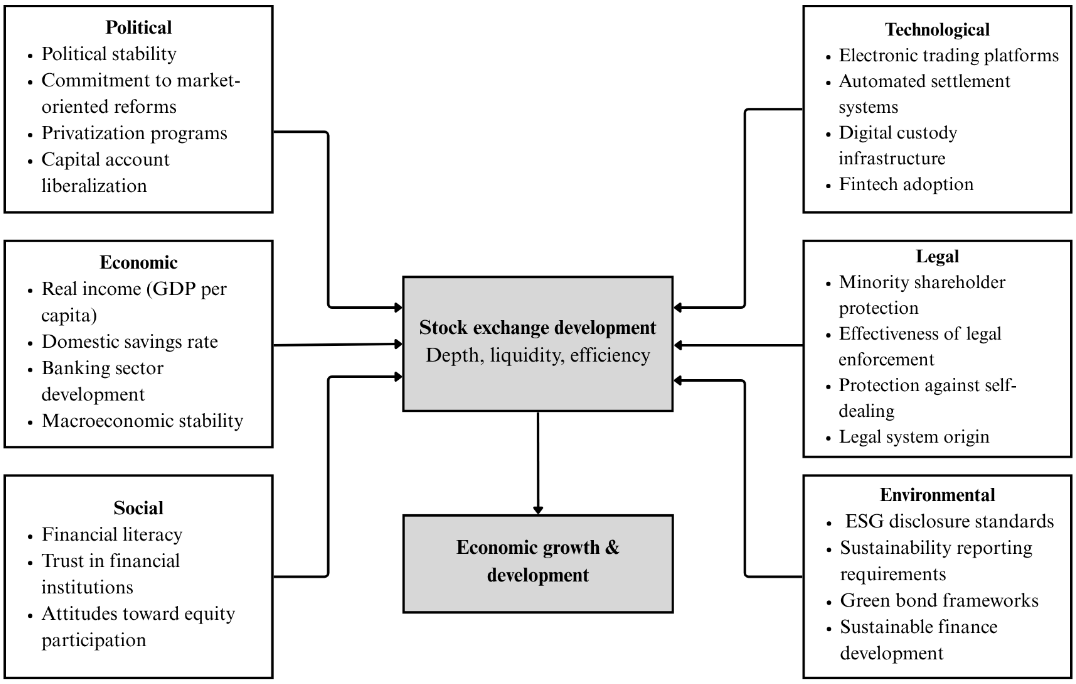

Figure 1. PESTLE framework-based determinants of stock exchange development
Source: compiled by the author based on Aguilar (1967)

Political determinants center on stability and reform commitment. Billmeier and Massa (2009) find that institutional reforms such as privatization, capital account liberalization, and reductions in state ownership are among the strongest predictors of equity market growth across transition economies. The EBRD (2023) reinforces this, noting that sustained privatization and credible regulatory commitment are structural prerequisites for capital market deepening. Where the state retains majority ownership of listed firms, market discipline mechanisms are weakened from the outset. This dynamic is characteristic of many post-Soviet transition economies, where privatization has been partial, and state influence over listed companies remains substantial (EBRD, 2023).

Economic determinants are among the most extensively studied in the literature. García and Liu (1999) identify real income, savings rates, and financial intermediary development as key drivers of market capitalization. Macroeconomic instability, particularly inflation volatility, consistently hinders equity market development by eroding real returns and distorting price signals (Yartey, 2008). A consistent pattern emerges of complementarity between the banking sector and stock market development. Rather than competing for the same pool of savings, a functioning banking sector builds the credit infrastructure and informational environment that equity markets subsequently rely on (World Bank, 2019). In transition economies where banking penetration remains limited, this complementarity suggests that stock exchange development may face a compounded constraint, as the institutional foundations on which equity markets depend are still being established.

The group of social determinants includes financial literacy, investor trust, and attitudes toward equity participation. Financial literacy is a key channel through which social factors influence stock market development, as individuals with higher financial knowledge are more likely to participate in equity markets (Lusardi, 2019). This suggests that legal and regulatory reforms alone are insufficient to build a broad investor base. Cross-country evidence from the OECD/INFE (2020) survey confirms substantial disparities in financial literacy, with transition and lower-income economies exhibiting significantly weaker outcomes. Investor trust is another important determinant of participation. Greater generalized trust reduces transaction costs and supports financial market activity, while low trust, often shaped by past financial crises or negative investor experiences, can suppress participation over long periods (Zak & Knack, 2001). In economies with relatively recent financial instability, rebuilding trust represents a slow-moving constraint on market development that policy reforms alone cannot quickly resolve (Guiso et al., 2008).

The group of technological determinants includes trading infrastructure, settlement systems, and financial technology developments that affect the efficiency and accessibility of stock exchanges. Gomber et al. (2018) show that the shift to electronic trading in emerging markets improves liquidity and price discovery. More recently, fintech innovations such as mobile brokerage platforms, digital onboarding systems, and algorithmic trading have reduced barriers to entry and expanded the potential investor base, particularly in markets with limited traditional financial infrastructure. Philippon (2019) notes that these developments are especially relevant for emerging and frontier markets, where financial participation remains below potential. However, technology is not unambiguously beneficial. In shallow markets, algorithmic trading may amplify volatility, and digital access without financial literacy could lead inexperienced retail investors to risks they are unable to properly assess.

Legal determinants are among the most consistently identified drivers of stock market development in the empirical literature. La Porta et al. (1998) show that stronger minority shareholder protections are associated with larger, more liquid, and more diversified equity markets, and that common law jurisdictions tend to outperform civil law systems. Djankov et al. (2008), extending the investor protection framework, find that stronger safeguards against self-dealing are linked to higher stock market capitalization and trading activity. Overall, these findings indicate that the legal framework is not merely a background condition but a key determinant of market depth and liquidity. For transition economies operating under civil law traditions and still developing enforcement capacity, this suggests that market-level reforms alone may be insufficient without parallel strengthening of the broader legal system.

Environmental determinants of stock exchange development include ESG standards, sustainability disclosure, and broader ecological considerations that increasingly shape access to international institutional capital. Sustainable investment reached about USD 35.3 trillion in 2020, or around 36 percent of globally managed assets (Global Sustainable Investment Alliance, 2020), making ESG integration an important factor in capital allocation decisions. Exchanges that implement ESG listing requirements and sustainability indices tend to attract higher institutional investor participation (Boffo & Patalano, 2020). For transition economies, alignment with international ESG standards can support both domestic sustainability objectives and market attractiveness to foreign investors. However, ESG disclosure requirements also impose compliance costs, which may be difficult for smaller exchanges with limited regulatory capacity, meaning the environmental determinant can act as both an opportunity and a constraint depending on a market's stage of development.

Across the six determinant groups, a common pattern emerges that is particularly relevant for transition economies. The determinants are interdependent: weak legal enforcement limits the governance effects of listing, low financial literacy constrains the investor base needed for liquidity, and incomplete privatization reduces the effectiveness of market discipline. While all six groups shape market development, political and legal conditions often act as the most binding constraints in the early stages of capital market development, as they define the institutional environment within which economic, social, technological, and environmental factors operate (Billmeier & Massa, 2009; La Porta et al., 1998). Having established the determinants of stock exchange development, the discussion turns to its measurement. The literature identifies a set of indicators capturing market size, activity, liquidity, breadth, international integration, and structure.

The measurement of stock exchange development has been most influentially systematized by Demirgüç-Kunt and Levine (1996), who distinguish between indicators of market size, activity, and efficiency. This framework has been widely adopted and extended in subsequent empirical work. It serves as the basis for the World Bank's Global Financial Development Database, which compiles annual data for more than 200 countries across over 100 financial development indicators and serves as a key reference for cross-country empirical research on capital market development (World Bank, n.d.). However, for frontier markets, data availability within the GFDD is limited, which constrains its direct application in empirical analysis and necessitates the use of alternative data sources.

No single indicator can fully capture the development of a stock exchange. Each measure reflects a different aspect of market functioning and comes with its own interpretation challenges. This is especially important in transition economies, where formal market structures may exist without active trading, broad investor participation, or efficient capital allocation. Under such conditions, indicators such as market capitalization may create an overly optimistic impression of market development. Another difficulty is that different indicators do not always move in the same direction. Market capitalization may increase while liquidity and investor participation remain weak. Similarly, the number of listed companies may rise without a corresponding increase in trading activity or capital raising. As a result, aggregate assessments of stock exchange development can be misleading if individual indicators are interpreted in isolation.

