THE ROLE OF COMMERCIAL BANKS IN ENSURING ECONOMIC SECURITY IN THE MONETARY – CREDIT SYTEM

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Abstract: *Monetary and credit policy is the main path of the government in the field of money circulation and credit, and measures aimed at ensuring the stability of the country's economy and its effective operation, and maintaining the monetary system in a sufficiently stable manner. Monetary and credit policy is a component of state economic policy, and it is usually implemented by a commercial bank.*

Key words: *Monetary policy, commercial banks, emission, country, inflation, resources, market.*

Through monetary and credit policy, the excess money in circulation will be reduced or increased, and measures will be taken to reduce inflation. A commercial bank can influence the money market directly through its management powers and through money issuance while conducting monetary and credit policy.

The use of a completely new approach to the formation of the exchange rate, in turn, provides an opportunity to improve the monetary policy while focusing the main attention of the Central Bank on the stability of prices in the domestic market. At the same time, the successful implementation of the reforms on the liberalization of the foreign exchange market is closely related to the improvement of the monetary policy, the strengthening of the activities of commercial banks, and the effectiveness of the banking system development measures.

The concept of development and implementation of the monetary policy of the commercial bank of the Republic of Uzbekistan in the medium-term perspective was developed taking into account the leading role of the communication channel in the formation of public opinion and the implementation of the inflation targeting regime.

Ensuring internal price stability in the country is a guarantee of macroeconomic and social stability and is a necessary condition for the successful implementation of economic reforms and development programs.

In this case, low and stable indicators of inflation are considered an important factor in ensuring balanced economic growth, production competitiveness and raising the standard of living of the population. From this point of view, reduction and stabilization of price growth rates should be one of the main goals of the state economic policy.

Monetary policy is implemented through direct and indirect means. Indirect tools are carried out by directly managing the prices (interest rates) or their volume of financial assets in financial institutions. The commercial bank controls the money in the form of deposits in commercial banks, as well as the prices and volume of loans issued by them. Indirect means — commercial banks influence the money supply in the economy through the resources of financial institutions and market mechanisms (mandatory reserve requirements, open market operations, refinancing of commercial banks and the bank's discount rate, acceptance of deposits from commercial banks, etc.).

Each of the instruments used by the commercial bank serves to increase interest rates, reduce the volume of lending and borrowing, and, if necessary, increase or, on the contrary, decrease interest rates.

Experiences of central banks of developed and developing countries and research results of international financial institutions show the undoubted priority of price stability in the implementation of monetary policy.

At the same time, the procedure and sequence of monetary policy implementation differs in different countries depending on the characteristics and structural structure of the economy.

In the conditions of free formation of the exchange rate, the stability of the national currency is achieved by maintaining its internal purchasing power.

In this case, the free-floating exchange rate functions as an internal stabilizer of the economy. In other words, when external shocks and difficulties related to the balance of payments are observed, the corresponding change in the exchange rate serves to stimulate exporters and enterprises producing import substitutes.

At the moment, it is planned to make appropriate amendments to the legislation in order to prevent two different understandings of the main goal of the commercial bank's monetary and credit policy and to clearly define the main direction of its activity.

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