

## Chart of difference between Capital Market and Money Market

Points of differences	Capital Market	Money Market
<b>Participants</b>	The financial Institutions, Banks, Public and Private companies, foreign investors, retail investors are included.	Only Financial Institutions, Banks, Public and Private companies are participants in Money Market. <b>But Foreign and retail investors are not included in this.</b>
<b>Type of capital</b>	It is concerned with fixed capital requirements.	It is concerned with working capital requirements.
<b>Safety</b>	The instruments in capital market are riskier.	The instruments of Money Market is less risky due to short duration of securities.
<b>Liquidity</b>	The securities are considered less liquidity because of Stock exchange.	But in Money Market the securities have more liquidity.
<b>Instruments</b>	Shares, Debentures, preference shares Bonds and other securities are the instruments of Capital Market.	Treasury bills, trade bills, etc. are the main instruments of Money Market.
<b>Expected Return</b>	The expected return is higher with regular payment of interest and dividend.	The expected return is less due to short period duration of instruments.