Among the available measures, liquidity indicators are often considered the most informative. Levine and Zervos (1998) show that the turnover ratio, rather than market capitalization, is the strongest predictor of future economic growth. This suggests that the ability to trade securities efficiently may be more important than market size alone. Liquidity measures, therefore, deserve particular attention when evaluating stock exchange development. Size-based indicators are especially difficult to interpret. A small number of large state-affiliated firms may inflate market capitalization figures without reflecting genuine market activity or broad private sector participation. The number of listed companies presents a similar limitation, since many firms may remain inactive, rarely traded, or formally listed without making meaningful use of the market for capital raising. Taken together, these considerations suggest that stock exchange development should be assessed through a combination of indicators rather than a single measure. Table 2 summarizes the main indicators and the challenges associated with their interpretation in emerging market contexts.

Table 2

Key indicators of stock exchange development and their applicability issues in emerging markets

Indicator	Characteristic of a stock exchange	Applicability issues in emerging markets
Market capitalization / GDP	Size of the equity market relative to the economy	Inflated by a few large state-owned firms; does not reflect market accessibility or trading activity
Value traded / GDP	Trading activity relative to economic output	Sensitive to speculative bursts; may overstate sustained liquidity
Value traded / Market capitalization	Liquidity independent of market size	Very low in frontier markets; high ratios may reflect speculative concentration
Number of listed companies	Breadth of the issuer base	Misleading when dominated by state-affiliated or inactive listings
Share of foreign portfolio investment	Degree of international integration	Volatile; often concentrated among a few institutional investors
Concentration ratio (top 5 stocks as % of total cap)	Degree of market diversification across issuers and sectors	High sectoral concentration is typical in frontier markets, distorting other indicators

Source: compiled by the author based on Demirgüç-Kunt and Levine (1996), World Bank Global Financial Development Database (2023), and Levine and Zervos (1998).

This subchapter has shown that stock exchange development is shaped by a multidimensional set of PESTLE determinants that interact in a mutually reinforcing manner rather than operating in isolation. It has also demonstrated that no single indicator is sufficient to capture market development, which instead requires a combination of measures reflecting size, liquidity, breadth, efficiency, and international integration. The framework developed here, therefore, serves as the foundation for the empirical examination of the Tashkent Stock Exchange, where it is applied to assess its current stage of development and identify key structural constraints.

1.3. Previous Studies on the Development of Central Asian Stock Exchanges

The purpose of this subchapter is to examine the existing literature on stock exchange development, with particular attention to empirical studies focused on Uzbekistan and the broader Central Asian region. The review identifies the main methodological approaches and findings of prior research and highlights the gaps that this thesis seeks to address. Central Asia has received limited attention in the financial development literature, appearing only marginally within comparative cross-country datasets and global financial development surveys (Poghosyan, 2022).

Within Central Asia, Kazakhstan's stock exchanges have received greater academic attention due to the relative depth and institutional development of the Kazakhstan Stock Exchange (KASE) and the establishment of the Astana International Exchange (AIX). By contrast, Uzbekistan's stock exchange has remained considerably less studied despite the country's growing policy focus on capital market development. The difference in research coverage between the stock exchanges of Kazakhstan and Uzbekistan is particularly notable given the scale of reforms launched under President Shavkat Mirziyoyev in 2016, which introduced a broad program of financial-sector and capital-market liberalization (Tsereteli, 2018). The five studies selected represent the most directly relevant body of published research available. Together, they span the period from the early 2000s to 2025, covering the full journey of Uzbekistan's stock market history from post-Soviet stagnation to the current reform era.

The methodological approaches used across five selected studies are largely similar. Khalikov (2016) and Nurasheva et al. (2020) use descriptive and comparative frameworks based on aggregate international data from sources such as the IMF, World Bank, and World Economic Forum. Alimov and Mukhamedov (2021) and Akanayeva (2024) apply regression analysis to examine the relationship between stock market indicators and macroeconomic outcomes, particularly GDP growth. Mukhitdinova (2025) analyzes national statistical data from Uzbekistan and compares it with that of the United States and China. Across all five studies, the common feature is a reliance on aggregate secondary data and quantitative indicators. While this enables cross-country comparison and statistical testing, it limits the ability to capture institutional factors such as enforcement quality, investor behavior, and governance norms that are central to capital market development in transition economies. A structured overview of each study is presented in Table 3.

Table 3

Overview of previous studies on Central Asian stock exchanges

Study	Region and Period	Main Findings
Khalikov (2016)	Uzbekistan, Kazakhstan, Russia 2000–2015	● State dominance and currency restrictions prevented meaningful market development in Uzbekistan ● Kazakhstan substantially outperformed Uzbekistan and other regional peers ● Privatization alone proved insufficient to catalyze market growth
Nurasheva et al. (2020)	Central Asia Up to 2019	● Central Asian markets rank among the world's least financially developed; even Kazakhstan remains well below international standards ● The absence of institutional investor demand is the key structural barrier to regional market deepening
Alimov & Mukhamedov (2021)	Uzbekistan 2016–2019	● Post-2016 reforms produced early positive market signals and a measurable link to economic growth ● Institutional gaps in legal, regulatory, and market infrastructure constrain the sustainability of these gains
Akanayeva (2024)	Kazakhstan Up to 2022	● Stock market development contributes positively to growth but remains secondary to macroeconomic drivers, particularly commodity dependence ● The market's structural role in capital allocation is limited
Mukhitdinova (2025)	Uzbekistan 2022–2025	● Market indicators improved significantly over the period, but investor participation and capital-raising activity remain limited ● Formal market expansion has not yet translated into substantive market depth

Source: compiled by the author

The indicators used across the five studies are broadly consistent with the established financial development literature. Market capitalization as a share of GDP is the most used measure of stock market size, while trading volume is used as a proxy for liquidity and market activity. The number of listed companies captures market breadth, and IPO and issuance data, particularly in Mukhitdinova (2025), reflect the supply-side dimension of market development. Khalikov (2016) and Nurasheva et al. (2020) additionally use investment climate indices and global competitiveness rankings to capture the institutional environment of stock market activity.

Studies focused on Uzbekistan converge on a consistent set of findings across different time periods and methodological approaches. Across the literature, three core conclusions emerge. First, the pre-reform period is characterized by structural underdevelopment of the stock market. Khalikov (2016) shows that between 2000 and 2015, Uzbekistan's market remained significantly less developed than regional peers, constrained by currency inconvertibility, restrictions on ownership transfer, and the dominance of state-controlled enterprises, which collectively limited both foreign participation and secondary market activity. As a result, privatization did not translate into meaningful market deepening during this period. Second, studies of the early reform period find that improvements in market indicators did not translate into qualitative market development, as underlying institutional weaknesses remained unaddressed. Alimov and Mukhamedov (2021) find a positive statistical relationship between stock market development and economic growth in the post-2016 period, but argue that sustaining this effect requires deeper institutional reforms, including stronger investor protection, improved disclosure standards, and more effective market supervision. The study highlights that improvements in indicators do not automatically reflect qualitative market development. Third, the most recent evidence shows rapid growth in indicators, but this has not been accompanied by meaningful improvements in market depth or investor participation. Mukhitdinova (2025) documents increases in trading volume and market capitalization, alongside a rise in IPO activity after 2023. However, the scale of capital raised remains limited, as illustrated by the significantly undersubscribed UzAuto Motors IPO. The study, therefore, highlights a persistent gap between formal market expansion and actual investor participation.

The regional comparative literature, though limited in volume, provides an important benchmark for evaluating Uzbekistan's trajectory. Nurasheva et al. (2020) present the most systematic assessment of Central Asian financial market development, finding that all five countries rank among the least competitive globally. Even Kazakhstan, the most developed market in the region, ranked 114th in the World Economic Forum's financial market competitiveness index at the time of the study. Other regional markets remain significantly underdeveloped, with Tajikistan and Turkmenistan lacking functioning stock exchanges, and Kyrgyzstan operating at minimal levels. While Kazakhstan clearly leads the region, the study also highlights persistent structural weaknesses, including low trading volumes, limited financial instruments, and a narrow domestic investor base.

