ECON828 International Investment and Risk
4 Credit Points

I. Unit Outline

This course is mainly concerned with the analysis of return, risk, financial risk management, taxation of international bond and share investments and foreign direct investment. An up-to-date discussion of Basel II, the new global risk management system for banks, complements the analysis of financial risks in other units. While the bulk of the weekly meetings consists of lectures and the analysis of Case Studies, we will have ample opportunity for discussions of specific topics, issues and problems. The lecture topics are:

Chapter 1: Global Bonds, Bond Markets and Bond Valuations
Chapter 2: Term Structure of Global Interest Rates
Chapter 3: Global Bond Portfolio Management
Chapter 4: Credit Risk Ratings of Bonds, their Evaluations and International Bond Defaults
Chapter 5: Basel II and Beyond – Modelling Credit Risk Capital Requirements
Chapter 6: Credit Derivatives
Chapter 7: International Cost of Capital
Chapter 8: International Capital Budgeting and Real Options
Chapter 9: Capital Asset Pricing Models and Multifactor Models – A Refresher
Chapter 10: International Portfolio Investment
Chapter 11: Hedging of International Equity and Bond Portfolios using Currency Forwards and Futures
Chapter 12: Hedging of International Equity and Bond Portfolios using Stock Index Futures and Options
Chapter 13: Foreign Direct Investment

II. Teaching Staff

Professor D. J. Jüttner

- Consultation Hours:
  Wednesday 9-12am and before and after ECON828 lectures in CSC 308
- Tel. 9850 8481
- Fax 9850 8586
- Email juttner@efs.mq.edu.au

Questions, suggestions and discussions are to be channelled through the Bulletin Board on the unit's home page http://online.mq.edu.au/SCRIPT/ECO828/lectures/home.htm. In fact students are strongly encouraged to freely ask questions regarding the course material. Experience shows that students who asked questions also perform well in the unit. I am also available during my Consultation Hours. Don't forego the opportunity to consult your professor. Besides, at the end of your study program you might need a referee of substance for job applications. Attendance of all classes is strongly recommended.


V. Learning Outcomes and Assessment

The Assessment of the course is based on the following criteria:

- Final Exam
- Quiz
- Participation

VI. University Policy on ECO389 Final Exam

The University of [University Name] follows the academic policies and procedures outlined in the University's Student Guide. The final exam is a significant component of the course assessment. The exam is designed to test the students' understanding of the course material.

VII. Learning Outcomes and Assessment

The learning outcomes for ECO389 Final Exam include:

- The ability to analyze and interpret economic data.
- The ability to apply economic principles to real-world situations.
- The ability to critically evaluate economic arguments. 

VIII. Summary of Assessment

<table>
<thead>
<tr>
<th>Assessment Component</th>
<th>Weightage</th>
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<tbody>
<tr>
<td>Final Exam</td>
<td>70%</td>
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<tr>
<td>Quiz</td>
<td>30%</td>
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The final exam is worth 70% of the total assessment, with the remaining 30% allocated to quizzes.

IX. Recommendation for Students

- Prepare well for the final exam by reviewing course materials and practice questions.
- Attend all classes and participate actively in discussions.
- Seek help if you are struggling with any concepts.