



Key Market Players

CITI ICG Analyst Program



**The Key
Market
Players**

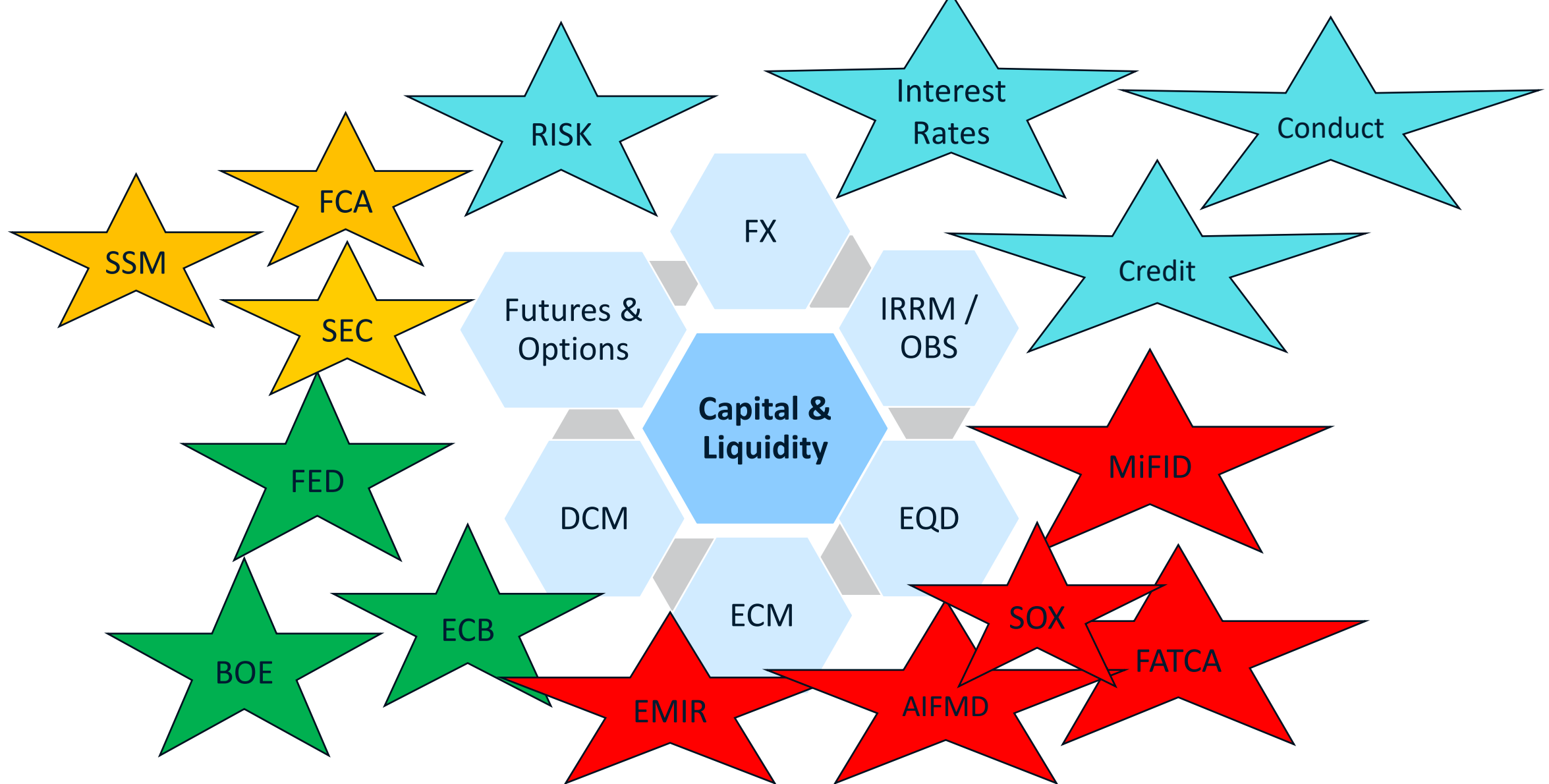
**Central
Banks**

**International
Financial
Institutions**

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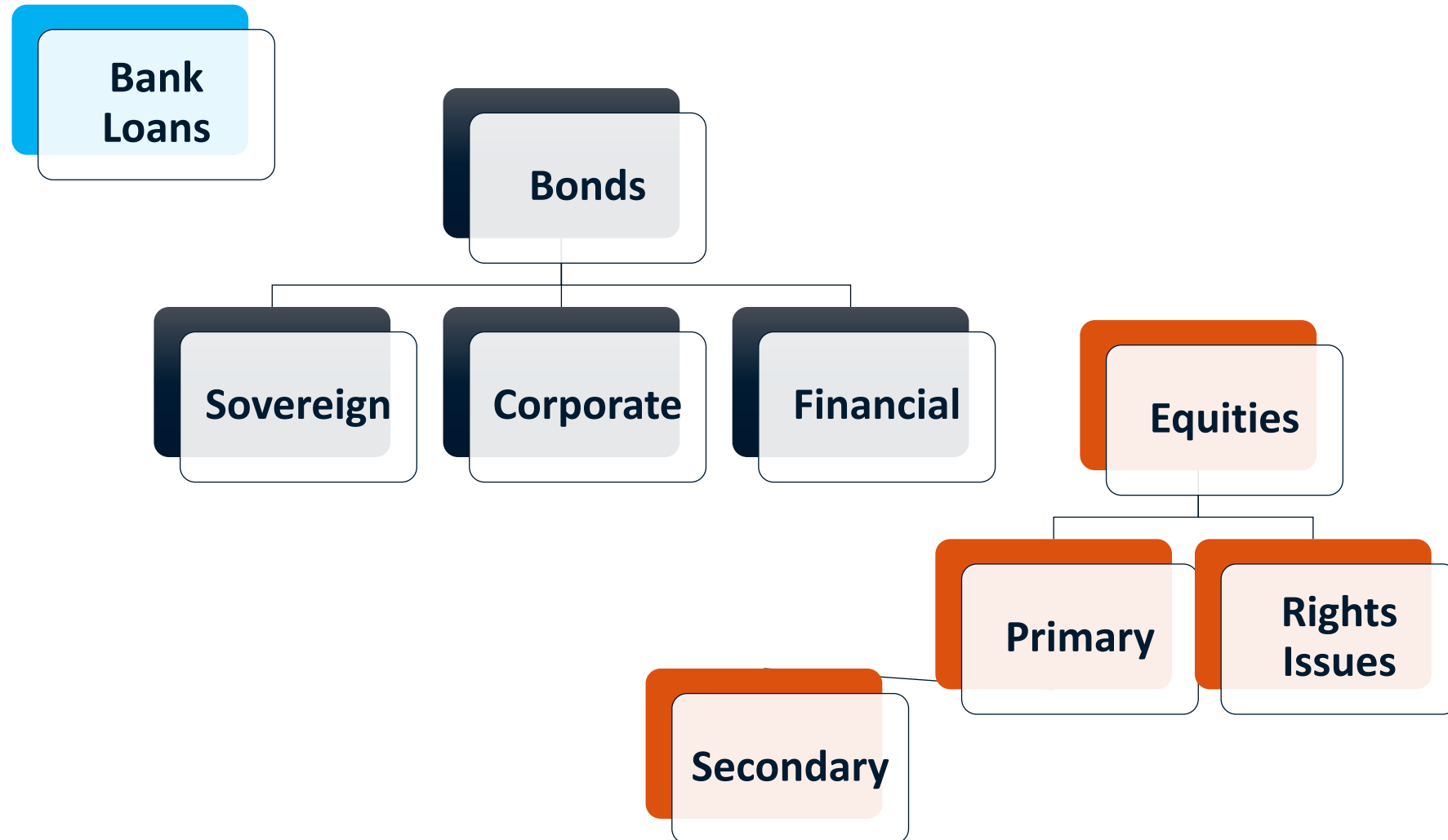
The Key Players

Lenders	Intermediaries	Markets	Borrowers
Individuals	Banks	Interbank	Individuals
Companies	Insurance Companies	Stock Exchanges	Companies
Central Banks	Interdealer Brokers	Money Market	Central Government
	Pension Funds	Bond Market	Municipalities
	Mutual Funds	Foreign Exchange	Public Corporations
	Hedge Funds	Futures Exchanges	



Markets – Risks, Regulations, Regulators and Business Lines

Raising Funding & Capital



Financial Markets – 2 Sides to every Coin!