Khalikov (2016) similarly identifies Kazakhstan as the leading capital market in the region, with comparative data showing a substantial gap in trading volumes and foreign investment inflows. The study attributes Kazakhstan's relative advantage to a combination of structural factors, including stronger resource-based macroeconomic capacity, deeper integration with international financial institutions, and earlier development of institutional investment mechanisms such as pension reforms, which created a stable domestic investor base. These features are identified as largely absent in Uzbekistan, where long-term institutional demand for securities remains underdeveloped.

Akanayeva (2024) finds that in Kazakhstan, stock market development has contributed positively to economic growth, but its role in capital allocation remains limited relative to other financial channels. This pattern suggests that for the Tashkent Stock Exchange, market expansion alone is unlikely to ensure sustainable development. Stronger domestic investor participation and the mobilization of long-term savings, therefore, appear to be equally important conditions for future market development (Nurasheva et al., 2020).

Three recurring limitations constrain the conclusions that can be drawn from the existing literature. First, all five studies rely on aggregate secondary data from national exchanges, statistical agencies, and international databases. While these indicators are comparable, they do not capture microstructural dimensions such as investor composition, ownership concentration, or the extent of informed trading. Second, even recent studies remain backward-looking, describing historical trends rather than assessing reform trajectories or market expectations. The post-2017 reform process in Uzbekistan has not yet been examined through qualitative evidence capturing how market participants interpret and respond to these changes. Third, regression-based studies are limited in their ability to capture institutional factors such as enforcement quality, corporate governance norms, and investor trust, which are difficult to quantify using standard time-series methods (Berglöf & Claessens, 2006). This limitation is particularly relevant in transition economies, where gaps between formal regulatory frameworks and their practical enforcement are often significant.

Taken together, the reviewed literature consistently shows that the Tashkent Stock Exchange has remained structurally underdeveloped for most of its history, with low liquidity, dominant state ownership, limited issuance activity, and weak investor participation (Khalikov, 2016). Although post-2016 reforms have generated measurable improvements, market depth remains limited, as illustrated by weak IPO demand, such as the UzAuto

Motors listing (Mukhitdinova, 2025). Regionally, Uzbekistan continues to lag behind Kazakhstan, reflecting bigger institutional differences rather than purely legal or policy variation (Khalikov, 2016; Nurasheva et al., 2020), while even Kazakhstan's more developed market remains a secondary driver of economic growth (Akanayeva, 2024). Together, these studies highlight the limited availability of forward-looking and qualitatively grounded research on the future development of the Tashkent Stock Exchange, which this thesis seeks to address.

2. Stakeholder Perceptions and Insights: Qualitative Analysis of the Tashkent Stock Exchange

2.1. Methodology and Data

To achieve the aim of the thesis, the study adopts an exploratory qualitative research design. This approach is appropriate given the limited availability of longitudinal quantitative data for Uzbekistan's capital market and the need to examine institutional dynamics that statistical indicators alone cannot adequately capture. Exploratory qualitative research is particularly suitable for contexts where the phenomenon under investigation is complex, institutionally embedded, and under-represented in the existing literature (Creswell & Creswell, 2017). Rather than testing pre-defined hypotheses, it aims to build understanding from the experiences and knowledge of practitioners directly involved in the studied environment (Bryman, 2016).

The choice of a qualitative design over the quantitative approaches used in prior studies reviewed in Chapter 1 is substantively motivated by the nature of the research aim. The reviewed studies primarily rely on aggregate secondary indicators such as market capitalization, trading volume, and IPO activity and use descriptive or regression-based methods to examine relationships between market development and macroeconomic outcomes. While these approaches enable statistical comparison, they are limited in their ability to capture institutional factors central to capital market development in transition economies, including enforcement quality, investor trust, regulatory credibility, and political commitment to reform (Berglöf & Claessens, 2006). These dimensions remain insufficiently examined in Uzbekistan and are not easily measurable through standard time-series methods. Semi-structured expert interviews are therefore considered by the author for addressing the research aim.

The primary data collection method is semi-structured expert interviews. This method allows the researcher to work from a standardized question set while retaining the flexibility to ask follow-up questions where clarification or elaboration is needed. It is appropriate for capturing perspectives on issues such as regulatory culture, enforcement capacity, investor trust, and political commitment to reform, each of which requires contextual interpretation. By engaging experts from different market segments, the study captures diverse perspectives on the prospective development of the Tashkent Stock Exchange.

The exploratory qualitative approach offers several advantages in this context. It provides experience-based insights from practitioners with direct knowledge of the TSE and generates contextually rich evidence suited to an under-researched institutional setting. At the same time, the approach carries inherent limitations. The findings are not statistically generalizable beyond the studied context. The sample of six participants, while appropriate for expert-based qualitative research, limits the breadth of perspectives that can be represented. Additionally, social desirability bias cannot be fully excluded, as some respondents hold institutional positions that may influence how they describe reform progress (Brinkmann and Kvale, 2015). These limitations are acknowledged and taken into account in the interpretation of findings. The empirical research is conducted in several structured stages, as outlined in Figure 2.

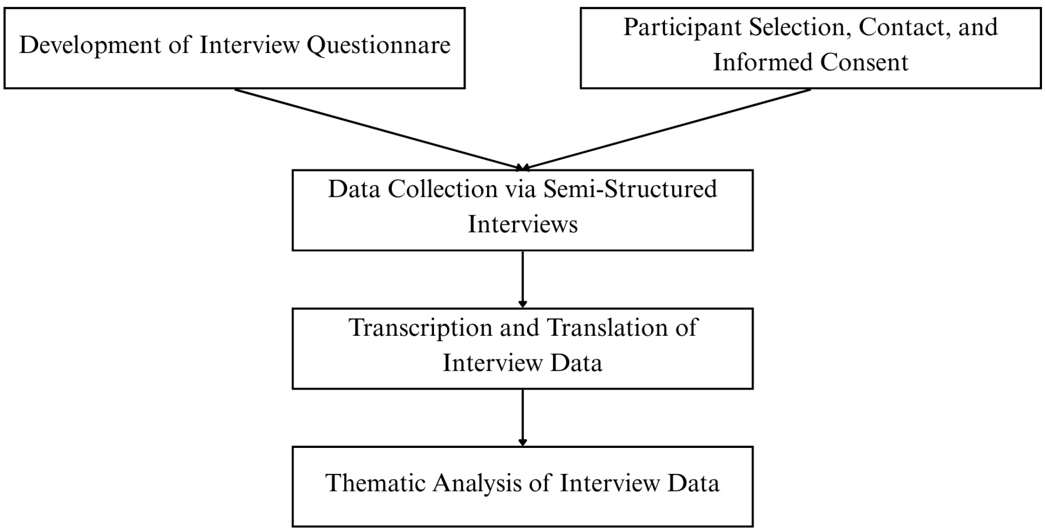

Figure 2. Empirical research process.
Source: compiled by the author

The first preparatory stage involved developing the interview questionnaire based on the theoretical framework established in Chapter 1. A single standardized set of questions was prepared and used for all respondents (see Appendix A), ensuring comparability across interviews while allowing respondents to elaborate based on their professional experience. The questions were organized around four key themes derived from the theoretical framework, each corresponding to a distinct dimension of stock exchange development. Table 4 presents the thematic structure of the questionnaire and the corresponding interview questions.

Table 4

Interview themes and corresponding questions

Theme	Interview questions
Development and current role	Q1, Q2, Q3, Q4
Regulatory framework and structural constraints	Q5, Q6
PESTLE determinants	Q7, Q8
Future prospects and strategic role	Q9, Q10, Q11, Q12

Source: compiled by the author

Participants were selected through purposive sampling, based on their professional roles, qualifications, and direct experience in Uzbekistan's capital market. Potential interviewees were approached through professional networking platforms, primarily LinkedIn, as well as via email and publicly available contact information. The selection process focused on ensuring diversity in professional backgrounds in order to capture a broader range of perspectives on the development and future prospects of the market. Informed consent was obtained from all selected participants prior to data collection, and participants were informed about the purpose of the study and the voluntary nature of their participation.

