The financial sector of the economy

Capital markets: securities with a maturity superior to 1 years
(Shares, Government and corporate bonds, Mortgages)
Primary Market → Underwriters

Money markets: securities with a maturity inferior to 1 years
(Treasury bills, BAs, CPs, CDs, Repos, Federal Funds)
Secondary Market → Organized Exchanges

Insurance: Options, Futures, Swaps, Forwards

International financial markets: Foreign exchange markets, Eurocurrencies, Eurobonds

Organized Exchanges (AMEX, NASDAQ, NYSE, CBO, KCBO, etc.)

Financial Market Intermediaries

Investment banks: Security Dealers (Traders, Specialists), Underwriters, Brokers.

Depository Institutions
Commercial Banks
Thrift Institutions (Credit Unions, S&L Associations, Mutual Saving Banks)

Other Financial Intermediaries (Mutual funds, Public and private pension funds, Insurance companies, Finance companies)

Federal Credit Agencies (FCA): Housing (GNMA, FNMA, FHMLC), Agriculture (Farm Credit System), College Students (“Sallie Mae”), etc.

Government Loan Guarantees Agencies (FHA, VA, HUD, Farmer’s Home Administration, etc.)

Government Financial Intermediaries

Players


Private Domestic Institutions: Non-Financial Businesses, Financial Businesses (financial intermediaries), Private Agents


Payment Systems

Public: Fedwire

Private for large amounts: TARGET (Trans-European Automated Real-time Gross settlement Express Transfer system), CHIPS (Clearing House Interbank Payments System)

Private for small amounts: ACH (Automated Clearing House Network)