International Finances and Capital Markets
Syllabus for Master’s program
Specialization 1-25 81 01
«International Economics and Trade Policy»
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RECOMMENDED FOR APPROVAL AS A BASE:
Department of world economy of the Educational establishment «Belarus State Economic University»
(protocol № 10 from 09.03.2017)

The scientific-methodical Council of the Educational establishment «Belarus State Economic University»
(protocol № __ from ________2017)

Responsible for the output: Borisik O.V.
Explanatory note

The discipline «International Finances and Capital Markets» is an independent discipline. This discipline provides the basis for understanding both the international sources of finance and the ways of doing business on the international financial markets.

The subject of the course “International Finances and Capital Markets” is to study the mechanism and instruments of international financial transactions.

**Discipline objective:** providing to the Master’s Program students the knowledge and skills for understanding and doing business on the financial markets, and for seeing and taking opportunities in the field of international finance.

**Main discipline tasks:**
- to deepen the theoretical knowledge on international finance based on the classical and contemporary theories and models;
- to study and understand the current trends and instruments on different international financial markets: foreign exchange market, money market and capital market;
- to study various methods to analyze international financial transactions, and to forecast basic financial indicators and consequences of different decision makings on the international financial market;
- to get the skills of using the changing opportunities to do business by Belorussian economic entities on different international financial markets.

As the result of discipline study magistrates must to:

**know:**
- the basic contemporary ideas, challenges and trends of international finance and markets;
- the specific and opportunities of transactions at the global financial centers, the participants, their strategies, the collaboration of government vs (plus) corporations in international finance;
- the scope of Eurocurrency market and the main global stock-exchange markets;
- spot and derivative foreign exchange financial instruments and rates; factors affecting and theories explaining them;
- fundamental and effective market approaches to analyze foreign exchange market;
- technical approach to analyze foreign exchange market;
- the scope of international money market, systemic risks and moral hazards;
- the nature of certificate of deposits, notes (floating rate, euro medium-term, syndicated NIF and RUF), treasury bills, commercial papers (US, Euro), banker’s acceptances, repos;
- the scope of international capital market, the Euromarkets, the modern investment banking; top global financial rating agencies;
the instruments of international debt market: sovereign and corporate bonds, foreign, parallel, euro, global bonds; fixed and floating rate, zero coupon bonds; “junk” bonds; bond pricing models and sensitivity, theories of yield curves;
  - the sovereign risk, debt management and default;
  - the instruments of international equity market: foreign, international, euro equities; depository receipts; IPO; equity indexes; modern portfolio theory, behavior theory;
  - the instruments of international derivatives market: forwards, futures, options, swaps, credit derivatives, hybrid securities;

**be able to:**
  - identify and explain the trends of the international finance and markets;
  - evaluate spot and forward exchange rates, determine the factors affecting them;
  - use different approaches to analyze foreign exchange market;
  - chose international money market instruments according to the determined strategy;
  - behave on behalf of sovereign or corporate issuer or lender on the international debt market;
  - arrange initial public offering;
  - analyze international equity market and make investment decisions;
  - create and implement financial strategies on the derivatives market;
  - seek the opportunities “black swans” to do business on the international financial markets;

**have skills to:**
- collecting financial data from open international sources;
- analyzing international foreign exchange, money and capital markets using different approaches, theories and methods;
- preparing the financial strategy on behalf of the government and corporations based on self-collected and analyzed international financial information;
- arguing and making collective investment decision;
- individual and group negotiations on the terms of the international financial transactions;
- preparing the draft of the investment or other financial agreement (or other document).

The discipline «International Finances and Capital Markets» is based on the disciplines «Economic theory», «International economic relations», «International macroeconomics», «Financial Management», is studying during 66 hours, including 30 auditory study hours for full-time students (18 hours of lections, 12 hours of face-to-face workshops) and 16 auditory study hours for part-time students (14 hours of lections, 2 hours of face-to-face workshops) recommended form of control is setoff.
TRANING MATERIAL CONTENT

Topic 1. International Financial System


Three international financial markets: foreign exchange, money and capital markets.

Main participants of the international financial markets, their goals and strategies. Investment banking. The collaboration of government vs (plus) corporations in international finance.

Basic steps from theory to practice international finance: international sources of financial information, methods of analyzing, preparing the financial strategy, collective decision making, individual and group negotiations, preparing the drafts of the financial documents.

Topic 2. Foreign Exchange Market

Eurocurrency market. The international stock-exchange markets. FX dealers, brokers and other players. Market structure.


Approaches to Analyze FX. Fundamental approach, effective market approach and Technical approach to analyze FX.

Topic 3. International Money Market

The structure of international money market. US, UK, Japan domestic money markets. LIBOR, PIBOR, SHIBOR and others. Systemic risks and moral hazards.