Primary data collection is based on semi-structured interviews with six capital market specialists, including senior executives of the TSE, market intermediaries, representatives of investment firms, regulators, policy experts, and corporate shareholders. All interviews were conducted online, as respondents reside and work primarily in Uzbekistan. Most interviews were conducted via Zoom, while two respondents opted to provide written responses. A pilot interview was not conducted due to the limited number of eligible experts; the standardized question set derived from the theoretical framework partially compensates for the refinement a pilot would otherwise provide. The two written responses, while substantive, offered less opportunity for further elaboration through follow-up questions due to the evident format constraints.

Table 5

Interview Participants and Data Collection Details

Participant	Occupation	Company	Date	Duration
Participant 1	Investment Consultant	Self-employed	02.02.2026	41 min
Participant 2	Mediator, Ex-chairman	Ex NAII	02.02.2026	99 min
Participant 3	Member of the supervisory board	TSE	04.02.2026	39 min
Participant 4	Managing Director	ALKES & SteerCo	14.02.2026	30 min
Participant 5	Head of Business Development	TSE	25.03.2026	written responses
Participant 6	Minister	MIIT	05.04.2026	written responses

Source: compiled by the author

The final stage involved transcribing and translating interview materials. Two participants responded in Russian, and their responses were translated into English. Initial transcription and translation were supported using TurboScribe and DeepL tools, followed by a comprehensive manual review to ensure accuracy. The author then conducted thematic analysis, organizing the analysis around key themes derived deductively from the theoretical framework, while remaining attentive to patterns that elaborated or qualified those themes (Clarke & Braun, 2017). The resulting coding tables are presented in Appendices B through E.

As the study relies on primary data obtained from human respondents, ethical safeguards were incorporated into the research design. Participation was voluntary, and informed consent was obtained from all respondents prior to the interviews, including consent for audio recording. In the case of written responses, consent was provided in written form. Respondents explicitly agreed to the disclosure of selected identifying information, limited to their names, professional roles, and institutional affiliations. Interview recordings and transcripts were stored in a secure, password-protected environment to ensure confidentiality and data integrity.

2.2. Results of Interviews

This subchapter presents the findings of the expert interviews, organized around four key themes derived from the theoretical framework: development and current role; regulatory framework and structural constraints; PESTLE determinants; and future prospects and strategic role. Table 6 provides a structured overview of the key findings, summarizing the enabling factors identified by respondents alongside the constraints and risks that continue to shape the development prospects of the Tashkent Stock Exchange across each theme. The sections that follow examine each theme in detail.

Table 6

Summary of expert interviews by key themes

Theme	Enabling factors for TSE development	Constraints and risks to TSE development
Development and current role	Post-2017 reforms increased market activity, especially via bond issuance and “People’s IPOs”. The number of transactions is increasingly used as a key activity indicator.	Low liquidity and market capitalization; dominant banking sector; limited free float; weak price discovery; absence of derivatives and ETFs.
Regulatory framework and structural constraints	Ongoing reforms, including draft capital market legislation, tax incentives for bonds, and early-stage regulatory sandbox initiatives.	High deposit rates; lack of institutional investors; weak enforcement of market rules; no self-regulatory body; low investor trust; limited professional expertise
PESTLE determinants	Strong political commitment, privatization agenda, macroeconomic growth, young population, digital platforms, and Tashkent International Financial Center (TIFC) initiatives.	High interest rates, low financial literacy, cybersecurity risks, and long-term environmental pressures (e.g., water scarcity).
Future prospects and strategic role	Conditional positive outlook; planned milestones include Uzbekistan National Investment Fund (UZNIF) dual IPO and Clearstream integration; potential regional hub role.	Dependence on political will, weak enforcement capacity, shortage of professionals, and uncertainty around the 2026 IPO pipeline.

Source: compiled by the author based on the results of interviews

Development and current role. The most consistent pattern across respondents was a shared diagnosis: the TSE has developed meaningfully since 2016, but its functional contribution to capital allocation remains limited relative to its potential. Participant 2 articulated this directly: “The role of capital markets and the Stock Exchange in particular is still very tiny…” (personal communication, February 2, 2026). Participant 4 offered a comparable characterization, noting that the exchange’s role “is still relatively minor… very secondary compared to the banking sector,” while acknowledging that “every year, new records are set” (personal communication, February 14, 2026). He also described the exchange as “first and foremost, a mirror of the capital market as a whole… simply a platform,” framing its weaknesses as reflections of broader structural conditions rather than institution-specific failures (personal communication, February 14, 2026).

This pattern, which acknowledges progress while still identifying ongoing structural limitations, is consistent with findings in the existing literature. As Mukhitdinova (2025) and Alimov and Mukhamedov (2021) both document, improvements in headline indicators do not automatically correspond to qualitative advances in market function. The respondents’ assessments appear to confirm and specify this gap for the post-2016 reform period.

Respondents consistently identified the bond market and public offerings as the most concrete areas of improvement. Participant 6 reported that total trading volume has grown from approximately USD 1.2 million at the exchange’s founding to nearly USD 1.5 billion in 2025 (written communication, April 5, 2026). Participant 2 highlighted the issuance of corporate bonds by Asakabank worth approximately one hundred million US dollars as a significant sign of market deepening. “It is the largest in terms of volume. It is a very good sign for the market,” he noted (personal communication, February 2, 2026). The three public offerings of 2023 (UzAuto Motors, Uzbektelecom, and Uzbekinvest) were identified as qualitative milestones, and Participant 5 noted that “basic functions are generally performed effectively and in accordance with current market needs” (written communication, March 25, 2026).

Against these areas of progress, liquidity provision emerged as the single most unanimously identified weakness. Participant 6 stated that “market liquidity remains our biggest challenge. Daily trading volumes aren’t yet sufficient to attract major institutional investors, and market capitalization of listed domestic companies is less than 16.4% of GDP, compared to an average level of about 44% of GDP in Germany” (written communication, April 5, 2026). The absence of derivatives and ETF instruments was identified as a further limitation. This is consistent with Levine and Zervos (1998), who show that the turnover ratio is the strongest predictor of future economic growth precisely because it captures actual trading activity rather than formal market size.

A further pattern concerned how respondents measured market activity. Respondents consistently prioritized the number of transactions over trading volume as the more meaningful indicator. Participant 3 explained: “The number of transactions actually reflects the activity of the market” (personal communication, February 4, 2026). Participant 2 reinforced this with a concrete illustration: in two bank stocks suspended due to suspected price manipulation, daily activity remained at approximately one to two hundred transactions despite the intervention, and this was sufficient to trigger a formal investigation.

Regulatory framework and structural constraints. The interviews revealed a divergence between respondents who emphasized regulatory progress and those who identified its limits. Institutional respondents with regulatory or exchange roles pointed to sustained advances: Participant 5 cited Presidential Decrees UP-254 and PP-359 as evidence that capital market development has become a state priority (written communication, March 25, 2026), and Participant 6 described the forthcoming Capital Market Law, Individual Investment Accounts with tax incentives, and tax exemptions on bond coupons as constituting a meaningful advance (written communication, April 5, 2026). Participant 4, as managing director of a private brokerage firm and therefore a direct market participant rather than a regulatory actor, similarly described the regulatory sandbox as a “global best practice” for testing regulatory approaches (personal communication, February 14, 2026). His endorsement is notable precisely because it reflects a market-side rather than an institutional perspective.

More critical assessments came from respondents with direct knowledge of the exchange’s internal operations and from those with independent backgrounds. Participant 3, a member of the TSE supervisory board, noted the sandbox’s limited practical impact due to selective participation and unclear selection criteria (personal communication, February 4, 2026). This critique carries particular weight given Participant 3’s institutional proximity to the exchange itself. Participant 2 pointed to resistance from the Central Bank, driven by concerns that capital market growth could reduce bank deposit funding, as an undisclosed constraint on reform progress (personal communication, February 2, 2026). The convergence of these critical assessments from both inside and outside the exchange’s governance structure, alongside the documented enforcement gaps in the literature, suggests the concerns are well-founded rather than peripheral.

