

International Finance
(subject to revision; last updated on January 24, 2015)

1. Introduction

This course aims to facilitate students' understanding of international finance and its applications in the real world. The course also encourages discovery learning. Students strengthen their discovery skills when analyzing the strengths and weaknesses of economic models for understanding the various issues, for example, on exchange rate regimes and macroeconomic policies in the open economy framework.

2. Lecture and Office Hours

Lecture	13:00 – 14:30 on Thursday (Venue: H017-0101) 13:00 – 14:30 on Friday (Venue: H017-0101)
----------------	--

Deokwoo Nam Assistant Professor Department of Economics and Finance	
Contact Information:	Office: Phone: Email: _____
Office Hours:	10:30 – 11:30 on Thursday or by Appointment

3. Textbook

International Economics by Robert C. Feenstra and Alan M. Taylor, Second edition, Worth Publishers 2008, 2012 (ISBN-13: 978-0-7167-9283-3)

4. Course Schedule

Week (Date)	Lecture/Exam	Topics/Readings
Week 01 (March 5 ~ 6)	Lecture 1	Introduction to the global macroeconomy (Chapter 12)
Week 02 (March 12 ~ 13)	Lecture 2	Exchange rates and the foreign exchange rate market: exchange rate essentials, exchange

Week 03 (March 19 ~ 20)	Lecture 3	rate in practice, covered and uncovered interest parity, purchasing power parity, and etc. (Chapter 13)	
Week 04 (March 26 ~ 27)	Lecture 4	Monetary and asset approaches to exchange rates: theories on how exchange rates are determined in the short run and long run (Chapter 14 & 15)	
Week 05 (April 2 ~ 3)	Lecture 5		
Week 06 (April 9 ~ 10)	Lecture 6	National and international accounts and Balance of payment (Chapter 16)	
Week 07 (April 16 ~ 17)	Lecture 7	Gains from consumption smoothing, gains from efficient investment, and gains from diversification of risk (Chapter 17)	
Week 08 (April 23 ~ 24)	Mid-term Exam	In-class mid-term examination	
Week 09 (April 30 ~ May 1)	Lecture 8	Output, exchange rates, and macroeconomic policies in the short run (Chapter 18) Fixed versus floating exchange rate regimes and exchange rate crises (Chapter 19 and 20) Topics in international macroeconomics (Chapter 22)	
Week 10 (May 7 ~ 8)	Lecture 9		
Week 11 (May 14 ~ 15)	Lecture 10		
Week 12 (May 21 ~ 22)	Lecture 11		
Week 13 (May 28 ~ 29)	Lecture 12		
Week 14 (June 4 ~ 5)	Lecture 13		
Week 15 (June 11 ~ 12)	Lecture 14		
Week 16 (June 18 ~ 19)	Final Exam		In-class final examination

(1) These topics will be updated over time. More importantly, *we may or may not be able to cover all the topics listed above or updated.*

(2) My lecture slides will be posted at the HY-in class board.

5. Grading Policies

Type of Assessment Tasks/Activities	Weighting
Class-participation	5%
Problem Set Assignments	10%
Midterm Examination	40%
Final Examination	45%

- (1) Both the midterm and final examinations will be ***closed-book ones***. In particular, the final examination will cover all the topics covered during the course, focusing on lectures after the midterm examination. There will be ***no make-up examinations***. In the case that you miss an examination, you don't get any weight assigned to it.
- (2) Six to seven problem sets will be assigned during the course. They can be done ***either individually or in a group of two to four people***. Handwriting should be clear to everyone, which might encourage you to use a word processor for reporting your answers. Assignments will be collected in lecture on the appropriate date. Late assignments will not be accepted for credit. The problem sets are an integral part of the course. I strongly encourage you to do them in a timely and serious fashion. The problem sets provide valuable information regarding your grasp of the concepts and help you prepare for exams.
- (3) Class-participation means your attendance of lectures as well as discussion.