

## INVESTMENT BANKING AND SECURITIES MARKETS

**ABSTRACT:** *An increasing number of analyses have given proof that an effective financial system differs from an ineffective one in that it drives the long-term economic growth forward by allocating financial resources to more profitable investments. As a result, demands for financial sector reforms to increase its efficiency have intensified, in order to promote economic progress. Stable and efficient banking systems are an important component of every financial system. By reducing the efficiency of a country's banking or entire financial system, the ability to allocate resources for productive investment is reduced. The aim of the paper is to examine the importance and future possibilities of investment banking in the context of modern capital markets.*

**KEYWORDS:** *banking, banking system, capital market, securities, investments.*