The constraint identified with the greatest convergence across respondents, regardless of institutional position, was the absence of an institutional investor base. Participant 4 described the situation directly: “In Uzbekistan today, there are no… institutional investors who can provide long-term money. For example, pension funds. We have one state pension fund that does not invest in the securities market; it mainly puts money on deposit because deposit rates are high” (personal communication, February 14, 2026). He illustrated the resulting competitive disadvantage: “the rate for UZUM bonds, first issue, was 25% last year. You understand, in principle, that you can either deposit your money in Kapitalbank at 20% or take a risk and you will earn 5%” (personal communication, February 14, 2026). Participant 2 added that subsidized lending further reduces firms’ motivation to raise capital through the market (personal communication, February 2, 2026). These findings are consistent with Yartey’s (2008) identification of distorted relative returns as a suppressor of equity market activity in emerging economies.

On governance and enforcement, Participant 2 observed that trading suspensions for suspected price manipulation had not been followed by legal sanctions, characterizing this as a serious threat to market integrity (personal communication, February 2, 2026). Participant 3 described investor trust as “the biggest challenge” facing the exchange (personal communication, February 4, 2026), and Participant 2 proposed establishing a genuine self-regulatory organization as the most important structural reform: “It is very important when the market actually functions under the rules that are not dictated by the government” (personal communication, February 2, 2026). Taken together, these findings suggest that the binding constraint is not the formal design of regulatory frameworks, which has been improving, but the practical conditions required to activate enforcement authority (Berglöf & Claessens, 2006; La Porta et al., 1998).

PESTLE determinants. On the political dimension, the strongest convergence concerned the role of presidential commitment as the primary driver of recent progress. Participant 1 referenced direct meetings between the president and NASDAQ and BlackRock leadership as a concrete expression of political will (personal communication, February 2, 2026). Participant 2 illustrated the responsiveness of the policy process: Presidential Decree No. 254 was issued shortly after a public statement questioning the government’s commitment to capital market development (personal communication, February 2, 2026). Participant 3 linked this directly to the exchange’s trajectory: “political factor and economy, they are both the major factors which will define the development of the stock exchange” (personal communication, February 4, 2026). This is consistent with Billmeier and Massa’s

(2009) finding that sustained reform commitment is among the strongest predictors of equity market development in transition economies. At the same time, progress that depends primarily on top-down political commitment rather than institutionalized regulatory autonomy may be more vulnerable to shifts in political priorities.

On the economic dimension, respondents described a broadly supportive macroeconomic environment alongside a significant constraint. Participant 4 highlighted GDP growth of approximately 7% per year and the first appreciation of the Uzbek sum against the US dollar: “This is a very good sign that the macroeconomic situation is stabilizing” (personal communication, February 14, 2026). The privatization pipeline, centered on the UZNIF dual listing and state-owned enterprise offerings potentially amounting to approximately two billion US dollars, was described as a significant expansion in the supply of listed instruments. Against this, high deposit rates were consistently identified as the dominant constraint on the reallocation of household savings into capital market instruments. This suggests a tension in which macroeconomic strengthening, which generally supports equity market development (García & Liu, 1999), may, in the short term, also sustain the deposit rate environment that limits capital market participation.

On the social dimension, respondents drew a clear distinction between demographic opportunities and constraints on investment culture. Participant 4 described a young population with an average age of approximately 28 to 29 years, “increasingly comfortable with digital financial services and more willing to invest than their predecessors” (personal communication, February 14, 2026). Several respondents simultaneously identified a persistent financial literacy gap, particularly among the older population. Participant 1 extended this concern to foreign institutional investors unfamiliar with Uzbekistan’s emerging market profile (personal communication, February 2, 2026). These observations reflect Lusardi’s (2019) finding that financial literacy is a key determinant of equity market participation, and the OECD/INFE (2020) evidence that transition economies systematically exhibit weaker financial knowledge outcomes. Whether demographic opportunity or the literacy gap proves more significant in practice remains to be seen.

On the technological dimension, the expansion of mobile investment platforms was broadly cited as a meaningful enabler of participation. Participant 4 described the NASDAQ partnership as a vehicle for importing trading infrastructure expertise not currently available domestically, while characterizing the technological factor as “conditionally positive,” noting that current infrastructure would require deliberate modernization to support a substantially larger and more internationally connected market (personal communication, February 14, 2026). Cybersecurity risks and reliance on external technology providers were noted as emerging concerns. These findings are consistent with Gomber et al.'s (2018) evidence that the transition to electronic trading improves liquidity and price discovery in emerging markets.

On the legal dimension, Participant 6 described the establishment of the Tashkent International Financial Center, which operates under English and international law principles, as a potentially significant development, calling it a “world-class jurisdiction for financial and technological companies” (written communication, April 5, 2026). To the extent that the TIFC creates an alternative framework under common law principles, it appears to directly address the investor protection weakness identified by La Porta et al. (1998), who show that common law jurisdictions are associated with stronger minority shareholder protections and deeper capital markets than civil law systems. Environmental factors were seen as increasingly relevant but indirect, with growing interest in green bonds and ESG integration noted alongside water scarcity as a longer-term systemic risk.

Across all six PESTLE dimensions, the interview findings suggest that political will and legal reform are the principal enabling factors, while economic incentives and social trust are the main constraints. Progress in the political and legal dimensions is largely within the control of government actors, whereas constraints in the economic and social dimensions, particularly deposit rates, investor trust, and financial literacy, are slower-moving and less directly amenable to policy intervention.

Future prospects and strategic role. When asked about the near-term outlook, respondents converged on qualified optimism, with the UZNIF dual listing identified as the most consequential single event on the horizon. Participant 1 stated that its outcome would shape the next five years of development (personal communication, February 2, 2026). Participant 5 projected a path of “steady and multifaceted development” encompassing product diversification, international integration, and infrastructure upgrades (written communication, March 25, 2026). Participant 6 estimated that market capitalization could reach 20 to 25% of GDP between 2027 and 2030, alongside the emergence of a more complete institutional investor base (written communication, April 5, 2026). Each respondent viewed positive developments as dependent on resolving gaps in investor trust and participation, making the outlook conditional rather than guaranteed.

Respondents described the long-term strategy as requiring a transition beyond the current privatization-driven model toward a broader market ecosystem capable of supporting capital allocation independently of state-led privatization efforts. Participant 6 emphasized the goal of a “globally connected ecosystem linking savings, investment, and growth” (written communication, April 5, 2026). Participant 2 argued that regional hub ambitions would require Central Asian economic integration, creating a combined market of approximately 80 million people rather than reliance on Uzbekistan’s market alone (personal communication, February 2, 2026). Respondents drew consistent distinctions in stakeholder responsibility: the government was expected to enforce equal rules; the exchange was to modernize infrastructure and expand its product range; and market participants were to develop the professional expertise that three decades of limited activity had left absent. Participant 1 identified transparency as the overarching requirement: “Everything should be transparent. Every person who wants to invest, an institutional client or private individual, should have access without a problem” (personal communication, February 2, 2026).

When asked about the consequences of the exchange’s absence, respondents consistently emphasized its structural importance beyond its current limited scale. Participant 1 stressed that without a functioning exchange, the financial system could not develop effectively. Participant 3 observed: “I think the economic growth of our country, it can also take place without the stock exchange, but it will be much harder, and maybe some development will be much slower” (personal communication, February 4, 2026). Participant 6 noted that citizens would be excluded from capital allocation and privatization processes. The convergence around transparency, enforcement, and coordinated stakeholder action as prerequisites for development suggests that respondents understand future market depth as a function of institutional quality rather than formal structure alone.

2.3. Discussion of Results

The empirical findings of this study show that the Tashkent Stock Exchange is an institutionally established market that remains functionally constrained. It has operated for three decades and has shown a clear increase in activity after the 2016 reform agenda. However, its role in capital allocation, liquidity provision, and price discovery remains limited relative to its potential. At the same time, the reform period has produced real progress, and expert respondents expressed cautious optimism about the exchange's future development. This subchapter brings together these findings with the theoretical framework and prior literature and discusses the future development prospects of the Tashkent Stock Exchange.

