

# Financial markets assignment

[Business](#)



The video was particularly about the field of finance that includes opportunities we can grab after few years of education and training about financial management and the reality behind it when working in the finance industry. Also, it talks about financial markets, discussing what these are, how it works, those different types of investment vehicles that may fit to our interests as a future investor, and giving us an idea what strategy can we apply in order to maximize returns while minimizing risks. It also discusses points how important financial markets are in our economy as a whole.

And the last topic was all about bonds which tackle its importance and impact to the economy, its effect to interest rates or what is their relationship, and those different investment vehicles under the term of bonds. Aside from that, it even benchmarks bonds against stocks. But more, it also discussed many other terms that were on the boundary of financial world. Witnessing my feet still on the ground of learning especially only for those theoretical ideas about finance, this video helped me a lot. Reading books for me is quiet boring and honestly I only read them when necessary.

I'm glad that the teacher brought an idea of letting us see some video clips about the topic because somehow it defies those boredom activities I always had like reading books. Anyways, these were the learning I had harvested out of the video – Working in the finance industry takes a lot of skills like first and foremost, the excellence in communicating with people, both verbal and oral. If more than half of the working time is mostly spent on interacting with important people, then this skill is highly needed. Sales skill is also important especially to those who are working on selling financial instruments.

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Sales skill is inexistent when there is a lack of communication skill. Another thing is to have an analytical and logical avenue towards problem solving. Of course, problem would always be a partner when it comes to dealing with money. How can one manage his own or others financial when even solving problems as far as financial management is concern are too hard to accomplish. And also, as the saying goes, " Prevention Is better than cure. " If we know how to analyses things, then possibly we'll be able to solve, predict and control things.

This is the best prevention towards expected problem. That's why in the financial industries we have the so-called financial consultants, financial analysts, and many more. Creativity and initiative are also part of the skills that a financial employee must possess. Those are Just the few of many other things we must possess in order to become successful finance professionals. Aside from the above mentioned, knowing the basics or fundamentals of finance is also a prerequisite before facing the true world of finance.

Having been in college is Just a fraction of our inundation towards intertwining the combat of finance, but the larger portion of it is the internship or practical experiences. Learning outside by getting exposed to the industry and practice what we have studied are too way different from learning by just sitting and listening Inside of a four-walled room. When we are being exposed to those different Jobs, It will be better for us In discovering our real Interests. The key there is to reach and understand every detail about finance. Management is also the other thing.

When we talk about investments, one's mind just be implanted with the knowledge of investment vehicles and how these works. And knowledge isn't just enough because what is knowledge when one cannot even compare and analyses which investment is better in the attainment of each of our goals. So, that is why there are certain tactics and strategies on how to obtain this. Investor's main goal is to obtain the highest return as possible but exposing with the lowest risk as possible. Through diversification, the goal isn't that unachievable. Financial market was one of the major topics discussed in the video.

That was my ere first time to see how a financial market really looked like. But anyways, what I have interestingly learned about financial market is that it actually bears great contribution towards our economy. What financial system does is that it assumes to be the intermediary between demander of funds and suppliers of funds, providing different menu of investment vehicles bearing their own risk and return characteristics. Through this, it helps individual and institutional investors satisfy their financial needs in the accomplishment of their goals conveniently.

It even eloped savers and investors reduced transaction costs. But the question is how does financial market became an advantage in portraying a good and healthy economy? If there is a more efficient financial intermediation, there is also an increase in the productivity of investments. Having a high productivity of investments would also imply that there is a high velocity of money circulating in our economy. Therefore, the higher the efficiency rates of financial system, the more rapid economic growth rate is.

And having such economic growth would mean that our country is experiencing an expanding business cycle.

And an expanding business cycle reflects a strong economy. And look how this results to the betterment of our economy. The last topic was about bonds. Financial markets, especially securities markets offer securities trading including bonds. The government can actually acquire funds through public debt -classified as internal and external debt. If private individuals or organizations issue stocks as an instrument in catering their financial needs, government has also its own way of acquiring funds and one of the many other ways is through the issuance of bonds.

But private individuals or organizations can actually buy both type of security. The government may also encounter deficit and that is the time public debt comes in. If the government can acquire enough funds to carry out its operation on any expenditure such as projects or services, then this would also result to the impartation of the country money velocity. But too much government borrowing can also be a bad indication because there are lower tax revenues. To sum up everything, what I really like about finance is that its impact to our economy.

As we can see it has a vital role in the growth of our economy. And as we all know that having an economic growth brings many benefits to the country. One of which is there will be higher income for laborers and that would help many people enjoy in availing goods and services and somehow enjoy a better standard of living. Second, there will be lower unemployment because as firms create higher outputs, they tend to search and employ more

workers in creation to employment. Third, tax revenues thus, reducing the need for public borrowing.

Fourth, there will be improved public services because with the increase of tax revenues, the government can now make more projects and a higher budget will be allocated to the different government services that cater the needs of the people, if only corruption is unborn. But not just that, there are I guess a lot more good benefits when a country is experiencing economic growth. A good financial system contributes in the country economic growth, and having a country with growing economy bringing with it the tastiest fruits of all would mean that such place is worth living for.