

MODULE DESCRIPTOR

MODULE TITLE	International Financial Economics		
MODULE CODE	EC3406 (L6)	CREDIT VALUE	20 credits / 10 ECTS
SCHOOL	SCHOOL OF BUSINESS AND MANAGEMENT		

MODULE AIMS

EC3406 is concerned with certain key aspects of international financial economics. Fundamental assumptions and structures are introduced at the conceptual level giving students theoretical models around which coherent and consistent arguments can be based. This crucial theoretical constructs will revolve around micro-economic models, and macro-economic models. These theoretical models will then form the basis for investigating particular areas of economic policy and performance since 1945.

MODULE CONTENT

An historic analysis of exchange rate behaviour is undertaken. This behaviour is put into the context of overall economic aims and behaviour. Demand/Supply models are developed as a tool for analysing exchange rate movements. More complex models – eg UIP – are introduced as a description of exchange rate movements. Exchange rates are further analysed in a wider sense – eg within more complete/complex macro-economic modelling environments. Exchange rate volatility is analysed and alternative methods – eg financial derivatives - of controlling this volatility are discussed.

INTENDED LEARNING OUTCOMES

On successful completion of this module a student will be able to:

1. understand the significance of financial economic models.
2. understand relevant literature.
3. building and interrogate relevant economic models.
4. develop coherent analyses using sound modelling reasoning.

TEACHING METHODS

The lecture programme will present the key conceptual ideas and modelling constructs. Understanding of such issues and subsequent competence in economic analysis will be developed continually at the individual level through seminar exercises. Students will develop as individuals through individual study and the desire to enter open discussion within seminars. By further reflecting on the suggested answers as developed in the seminars students will be able to develop an appropriate knowledge/skill set. This knowledge jigsaw will be pieced together bit by bit with the student receiving measurable feedback through assessed work.

ASSESSMENT METHODS

This module is assessed through an essay (50%) and an examination (50%).