



<https://courseoutline.auckland.ac.nz/dco/course/ECON/352/1215>

ECON 352 : International Finance

Business and Economics

2021 Semester Two (1215) (15 POINTS)

Course Prescription

A study of the modern literature on exchange rate markets, exchange rate determination and the implications of exchange rate movements for various economic issues. Students will gain an understanding of why exchange rates change, of financial market arrangements, and of the reasons for, and implications of, recent events in international financial markets.

Course Overview

The purpose of this course is for students to become familiar with the basic international finance theories and practices, from which they can explain various international phenomena and understand various international financial market policies. Students will be introduced to a range of issues in international macroeconomics.

Course Requirements

Prerequisite: 15 points from ECON 201, 211, 232, 241

Capabilities Developed in this Course

- Capability 1: Disciplinary Knowledge and Practice
- Capability 2: Critical Thinking
- Capability 3: Solution Seeking
- Capability 4: Communication and Engagement
- Capability 5: Independence and Integrity
- Capability 6: Social and Environmental Responsibilities

Graduate Profile: [Bachelor of Commerce](#)

Learning Outcomes

By the end of this course, students will be able to:

1. Understand and describe the key definitions of exchange rates and related concepts (Capability 1 and 4.2)
2. Analyse how the foreign exchange market works (Capability 2 and 4.2)
3. Apply some of the general principles of the exchange rates determination (Capability 1 and 5.1)
4. Analyse the causes of historical currency crises and other types of financial crises (Capability 2, 3 and 6)
5. Understand and use the information reported in National and International Accounts (Capability 3 and 5.1)
6. Identify, review, appraise and assemble multiple information sources to produce coherent and well-reasoned analysis of topics set in tests and assignments (Capability 4.2, 5.1 and 5.2)

Assessments

Assessment Type	Percentage	Classification
Assignments	30%	Individual Coursework
Test	20%	Individual Test
Final Exam	50%	Individual Examination
3 types	100%	

Assessment Type	Learning Outcome Addressed					
	1	2	3	4	5	6
Assignments	✓	✓	✓	✓	✓	✓
Test	✓	✓	✓	✓		✓
Final Exam	✓	✓	✓	✓		✓

Workload Expectations

This course is a standard 15 point course and students are expected to spend 10 hours per week involved in each 15 point course that they are enrolled in.

For this course, you can expect per week 3 hours of lectures, a half-hour of tutorial recording, 2.5 hours of reading and thinking about the content and 4 hours of work on assignments and/or test preparation.

Delivery Mode

Campus Experience

Attendance is expected at scheduled activities including lectures and tutorials to complete components of the course.

Lectures will be available as recordings. Other learning activities including tutorials will be available as recordings.

The course will not include live online events.

Attendance on campus is required for the exam.

The activities for the course are scheduled as a standard weekly timetable.

Learning Resources

Required textbook: Feenstra, R.C. and Taylor, A.M. (2017) International Macroeconomics, 4th edition, Worth Publisher

Student Feedback

At the end of every semester students will be invited to give feedback on the course and teaching through a tool called SET or Qualtrics. The lecturers and course co-ordinators will consider all feedback and respond with summaries and actions.

Your feedback helps teachers to improve the course and its delivery for future students.

Class Representatives in each class can take feedback to the department and faculty staff-student consultative committees.

Other Information

Approximate list of topics to be covered:

- Topic 1: Introduction. Exchange Rates I: The Monetary Approach in the Long Run
- Topic 2: Exchange Rates II: The Asset Approach in the Short Run
- Topic 3: National and International Accounts: Income, Wealth, and the Balance of Payments
- Topic 4: Balance of Payments I: The Gains from Financial Globalization
- Topic 5: The Balance of Payment II: Output, Exchange Rates, and Macroeconomic Policies in the Short Run
- Topic 6: Fixed versus Floating: International Monetary Experience
- Topic 7: Capital Account Liberalisation Issues, the Dynamics of International Currency Use and International Currency Competition
- Topic 8: International Financial Crises: Currency crises, Banking Crises, Sovereign Debt Crises, and Financial Contagions
- Topic 9: International Economic policy Coordination and Theory of Optimal Currency Areas and European Currency Union
- Topic 10: European Currency Union and the European Sovereign Debt Crisis

Digital Resources

Course materials are made available in a learning and collaboration tool called Canvas which also includes reading lists and lecture recordings (where available).

Please remember that the recording of any class on a personal device requires the permission of the instructor.

Additional resources such as solutions to the tutorial exercises, lecture slides, etc. will be posted on CANVAS.

Academic Integrity

The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic offence. The work that a student submits for grading must be the student's own work, reflecting their learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the internet. A student's assessed work may be reviewed against online source material using computerised detection mechanisms.

Inclusive Learning

All students are asked to discuss any impairment related requirements privately, face to face and/or in written form with the course coordinator, lecturer or tutor.

Student Disability Services also provides support for students with a wide range of impairments, both visible and invisible, to succeed and excel at the University. For more information and contact details, please visit the [Student Disability Services' website](http://disability.auckland.ac.nz) <http://disability.auckland.ac.nz>

Special Circumstances

If your ability to complete assessed coursework is affected by illness or other personal circumstances outside of your control, contact a member of teaching staff as soon as possible before the assessment is due.

If your personal circumstances significantly affect your performance, or preparation, for an exam or eligible written test, refer to the University's [aegrotat or compassionate consideration page](https://www.auckland.ac.nz/en/students/academic-information/exams-and-final-results/during-exams/aegrotat-and-compassionate-consideration.html) <https://www.auckland.ac.nz/en/students/academic-information/exams-and-final-results/during-exams/aegrotat-and-compassionate-consideration.html>.

This should be done as soon as possible and no later than seven days after the affected test or exam date.

Learning Continuity

In the event of an unexpected disruption we undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. You will be kept fully informed by your course co-ordinator, and if disruption occurs you should refer to the University Website for information about how to proceed.

Student Charter and Responsibilities

The Student Charter assumes and acknowledges that students are active participants in the learning process and that they have responsibilities to the institution and the international community of scholars. The University expects that students will act at all times in a way that demonstrates respect for the rights of other students and staff so that the learning environment is both safe and productive. For further information visit [Student Charter](https://www.auckland.ac.nz/en/students/forms-policies-and-guidelines/student-policies-and-guidelines/student-charter.html) <https://www.auckland.ac.nz/en/students/forms-policies-and-guidelines/student-policies-and-guidelines/student-charter.html>.

Disclaimer

Elements of this outline may be subject to change. The latest information about the course will be available for enrolled students in Canvas.

In this course you may be asked to submit your coursework assessments digitally. The University reserves the right to conduct scheduled tests and examinations for this course online or through the use of computers or other electronic devices. Where tests or examinations are conducted online remote invigilation arrangements may be used. The final decision on the completion mode for a test or examination, and remote invigilation arrangements where applicable, will be advised to students at least 10 days prior to the scheduled date of the assessment, or in the case of an examination when the examination timetable is published.