International Financial Markets and Institutions					Code: 4.1.0116
ECTS points: 2	Hours: 15	Year: 2021/22	Semester: summer	Status: Elective	Language: English

Lecturer: Małgorzata Siemionek-Ruskań PhD
Email: malgorzata.ruskan@ug.edu.pl

Course description:

I. The International Financial Environment
Multinational Financial Management: An Overview
International Flow of Funds
International Financial Markets
Exchange Rate Determination
Currency Futures and Options
II. Exchange Rate Behaviour
Government Influence on Exchange Rates
International Arbitrage and Interest Rate Parity
Relationship between Inflation, Interest Rates, and Exchange rates
III. Exchange Rate Risk Management
Forecasting Exchange Rates
Measuring Exposure to Exchange Rate Fluctuations
Managing Transaction Exposure
Managing Economic Exposure and Transaction Exposure
IV. Exchange rate determination
Explain how exchange rate movements are measured
Explain how the equilibrium exchange rate is determined
Examine the factors that affect the equilibrium exchange rate
V. Currency derivatives
Explain how forward contracts are used for hedging based on anticipated exchange rate movements
Explain how currency futures and options contracts are used for hedging or speculation based on anticipated exchange rate movements.
Assessment will be based upon written examination.

Reading list:

Jeff Madura, International Financial Management, Cengage Learning; 14th ed, 2020.

Grading:

The final grades are based on the score according the University terms of study:
50% or less - 2,0 (fail)
>50% - 3,0 (pass)
>60% - 3,5 (pass +)
>70% - 4,0 (good)
>80% - 4,5 (good+)
>90% - 5,0 (very good)

Prerequisities:

There are no pre-requisites for this course