The gap between formal market structure and functional contribution was the most common point raised in the interviews and is well supported in the literature. Khalikov

(2016) found that the exchange remained underdeveloped from 2000 to 2015, pointing to state dominance, currency restrictions, and weak secondary market activity as key structural features. Alimov and Mukhamedov (2021) noted that post-2016 reforms produced early positive signals but that improvements in headline indicators do not automatically reflect real market development. The findings of this study confirm this view. The growth of the bond market, People's IPOs, and the three public offerings in 2023 show real progress, yet the exchange still plays a smaller role in capital allocation than the banking sector. Mukhitdinova (2025) similarly found that fast growth from a low base has not translated into strong investor participation, which accurately describes the current situation.

The two most persistent constraints identified in the interviews are chronic market illiquidity and the absence of an institutional investor base. The interview evidence allows these to be specified not merely as co-occurring problems but as a self-reinforcing cycle operating through four identifiable steps. First, high deposit rates anchor household savings in bank deposits by providing a benchmark that capital market instruments cannot easily match. Second, this preference for deposits removes the retail demand that would otherwise generate secondary market activity. Third, the absence of institutional investors, particularly the state pension fund, which invests primarily in bank deposits, removes the stable, long-term demand that typically underpins secondary market liquidity. Fourth, the resulting thin trading conditions produce wide price sensitivity and episodic liquidity, further reducing the competitiveness of capital market instruments relative to deposits. As illustrated by the comparison between a 20 percent deposit rate and Uzum's bond yield that offers only a modest premium, capital market instruments do not provide sufficient risk-adjusted compensation to justify the additional uncertainty and complexity they entail. This supports Yartey's (2008) finding that distorted relative returns suppress equity market activity in emerging markets.

This mechanism may constitute a structural trap in which addressing a single component in isolation is insufficient, as the remaining factors tend to reproduce the same constraint. This finding both confirms and extends the work of Nurasheva et al. (2020), which identified weak institutional participation as a key barrier in Central Asian markets, by clarifying the mechanism through which these constraints reinforce one another. The findings further suggest that these barriers function interdependently rather than as separate, independently solvable problems. As a result, coordinated action across deposit rate policy, pension fund reform, and credible enforcement measures is likely to be more effective than addressing each dimension sequentially.

The governance dimension presents an equally fundamental challenge. Berglöf and Claessens (2006) argue that enforcement capacity is the binding constraint in transition economy capital markets because formal regulatory sophistication does not prevent harmful behavior when sanctions are absent. The TSE case confirms this pattern and adds an important specification: enforcement is constrained not because the regulatory framework lacks formal sanctioning authority, but because the institutional and political conditions required to activate that authority remain underdeveloped. The trading suspension for suspected price manipulation in two listed bank stocks, which was not followed by legal sanctions, illustrates this distinction concretely. Strengthening formal regulatory rules through the forthcoming Capital Market Law may therefore not by itself close this gap if the independence and institutional capacity of enforcement bodies are not developed in parallel. As Participant 3 noted, investor trust is "the biggest challenge," and credible enforcement appears to be the prerequisite for that trust to emerge (personal communication, February 4, 2026). This distinction between formal rule design and the institutional conditions for enforcement activation is important for reform sequencing: building enforcement capacity and independence needs to precede efforts to deepen market participation.

A significant interpretive constraint on the findings must be acknowledged. The six participants are drawn entirely from the supply and regulatory side of the market, including exchange executives, a mediator, an investment consultant, a managing director, and a government official. The perspectives of retail investors who chose not to participate and of firms that declined to list are absent from the empirical data. Supply-side and regulatory actors have institutional interests in portraying reform progress favorably and limited visibility into the deterrents that prevent household savings from entering the market. The findings on enabling conditions, therefore, reflect the view from inside the institutional architecture of the exchange. A study incorporating retail investor surveys and interviews with non-listing firms would likely identify a more constrained picture of how the exchange is perceived from the demand side. The OECD/INFE (2020) evidence on financial literacy gaps in transition economies suggests that demand-side deterrents are substantial and are not captured by the present data. The conclusions on enabling conditions should therefore be read as reflecting the perspective of those building the market rather than as a comprehensive assessment of how ready the market is to be used.

The interview finding that respondents consistently preferred the number of transactions over trading volume as the primary indicator of market activity aligns with the interpretive framework developed in Subchapter 1.2. In emerging markets, trading volume is a well-documented and imprecise proxy because it can be disproportionately influenced by a small number of large transactions without reflecting the breadth of investor participation (Demirgüç-Kunt & Levine, 1996). The interviews provide direct evidence of this limitation. In two suspended bank stocks, both transaction counts and daily volumes were extremely low, approximately one to two hundred transactions per day, yet price movements were sufficient to trigger a formal manipulation investigation. This case demonstrates how low transaction counts expose a market to price distortions driven by a limited number of coordinated trades, a dynamic that aggregate volume figures fail to capture because they contain no information on the distribution of participation across investors. The number of transactions, therefore, serves as a closer proxy for participation diversity at the TSE's current developmental stage and should be incorporated as a primary indicator in future quantitative studies.

The enabling conditions identified by respondents suggest that the foundational conditions for market development are being assembled more actively than at any previous point in the TSE's history. Political commitment expressed through presidential decrees and direct engagement with NASDAQ and BlackRock has been the primary driver of recent progress, consistent with Billmeier and Massa's (2009) finding that reform-oriented policy commitment is among the strongest predictors of equity market development in the region. The creation of the Tashkent International Financial Center, operating under English and international law principles, directly addresses one of the foundational weaknesses identified by La Porta et al. (1998), who argue that civil law jurisdictions systematically afford weaker protections to minority shareholders and outside investors. On the technological side, the NASDAQ partnership provides a vehicle for importing trading infrastructure expertise, and the expansion of mobile investment platforms has reduced barriers to market entry in line with Gomber et al.'s (2018) findings on electronic trading in emerging markets.

The social dimension presents a more mixed picture. Uzbekistan has a young population with an average age of approximately 28 years and increasing digital financial literacy, which together represent a meaningful demographic advantage (personal communication, February 14, 2026). However, a persistent financial literacy gap among older population groups constrains the pace at which potential investor demand can be activated. Lusardi (2019) identifies financial literacy as a key determinant of equity market participation, while the OECD/INFE (2020) survey reports substantially weaker financial knowledge outcomes across transition economies, suggesting this is a medium-term challenge rather than one that can be resolved quickly.

Expert consensus also points to clear distinctions in what each stakeholder group must contribute. For government and regulatory authorities, the priority is enforcement rather than regulatory expansion: effective sanctions for market manipulation and insider trading were identified as the single most impactful available action. For the exchange itself, infrastructure modernization and product expansion, particularly derivatives and green bonds, along with efforts to attract market makers, were identified as critical operational steps. For market participants, the constraint is generational. Three decades of limited activity have left Uzbekistan without an established community of capital market professionals, and building this expertise was seen as a responsibility of market participants themselves. These distinctions confirm an embedded pattern in which durable market deepening cannot be driven by any single actor and requires coordinated action across all three groups.

The future development prospects of the exchange depend on the extent to which enabling conditions prevail over the coming years. In the near term, the planned dual listing of the Uzbekistan National Investment Fund on the London Stock Exchange and the Tashkent Stock Exchange is likely to serve as a credibility signal to both domestic and international investors, and its outcome may significantly shape the exchange's near-term trajectory. The UzAuto Motors IPO, which attracted only five million US dollars against a target of ninety million as documented by Mukhitdinova (2025), illustrates that supply-side readiness does not automatically generate investor demand; a disappointing UZNIF result would risk replicating this pattern at a far greater scale. In the medium term, sustained liquidity improvement appears to depend on the simultaneous resolution of pension fund participation, deposit rate moderation, and credible sanctions, the three components of the cycle identified above. These conditions lie outside the direct control of the exchange. Looking further ahead, the aspiration of a Central Asian financial hub role is plausible but contingent on regional economic integration that does not currently exist, consistent with Nurasheva et al.'s (2020) argument that the region's markets are individually too small to generate sustained international institutional interest.

The TSE case appears to illustrate a pattern where the regulatory structure of an exchange, including frameworks, trading infrastructure, and listing standards, can advance more rapidly than the conditions that make it effective. This may produce markets that are formally present but functionally peripheral, not because formal design is inadequate, but because the conditions on which equity markets function are shaped by the wider political economy and cannot be directly produced by market design alone.