Borrowers

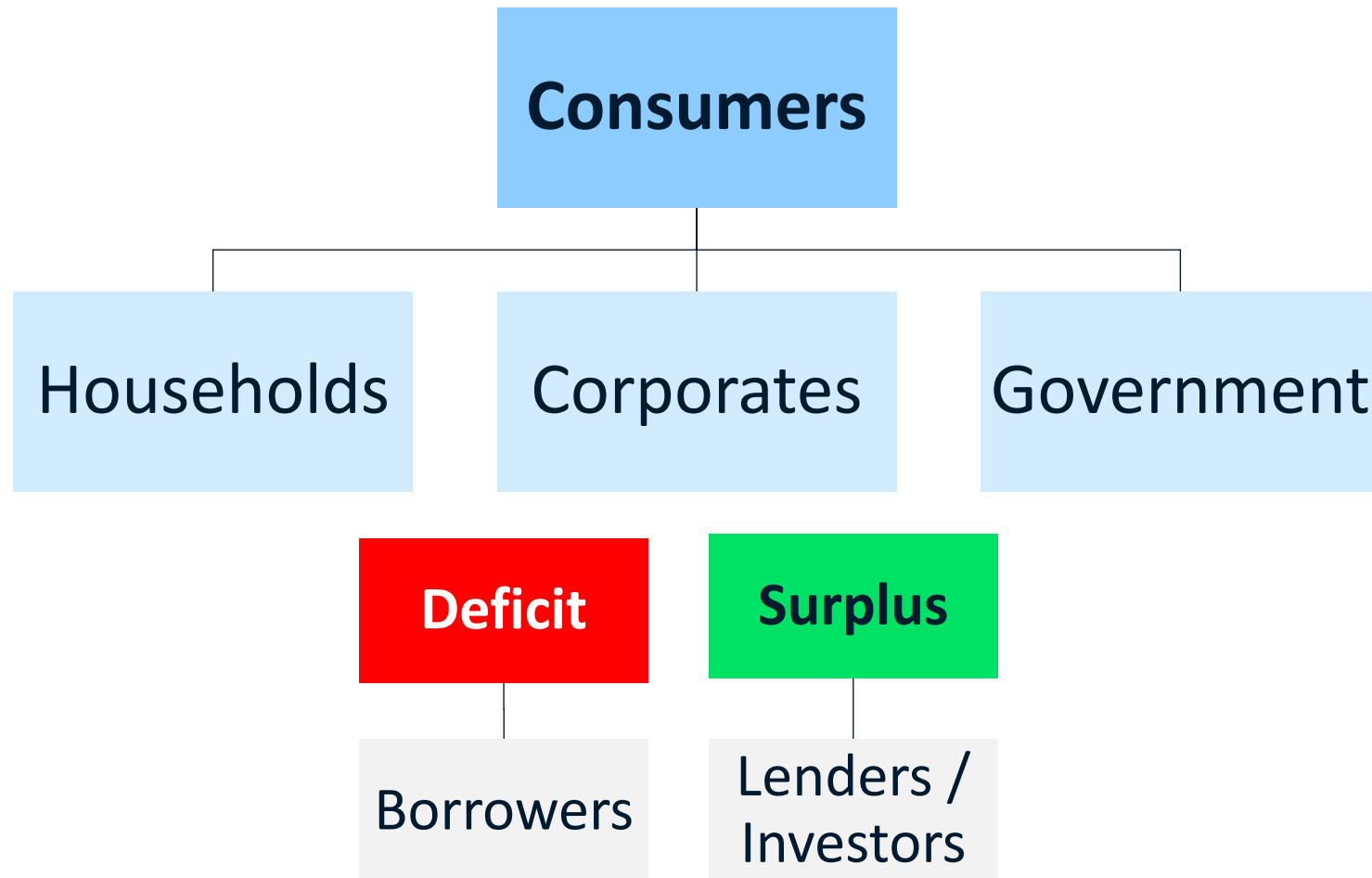
- Individuals
- Companies
- Governments
- Municipalities
- Public corporations



