

Financial Markets and Institutions

FIN 2212 • Semester 2 / B.E. 2568

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Today we will cover:

- 1 Course overview & learning outcomes
- 2 Course content map (markets & institutions)
- 3 Weekly schedule (high level)
- 4 Assessment & grading
- 5 Learning resources & how to succeed

By the end of this course, students can:

- Explain the structure and functions of the financial system
- Describe key financial markets and instruments
- Analyze interest rates and bond prices
- Discuss roles of major financial institutions in Thailand

Skills you will practice

- Case discussion & market interpretation
- Reading policy signals (central bank communication)
- Applying concepts to Thai context (BOT, SET, banks)
- Teamwork and concise presentations

Markets + Institutions + Policy

Interest Rates & Bonds

- Rate determination
- Bond pricing
- Yield curve

Financial Markets

- Money market
- Capital market
- Derivatives

Institutions

- Banks
- Securities firms
- Insurance & SFIs

Central Bank & Regulation

- BOT roles
- Monetary policy transmission
- Financial stability

Global & Thailand Context

- International financial institutions
- Thai market structure
- Current issues

Weekly schedule (high level)

Week 1 Course introduction; Financial system & overview of markets

Week 2 Interest rate determination

Week 3 Interest rates and bond prices

Week 4 Financial markets

Week 5 Derivatives markets

Week 6 Commercial banks

Week 7 Finance companies and securities firms

Week 8 Midterm examination

Weekly schedule (high level)

Week 9

Bank of Thailand (BOT)

Week 10

Specialized financial institutions (SFIs)

Week 11

Insurance companies

Week 12

Saving cooperatives

Week 13

Pawnshops

Week 14

International financial institutions

Weeks 15–16

Presentations / discussion / integration

Week 17

Final examination



Markets

Core mechanisms and instruments

Key concepts

Interest rate determination

Policy rate, liquidity, inflation expectations, and risk premium.

Bond price–yield relationship

Price moves inversely with yield; duration measures sensitivity.

Yield curve

Term structure reflects expectations, risk, and liquidity across maturities.

Money vs. capital markets

Short-term liquidity vs. long-term funding and investment.

Key concepts

Money market

Interbank, repo, T-bills, short-term funding and rate transmission.

Capital market

Equities, bonds, long-term financing and valuation.

Derivatives market

Futures, options, swaps: hedging, speculation, price discovery.

Market efficiency & information

Prices reflect information; why frictions and limits matter.



Institutions

Key players and their roles

Key concepts

Commercial banks

Deposit-taking, lending, payment system, maturity transformation.

Securities firms

Brokerage, underwriting, market making, investment advisory.

Finance companies

Specialized lending/financing (context-specific within regulation).

Insurance companies

Risk pooling, long-term savings products, investment role.

Key concepts

Bank of Thailand (BOT)

Monetary policy, supervision, payment systems, stability.

Specialized Financial Institutions

Targeted policy finance supporting priority sectors.

Saving cooperatives

Member-based finance; governance and risk management focus.

Pawnshops

Collateralized micro-credit and household liquidity needs.



Policy & Global

Why institutions and markets move

Key concepts

Policy tools

Policy rate, open market operations, communication/forward guidance.

Transmission channels

Interest rate, credit, exchange rate, asset prices, expectations.

Financial stability

Macroprudential tools and systemic risk monitoring.

Real economy link

Investment, consumption, inflation, and employment impacts.

Key concepts

IMF / World Bank (overview)

Stability support, development finance, policy advice.

Global markets

Capital flows, FX, risk sentiment, and contagion.

Regulatory alignment

Standards, best practices, and cross-border supervision topics.

Current issues

Digital finance, cyber risk, sustainable finance, inclusion.

Weighting (typical TQF3 structure)

Adjust if your instructor announces updates.

Component	Weight
Midterm Exam	30%
Final Exam	30%
Assignments & Presentations	30%
Participation / Teamwork & Professionalism	10%

Tip: prepare weekly— markets are easier when you study in small chunks.

Practical study strategy

1

Weekly market recap

Spend 10–15 minutes: rate news, bond yields, and key headlines.

2

Master the core relationships

Interest rate \leftrightarrow bond price, risk \leftrightarrow return, liquidity \leftrightarrow spreads.

3

Use Thai institutions as anchors

BOT, SET, commercial banks: connect theory to local practice.

4

Practice short explanations

Train 60–90 second summaries for presentations and exams.

5

Ask early

Use consultation hours and LMS discussion boards to clear confusion fast.



Thank you

Questions & discussion

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