

**UNIVERSITY OF PUERTO RICO
RIO PIEDRAS CAMPUS
BUSINESS ADMINISTRATION FACULTY
GRADUATE BUSINESS SCHOOL**

PRONTUARIO

- I. COURSE TITLE:** International Investments
- II. COURSE CODIFICATION:** FING 6725
- III. HOUR CREDITS:** 3 Credits/Hours
- IV. PRERREQUISITES:** FING 6501, CONT 6501
- V. COURSE DESCRIPTION:**

This course examines hands-on strategies, policies, and procedures that will help students take advantage of the returns available in overseas markets, while keeping closer track of the risks.

This course examines the relationship of risk and return, emphasizing the importance of portfolio theories and their relationships and roles in the investment world. Also it is emphasized the management of investment portfolios of individuals and corporations. It's analyzed the different values that exist in both the stock and bond markets, and their behavior in different market scenarios. Finally we see the role of government sectors and its relation to the investment market.

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VI. COURSE OBJECTIVES & LEARNING OUTCOMES:

After completing the course students will:

- 1) Know the existing financial markets
- 2) Know the purpose of financial markets
- 3) Evaluate the various existing financial instruments
- 4) Understand the risk involved in obtaining the various investments

- 5) Be familiar with creating investment portfolios and the principle of diversification
- 6) Understand the principle of risk-return
- 7) Use the different tools of analysis and company values
- 8) Analyze changes in prices and interest rates of the securities
- 9) Run a macroeconomic analysis and its relationship with business
- 10) Knowing the derivatives market

VII. COURSE CONTENT:

Topics	Hours
Introduction: Global Risk Management Institutional Use and Control of the Investment Process Reducing Risk Using Bond Diversification	7
The Multiple Dimensions of Global Equity Risk Management — A Practitioner’s Perspective Currency Observations: Hedging Currency Risks Asset Allocation and the Rewards of Multiple-Asset-Class Investing	7
Asset Allocation and Portfolio Strategies Management of Currency Fluctuations Associated with International Investments Sovereign Credit Ratings: A Primer	7
MIDTERM	3
Hedging the Currency Exposure of a Non-dollar Portfolio	3
Equity Derivatives Strategies and Risk Management	3
Value at Risk for Asset Managers	3
Trading Risks in International Investments — Why Market-Neutral Strategies Sometimes Fail	3
Managing Global Emerging Markets Risk	3
Financial Meltdowns and Exchange Rate Regimes	3
FINAL EXAM	3
Total Contac Hours	45

VIII. INSTRUCTIONAL STRATEGY (Teaching Methodology):

The instructional strategy will employ classroom conversations, didactic questions, demonstrations, expository writing, heterogeneous grouping, and laboratory groups.

IX. REQUIRED LEARNING RESOURCES:

- Academic journal articles
- Working papers
- Textbooks

X. EVALUATION STRATEGY:

- Case: 30%
- Midterm: 30%
- Final: 30%
- Participation: 10%

Special evaluations will be extended to students with special accommodation necessities.

XI. ASSESSMENT STRATEGY:

There will be two closed-book exams. Each week students must submit one or two short (two-page maximum) summary/report of an academic article.

XII. GRADING SYSTEM:

100-90%=A, 89-80%=B, 79-70%=C, 69-60%=D and 59-0%=F

XIII. LAW 51 - VOCATIONAL REHABILITATION:

According to the Law of Integral Educational Services for Individuals with Disabilities, students who require reasonable accommodation should notify the instructor the first day of class. Students receiving VR services should contact the teacher at the beginning of the semester to plan reasonable accommodation and assistive equipment necessary as recommended Affairs Office for Persons with Disabilities (OAPI) of Dean of Students. Even those students who need special assistance or accommodation should contact the teacher.

Certification # 99 (01-02) of the Academic Senate, Act 51 of 1996 (Act Integral Educational Services for people with disabilities) and Certification 130 (1999-2000) of the Board of Trustees.

XIV. CONDUCT SUBJECT TO DISCIPLINE:

The General Student Regulations of the University of Puerto Rico, Certificate 13, 2009-2010, and approved by the Department of State of Puerto Rico on September 9, 2009, Part VI, Section 6.2, provides students behavior subject to disciplinary sanctions. Among them is academic dishonesty, which involves disciplinary sanctions as provided in this regulation.

XV. BIBLIOGRAPHY :

Suggested Textbook:

Zask Ezra, “*Global Investment Risk Management*” (1999), 316 pages, McGraw Hill, ISBN-10: 0-07-135315-1, ISBN-13: 9-781171-353151.

Books, Articles and Other References:

Barry, B. (2005). *A Dictionary of Finance & Banking*. (3 Ed.) New York: Oxford University Press.

Brandimarte, P. (2006). *Numerical Methods in Finance & Economy*. (2. Ed.) Hoboken, NJ: Wiley Interscience.

Mishkin, F. (2006). *Financial Markets and Institutions*. (5th. Ed.). Boston: Addison Wesley.

Rose, P. (2006). *Money and Capital Markets: Financial Institutions and Instruments in a Global Marketplace*. Boston: McGraw-Hill/ Irwin.

Thomas, L. (2006). *Money, Banking, and Financial Markets*. Mason, Ohio: Thomson/South-Western.

Electronic References:

<http://www.bloomberg.com/>

<https://nyse.nyx.com/>

<http://www.nasdaq.com/>

<http://www.standardandpoors.com/home/en/eu>

<http://www.phlx.com/>

<http://www.forbes.com/markets/>

<http://www.marketwatch.com/>

*Revised on January 24, 2013.