This observation extends the thesis's theoretical framework in one specific way. The PESTLE determinants identified in Subchapter 1.2 appear to operate not additively but interdependently: the absence of one critical factor, particularly enforcement capacity or institutional investor participation, may prevent a broader reform program from translating into genuine market depth. The TSE case illustrates this pattern empirically. Political commitment, technological modernization, legal reform, and demographic opportunities are present, yet market depth remains limited because the economic incentive structure and enforcement conditions have not yet been resolved. For capital market reformers in transition economies, this suggests that the sequence and mutual reinforcement of reforms may matter as much as their content. These findings highlight the exchange's capacity for meaningful development within identifiable constraints, as illustrated in Figure 3.

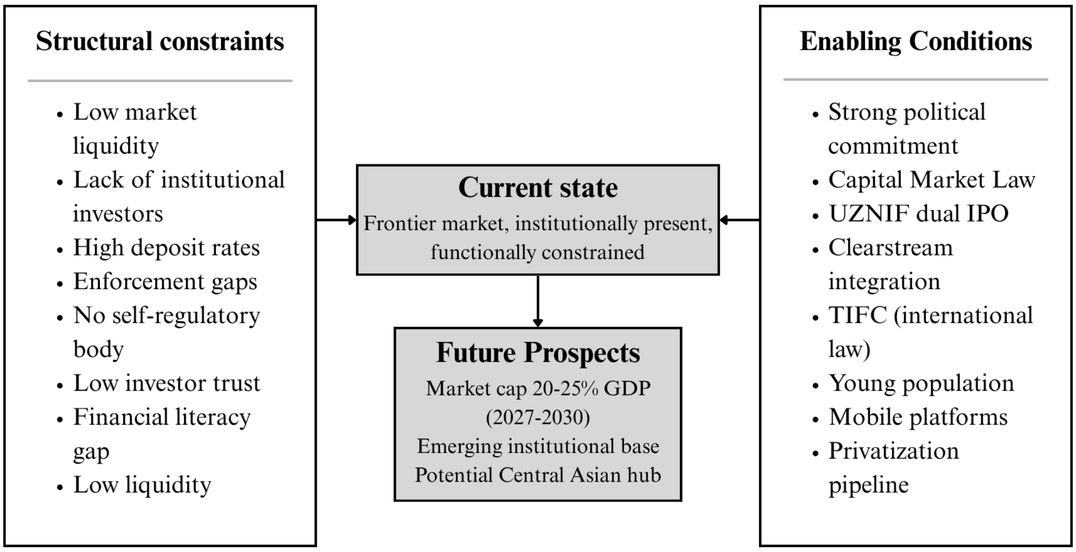

Figure 3. Current state and future development prospects of the Tashkent Stock Exchange. Source: compiled by the author

Based on the synthesis of results, the author identifies the following key findings:

- Institutional form can be established faster than the functional preconditions that make it effective.
- The enforcement gap constitutes the most fundamental obstacle to investor trust and market integrity.
- The near-term trajectory is likely to be significantly shaped by the outcome of the UZNIF dual listing.

- Sustained liquidity improvement requires pension fund reform and moderation of deposit rates, both of which lie outside the exchange’s direct control.
- The regional hub aspiration is realistic only if pursued through Central Asian integration rather than individual market competition.

The findings suggest that the Tashkent Stock Exchange has entered a period in which the conditions for deeper market development are being assembled more actively than at any previous point in its history. Whether this trajectory produces a sustainably deep and internationally integrated capital market will be determined not by the quality of formal regulatory frameworks, which are improving, but by the enforcement of those frameworks, the restructuring of macroeconomic incentives that currently favor bank deposits over equity participation, and the development of the institutional and human capital that legislative reform alone cannot substitute for. The exchange's development prospects appear meaningful, but their realization depends on conditions that are still being put in place.

Conclusion

Uzbekistan's financial sector has undergone a significant transformation since 2016, with capital market development placed at the center of the country's reform agenda. Yet despite this political commitment, the Tashkent Stock Exchange has attracted limited academic attention, and no prior study has examined its development trajectory through qualitative evidence from institutional market participants. This thesis addressed that gap by combining a theoretically grounded framework with expert interview evidence to assess how effectively the TSE performs its core functions and what structural conditions shape its development prospects.

The theoretical chapter distinguished between the broader economic roles of stock exchanges and the five operational functions that fulfill those roles. It applied the PESTLE framework to organize the determinants of stock exchange development and identified the key quantitative indicators used to measure it. The review of prior empirical studies on Central Asian exchanges established that even Kazakhstan's exchange, the most developed in the region, remains structurally thin and plays a secondary role in economic growth. Together, these findings demonstrate that formal regulatory frameworks are a necessary but insufficient condition for effective stock exchange development. Legal structures alone cannot produce functional capital markets unless they are supported by credible enforcement mechanisms that protect minority shareholders, a domestic institutional investor base capable of generating stable long-term demand, and macroeconomic conditions that make equity participation economically attractive.

The empirical analysis drew on semi-structured interviews with six capital market experts. Their assessments confirmed measurable progress since the 2016 reform agenda: trading volumes have grown, three public offerings were completed in 2023, the bond market has deepened, and People's IPOs have expanded the retail investor base. Yet respondents consistently described a gap between formal institutional development and actual market function. The exchange remains a secondary channel of capital allocation relative to the banking sector, and its liquidity provision and price discovery functions are constrained in practice. This pattern, real progress from a very low base without yet translating into substantive market depth, is most sharply illustrated by the UzAuto Motors IPO, which attracted only five million US dollars against a target of ninety million. Two constraints appear to dominate and reinforce one another. First, the absence of institutional investors limits the stable, long-term demand needed to support secondary-market liquidity. Second, deposit rates exceeding twenty percent make bank deposits far more attractive than capital market instruments. These challenges are further intensified by weak enforcement mechanisms, which continue to undermine investor trust.

The TSE case reflects a broader pattern observed in transition economies, where institutional reforms often advance more quickly than the underlying conditions necessary for effective market functioning. In such contexts, the absence of even a single critical factor, such as credible enforcement, can prevent wider reforms from translating into genuine market depth. This finding also extends the thesis’s theoretical framework by suggesting that PESTLE determinants operate interdependently rather than in isolation.

At the same time, several developments point toward a more favorable direction. Strong political commitment, reflected in presidential decrees and direct cooperation with Nasdaq and BlackRock, has been the main force behind recent progress. The forthcoming Capital Market Law, the creation of the Tashkent International Financial Center based on English and international law principles, and the integration with Clearstream each address key structural weaknesses identified in the theoretical framework. In addition, a young population increasingly comfortable with digital financial services may provide a new investor base. Together, these developments suggest that, for the first time in the TSE’s thirty-year history, the institutional foundations necessary for functional market development are beginning to emerge.

The near-term trajectory will be shaped above all by the outcome of the planned dual listing of the Uzbekistan National Investment Fund on the London Stock Exchange and the Tashkent Stock Exchange. A successful result could catalyze broader institutional interest, while a disappointing outcome would risk repeating the UzAuto Motors pattern at a far larger scale. In the medium term, sustained liquidity improvement depends on pension fund reform and deposit rate moderation, both of which lie outside the exchange's direct control. The longer-term ambition of a Central Asian financial hub role is plausible, but only if pursued through regional integration rather than individual market competition.

Whether the TSE's current momentum produces a sustainably deep and internationally integrated capital market will be determined not by the quality of formal regulatory frameworks, which are improving, but by the enforcement of those frameworks, the restructuring of macroeconomic incentives that currently favor bank deposits over equity participation, and the development of institutional and human capital that no legislative reform can substitute for. The exchange's future prospects are meaningful but conditional.

Several directions for future research follow from the limitations of this study. Because the exploratory qualitative design was appropriate for an under-researched setting but does not produce generalizable findings, a natural next step would be a quantitative study measuring the relationship between the specific reform measures introduced and standard indicators of market development. Such an approach is likely to become more feasible as additional post-reform time-series data become available. A second direction concerns the demand side of the market. Retail investors and firms that considered but did not proceed with listing are not represented in the empirical data, and future research could address these gaps through investor surveys and interviews with non-listing firms. The development of a derivatives market also warrants further investigation as the TSE expands its product range. Once the planned reforms are implemented, future research could examine whether and to what extent they lead to sustained investor demand.

