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## ASYMETRY OF INFORMATION AND ITS IMPACT ON THE BANKING SECTOR

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**Abstract.** *In the article the essence of the concept of asymmetry of information, peculiarities of its manifestation in the market of banking services, the main problems associated with it is considered, its influence on the banking sector is determined. It is indicated that the level of confidence in the banking sector is based on the availability of information. The main reasons for the asymmetry in the banking sector and the impact on the financial stability of banks are investigated.*

**Keywords:** *banks, asymmetry of information, financial reporting, market of banking services.*

One of the main functions of the banking system, which involves the accumulation of temporarily free funds for their further investment and implementation of large-scale projects, in the current realities of Ukraine is ineffective, due to insufficient resource potential of banks, unstable prerequisites for the introduction of modern financial, communication and information technologies.

The purpose of the study is to develop theoretical and methodological approaches to take into account the asymmetry of information on the market of banking services and its impact on the formation of an expanded report on financial stability.

Under the asymmetry of information, one should understand the inadequate distribution of information between market participants. At the same time in the scientific environment it is noted that the market has information on the cross-division of characteristics in such a way that each participant is evaluated as the owner of a certain characteristic information feature.

Asymmetry of information on the banking market has a number of specific features, including:

bilateral; the in-depth nature of the information asymmetry as a result of a change in the market situation; can negatively affect the interaction between the seller and the buyer of banking services; can cause distrust of the customer to the seller.

Forms of manifestation of the influence of information asymmetry: can be the cause of the formation of market power vendors, is a source of price discrimination, suffer producers of goods and services.

Therefore, the following measures can be identified to avoid or minimize asymmetry:

1) at the level of the National Bank of Ukraine: development and adjustment of legislative and legal frameworks, increase of transparency of financial reporting, improvement of requirements for information policy of banks, etc.

2) at the banking level: training, use of possible information channels for raising the level of competence of employees, publication of key financial indicators of the bank, implementation of the policy of socially responsible business.

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