Lenders

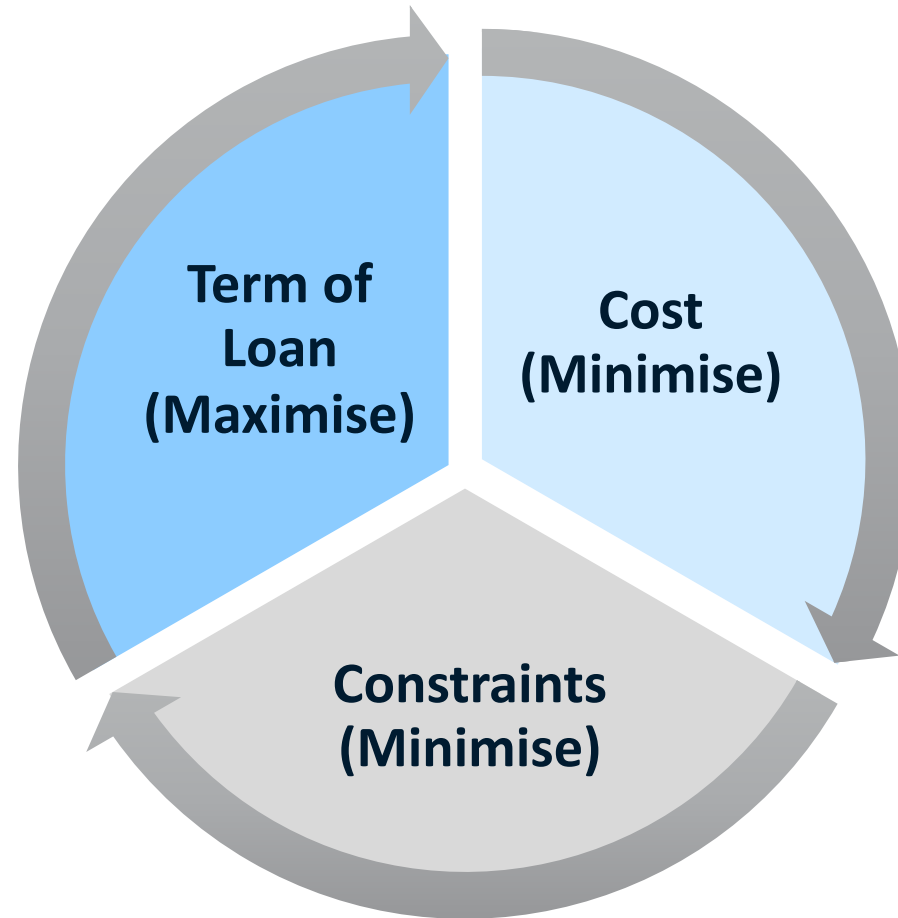
- Individuals
- Companies
- Central Banks

Lenders & Borrowers



Factor	Goal	Considerations
Return	Maximise	Steady Interest Payments (CD / Savings) Steady interest Payments & potential Capital gains / loss (Bonds) Potential Capital gains / losses & Dividends (Equities) Speculative (Futures, ETF's, FX)
Risk	Minimise	Default Risk (Bonds) Income Risk (Equities, FX) Inflation Risk (Bonds)
Liquidity	Cashflow	Valuation Transparency Speed and Costs of Sale

Factors influencing lenders (Surplus Holders)



Factors Influencing Borrowers (Deficit Holders)



**Worldwide, there are
approx. 160 central banks.**



CENTRAL BANK	FOUNDED
Bank of England	1694
Bank of France	1800
Bank of Japan	1885
Federal Reserve	1913
Reserve Bank of India	1934
People's Bank of China	1948
Bundesbank (W. Germany)	1957
Banco Central do Brasil	1964
Central Bank of the Russian Federation (Bank of Russia)	1990
European Central Bank (ECB)	1998

Central Bank History

Major Central Banks



BANK OF ENGLAND



ECB



THE "FED"



**BANK OF CANADA
BANQUE DU CANADA**

Major Central Banks



BANK OF CHINA



(Same symbol!)



BOJ



Reserve Bank of India



MAS

Central Bank Activities

**Supervision - Banking
System**

**Advising on Monetary
Policy**

Issue of Banknotes

Government's Banker

Banker to other Banks

**Control of Currency
Reserves**

**Raising Money for
Government
(Now via Treasury
Agencies in many
Countries)**

Lender of Last Resort

Liaison with International Bodies

Central banks liaise with other international financial bodies like the IMF and the International Bank for Reconstruction and Development (IBRD), usually called the World Bank.

Such agencies are owned by participating countries

They also liaise with and take part in discussions at the Bank for International Settlements (BIS) in Basel

Regular meetings between G7, G10 and G20

Supranational Agencies / International Financial Institutions (IFI)

IFI's generally are international bodies owned by the Countries who are members and contribute to them. Each has a specific purpose:

- **International Monetary Fund (“IMF”)**

- Focuses on country in debt related difficulties



- **World Bank / IBRD**

- Focuses on development aid/assistance to lesser developed countries



Supranational Agencies / International Financial Institutions (IFI)

- **Organisation for Economic Co-operation and development (“OECD”)**
 - Focuses on providing analysis, research and recommendations to member countries re economic and social policies



- **World Trade Organisation (“WTO”)**
 - Focuses on removal/reduction of international trade barriers



Supranational Agencies / International Financial Institutions (IFI)

- **Bank for International Settlements (“BIS”)**
 - Focuses on international regulatory harmonisation e.g.. Basle 1-5/promoting financial stability



BANK FOR INTERNATIONAL SETTLEMENTS

Any Questions?