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Appendices

Appendix A

Interview Questions for Respondents

1. How would you assess the development of the Tashkent Stock Exchange since its foundation?
2. What is the current role of the Tashkent Stock Exchange in Uzbekistan's financial system?
3. Which functions of the Tashkent Stock Exchange (e.g., capital allocation, governance, liquidity provision, savings mobilization, and risk diversification) do you think are currently performed well, and which are less effective?
4. Which indicators best reflect the level of development of the Tashkent Stock Exchange? Which of these would indicate a high level of development, and which would indicate a low level?
5. How effective is the current government and regulatory framework in supporting the development of the Tashkent Stock Exchange?
6. Apart from regulation, what are the main structural or institutional constraints that could limit the future development of the national exchange?
7. Please evaluate whether each of the following factors will facilitate or constrain the development of the Tashkent Stock Exchange over the coming years:

- political
- economic
- social
- technological
- legal
- environmental

8. Which two PESTLE factors do you consider most influential for the development of the Tashkent Stock Exchange? For each factor, identify one key driver that is likely to have the greatest impact.
9. What is your outlook on the development of the Tashkent Stock Exchange in the coming years?
10. What actions should key stakeholders (the exchange, government and regulators, and market participants) take to support or accelerate the development of the Tashkent Stock Exchange?
11. In your opinion, what should be the long-term strategic role of the Tashkent Stock Exchange within Uzbekistan's financial system?
12. What do you think would be the consequences for Uzbekistan's financial system if there were no domestic stock exchange?

Appendix B

Coding Table for Theme 1: Development and Current Role of the Tashkent Stock Exchange

Theme	Code	Category
1. Development and Current Role of the Tashkent Stock Exchange	Partnership with Korean Stock Exchange Modernized trading infrastructure Growing trading volumes Successful IPOs since 2018 New clearing center Retail shareholder base	Exchange development (positive)
	Slow early development Closed economy until 2017 Bank-dominated financing Lack of capital market priority	Exchange development (negative)
	Bond market growth State privatization channel Savings mobilization People's IPOs Corporate governance improvement	What is performed well
	Low liquidity No derivatives or ETF market Low market capitalization Weak price signals Limited product range	What is performed poorly

Source: compiled by the author based on conducted interviews

Appendix C

Coding Table for Theme 2: Regulatory framework and structural constraints

Theme	Code	Category
2. Regulatory framework and structural constraints	Strong political and presidential backing Regulatory sandbox Individual Investment Accounts Tax exemptions on bond income Online brokerage access Capital market in the national strategy	Regulatory strength
	Capital Market Law Currency bond authorization Tashkent International Financial Center Tighter disclosure requirements	Upcoming reforms
	Small market size Banking sector dominance High interest rates Absence of institutional investors	Structural constraints
	No capital market professional school Shortage of qualified personnel Low investor trust Financial literacy gap	Human capital and trust gaps

Source: compiled by the author based on conducted interviews

Appendix D

Coding Table for Theme 3: PESTLE determinants

Theme	Code	Category
3. PESTLE determinants	Presidential will and backing Privatization agenda Top-down policy approach	Political
	Steady GDP growth Large privatization pipeline Falling deposit rates High interest rates Banking sector dominance	Economic
	Young, financially literate population Growing retail investor base Financial literacy gap	Social
	Mobile investment platforms NASDAQ partnership Cybersecurity risks	Technological
	Capital Market Law Regulatory sandbox TIFC’s international law basis	Legal
	ESG and green bond interest Climate risks for key sectors	Environmental

Source: compiled by the author based on conducted interviews

Appendix E

Coding Table for Theme 4: Future Prospects and Strategic Role

Theme	Code	Category
4. Future Prospects and Strategic Role	UZNIF dual IPO (London & Tashkent) Clearstream integration State-owned company IPO series Foreign share trading platform	Short-term outlook
	Higher market capitalization Institutional investor base TIFC as a regional hub Derivatives market development	Medium-term outlook
	Capital allocation mechanism beyond privatization Inclusive growth instrument Central Asian financial hub Savings-to-investment transformation	Long-term strategic role
	Infrastructure modernization (exchange) Product line expansion (exchange) Capital Market Law adoption (government) Pension fund conditions (government) Professional school development (market participants) Self-regulatory body establishment (market participants)	Stakeholder actions

Source: compiled by the author based on conducted interviews

Resümee

TAŠKENDI BÖRSI ARENG JA TULEVIKUVÄLJAVAATED

Lobarkhon Mirzakhmedova

Hoolimata Taškendi börsi strateegilisest tähtsusest Usbekistani majandusarengus on akadeemilised uurimused selle trajektoori kohta jäänud napiks. Käesoleva bakalaureusetöö eesmärk on kaardistada Taškendi börsi tulevikuväljavaated. Kaardistamine tähendab antud kontekstis börsi tõenäolise arengusuuna põhjendatud ja tulevikku suunatud mõistmist, sealhulgas peamiste võimaluste ja piirangute väljaselgitamist, mis võivad selle arengut kujundada. Empiirilises osas tugineb autor Usbekistani finantsturu sidusrühmade ja turuosalistega läbi viidud intervjuudele, kasutades kvalitatiivset uurimismeetodit.

Teoreetiline peatükk eristab börside laiemaid majanduslikke rolle ning viit operatiivset funktsiooni: hinnakujundus, likviidsuse tagamine, kapitali kaasamine, ettevõtte juhtimine ning riskide hajutamine. Arengu determinantide struktureerimiseks rakendatakse PESTLE raamistikku. Kesk-Aasia börse käsitlev varasemate uurimuste ülevaade näitab, et isegi kõige arenenum piirkondlik börs, Kasahstani oma, jääb struktuuriliselt õhukeseks ega mängi majanduskasvu seisukohalt olulist rolli. See kinnitab, et formaalsed regulatiivsed raamistikud on vajalik, kuid mitte piisav tingimus börsi tõhusaks toimimiseks.

Empiiriline analüüs põhineb poolstruktureeritud intervjuudel kuue kapitalituru eksperdiga. Nende hinnangud kinnitavad mõõdetavat edasiminekut alates 2016. aasta reformikavast: kauplemismahud on kasvanud, 2023. aastal viidi lõpule kolm avalikku pakkumist ning rahvabörsilaskmised on laiendanud jaeinvestorite baasi. Samas kirjeldasid respondendid järjekindlalt lõhet formaalse institutsioonilise arengu ja tegeliku turu toimimise vahel. Börsi likviidsuse tagamise ja hinnakujunduse funktsioonid on praktikas endiselt piiratud ning börs on võrreldes pangandussektoriga jätkuvalt teisejärguline kapitalijaotusse kanal. Seda mustrit, kus edu madalalt lähtepunktilt ei ole muutunud tegelikuks turusügavuseks, illustreerib eriti selgelt UzAuto Motorsi börsile minek, mis meelitas ligi vaid viis miljonit USA dollarit seatud 90 miljoni dollari sihist.

Kaks struktuurset piirangut domineerivad ja võimendavad teineteist vastastikku: institutsiooniliste investorite puudumine ning pangahoiuste intressimäärad, mis ületavad 20 protsenti, muutes omakapitaliinstrumendid konkurentsivõimelise tootluse saavutamise seisukohalt ebasoodsaks. Mõlemat piirangut süvendab täitmise lünk, mis õõnestab investorite usalduse kujunemist. Soodustavate tegurite hulka kuuluvad tugev poliitiline tahe, eelseisev

kapitaliturgude seadus, Taškendi rahvusvahelise finantskeskuse loomine, Clearstreami integreerimine ning digitaalteenustega harjunud noor rahvastik.

Lähituleviku trajektoori kujundab eelkõige Usbekistani Rahvusliku Investeerimisfondi plaanitava topeltnoteerimise tulemus Londoni ja Taškendi börsil. Börsi tulevikuväljavaated on reaalsed, kuid sõltuvad tingimuste täitmisest, eelkõige regulatiivsete raamistike jõustamise, makromajanduslike stiimulite ümberkujundamise ning institutsioonilise ja inimkapitali arendamise osas, mida ükski seadusandlik reform asendada ei suuda.

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