Eurocurrency loans and deposits. Eurocurrency interest and day-count.


Topic 4. International Capital Market

Participants of the international capital markets and their strategies. The modern investment banking. The clients of investment banks.


**Topic 5. International Debt Market**


Bond Pricing Models.

**Topic 6. International Equity Market**

The instruments of international equity market. Foreign, international, euro equities. Depository receipts. ADR. Equity indexes. Stock lending. Listing. IPO - initial public offering, costs and benefits. Issuance methods. Elements of an IPO.

**Topic 7. Investment Portfolio Theories**

Equity investment styles. Passive and active management. Growth and value investment.


**Topic 8. International Derivatives Market**

## INDICATIVE THEMATIC PLAN
of the discipline «International Finances and Capital Markets»
specialty «International Economics and Trade Policy»

<table>
<thead>
<tr>
<th>Number of topic</th>
<th>Topic</th>
<th>Hours In Auditorium</th>
<th>Forms of control of knowledge</th>
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<tr>
<td></td>
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<td>Lectures</td>
<td>Practice</td>
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<td>1</td>
<td>2. International Financial System</td>
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<td>2</td>
<td>2. Foreign Exchange Market</td>
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<td>3</td>
<td>3. International Money Market</td>
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<td>Market/Theory</td>
<td>Literature Range</td>
<td>Methodology</td>
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<td>5.</td>
<td>International Debt Market</td>
<td>Literature [1-10, 14]</td>
<td>Individual work</td>
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<td>8.</td>
<td>International Derivatives Market</td>
<td>Literature [1-10, 23]</td>
<td>Control poll, test</td>
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<td>Total</td>
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INFORMATION AND METODIC PART

Methodical recommendations about the organization of independent work of undergraduates on a discipline «International Finances and Capital Markets»

In mastering knowledge of a subject matter an important stage independent work of undergraduates is. The budget of time for independent work on average on 2-hour classroom occupation is recommended 1.5-2 hours.

Main directions of independent work of the undergraduate:
- initial acquaintance with the program of a subject matter;
- acquaintance with the list of the recommended literature, her studying and selection of additional literature;
- work with information sources, information search for the analysis and forecasting of the world commodity markets;
- studying of materials of various databases of the international economic organizations and their official sites;
- studying and expansion of the material of lectures provided by the teacher at the expense of information from additional literature, consultations;
- preparation for seminar classes in specially developed plans with studying of the main and additional literature;
- preparation for the main forms of control (control poll, test, USRS tasks, tactical review, report, presentation, etc.);
- preparation of the computer presentations on single questions and subjects of a subject matter;
- preparation for examination.

The list of the recommended diagnostic aids of competences

1. Oral forms of diagnostics of competences: interviews, polls, oral reports on seminar occupations, reports at conferences, estimation on the basis of a discussion.
2. Written forms of diagnostics of competences: tests, control polls, examinations, individual tasks, essay, publications of articles, reports.

Literature

Main

**Additional**

Masters and MBA programs. Executive Master in International Trade, The Executive Master in International Trade is a window into the disruptive role of innovation and emerging technologies in international businesses, and the associated challenges and opportunities for companies that want to expand their international footprint. DURATION. 15 months. Do you have what it takes to face the market head on with our Master in Finance? DURATION. 1 year. The Finance, Economics and Trade programs will pave the way into a fast-moving, high-potential sector. Alongside world-class training, our expert career services provide the tools and support to design a successful job search. 

5 1.2 International Trade and the Nation's Standard of Living 6 Case Study 1-3 Rising Importance of International Trade to the United States 8 1.3 The International Flow of Goods, Services, Labor, and Capital 9 1.3A The International Flow of Goods and Services: The Gravity Model 9 1.3B The International Flow of Labor and Capital. 


The international economy and trade is the exchange of goods and services between countries. International economics and trade program cultivates talents who systematically grasp the EDHEC Master in Financial Economics programmes have equal impact on skills and careers. They provide business relevant education for students who seek top-level positions within leading, global financial institutions. Trading securities in markets involves explicit and implicit costs. In this course, you will learn where these costs come from, what are their determinants, how to estimate them and how they must be accounted for in the construction of efficient portfolios and the determination of optimal trading strategies. Bloomberg Market Concepts. 

The scholarship is financed and managed by the French Ministry of Foreign Affairs and International Development. Who can apply: Any students under 25-year-old with an excellence profile The International Economics programme offers you a comprehensive selection of topical global economics issues. You will explore and analyse the progressive integration of international goods, labour and capital markets and the decline in the national barriers that separated them in the past. You also address the effects that increased interdependence of economies has on governments, firms, their managers and employees. As modern economics and global markets require professionals to have sound knowledge in economic theory, use data analysis, work with quantitative software, and to be able to study effectively, the program offers a range of courses which help to develop skills and expertise demanded by potential employers.