

Syllabus

Course code: 7VG32NBKF5M

Course name: International Global Markets and Regulation

Number of credits: 6 ECTS

Course leader: Prof. Magas István

Main aim of this course is to:

- Provide for the understanding of the nature of foreign exchange risk,
- Develop and Improve the ability to manage foreign currency risk home and abroad,
- Understand the nature of risks in general, and - through case/country studies, and in foreign investments, in particular.

Course content: SEE THE SYLLABUS, AND THE MOODLE AS THE COURSE PROCEEDS. THESE ASPECTS WILL BE DISCUSSED IN DETAIL IN CLASS.

This course provides an introduction to international financial markets, to institutions and to the management of the special risks arising from international transactions.

The basic thrust of this course is to provide a conceptual framework within which the essential financial decisions of the international banks and institutions, multinational firm can be analysed. The approach is to treat international financial management as a natural and logical extension of the principles learned in the foundations course in international economics. Thus, it builds on and extends the valuation framework provided by domestic corporate finance to account for dimensions unique to international finance. The main text, Madura-Fox: Multinational Financial Management, South Western Cengage learning focuses on decision making in an international context. Analytical techniques developed help to translate the often vague rules of thumb used by international financial executives into specific decision criteria. The book offers a variety of real-life examples, both numerical and institutional, that demonstrate the use of financial analysis and reasoning in solving international financial problems. Examples scattered throughout the text show students the value of examining decision problems with the aid of a solid theoretical foundation. Therefore, seemingly disparate facts and events can be interpreted as specific manifestations of more general financial principles.

Number of courses per week: two 90 minute classes per week = 43.5 hours per semester; one 90 minute class per week = 2 hours

Semester: FALL

Prerequisites: MACRO- AND MICROECONOMICS, SOME INTERNATIONAL ECONOMICS CHAPTERS

Schedule: THURSDAY AT-14.00

ROOM: C104

Learning outcomes

Knowledge:

- Provide for the understanding of the nature of foreign exchange risk
 - Develop and Improve the ability to manage foreign currency risk home and abroad
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- Understand the nature of risks in general, and the fx-risks in particular- through case studies- of foreign investment.
Learn to analyse country/sovereign risk.
Get acquainted with commodities markets.

Abilities:

Ability to read financial data and corporate reports. Interpret reports of major International organizations. IMF, World Bank, BIS

Attitudes: Continuous learning and team work required.

Autonomy and responsibility: SELECTED TEAM LEADER IS IN CHARGE OF TEAM WORK FOR INDIVIDUAL WORK. SUCH AS WRITTEN TEST, ONLY THE STUDENT IS RESPONSIBLE!

Evaluation:

SEE AS IN THE MOODLE SITE,
AS PUBLISHED BY WEEKS

Coursework weighting 20%

CASE 20 POINTS: GROUP home assignment on Case study, it is due on the 12th week of teaching. Hard Printed format is required in the given structure and length /details/ will be provided in the case brief to be handed out in class in week 7. Absolutely no emails are accepted.

Examination, weighting >60% / midterm :30%, final :30% /

Exam Format:

Duration: 90 MIN. Closed book. Electronic calculator.

Summary of overall assessment scheme

Classwork: individual + group work 20% midterm test: 30%

home assignment on case study: 20%

Final Exam: 30%

100 POINTS, NUMBERS WILL MEAN RAW SCORE AND PERCENTAGE ALIKE.

Compulsory and recommended readings:

REQUIRED TEXT: Madura –Fox: Multinational Financial Management, 2ND, OR newer editions, such 11th , ED. South Western, Cengage Learning

Recommended: ASSIGNED READINGS, TO BE ARRANGED BY WEEKS, SEE THE MOODLE CALENDAR