



Lincoln University

BA 444 – International Securities and Foreign Exchange

COURSE SYLLABUS

Spring 2021

- Instructor:** Professor Themis D. Pantos, Ph.D.,
Lecture Schedule: Wednesday: 12:30 – 3:15 PM
Credits: 4 units (3 units/45 lecture hours + 1-unit individual research project)
Level: Mastery 2/Research (M2R)
Office Hours: Monday, 1:00 PM – 4:00 PM or by appointment
E-mail: tpantos@lincolnuca.edu
Phone: 510-250-6113
Textbooks: International Money and Finance (2017). Melvin & Norrbin, 9th edition ISBN-13: 978-0128041062, ISBN-10: 0128041064
Tools: A basic handheld calculator is required. Other mobile devices will not be allowed. Supplemental materials (such as periodical, article, or case study) will be provided in class.
Last Revision: January 18, 2021

COURSE DESCRIPTION:

The course includes an investigation of the foreign exchange market (Forex), foreign securities, international equities markets, international debt securities, futures and options. The course describes the fundamental principles and operations on these markets. A one-unit written research project and its oral presentation are required for the course. (4 units)

Prerequisite: BA 303

EDUCATIONAL OBJECTIVES:

To introduce students to the basic concept of international currency, securities, and futures markets, foreign exchanges including their specifics and time shifts, trading techniques, market analysis, investment strategies, and risk management to optimize investment and minimize risk.

COURSE LEARNING OUTCOMES*

	Course LO	Program LO	Institutional LO	Assessment Activities
1	Understand how international financial markets work.	PLO 1	ILO 1c, ILO 2c	Project, Assignments Midterm and Final examinations.
2	Be familiar with the modern trading approaches	PLO 2	ILO 1c, ILO 2c, ILO 7c	Project, Assignments Midterm and Final examinations.
3	Demonstrate ability to conduct research required for formulation of sound investment strategy	PLO 3	ILO 1c, ILO 6c	Individual research project.
4	Be able to implement a trading strategy in accordance with financial and business objectives	PLO 4	ILO 4c, ILO 5c	Project, Assignments Midterm and Final examinations.

INSTRUCTIONAL METHODOLOGY:

This is a direct classroom instruction course. The course will be conducted in the form of lectures and discussions on each topic shown in the class schedule below. Assignments and projects require students to actively use resources of the library. Detailed guide to business resources of the library as well as the description of Lincoln University approach to information literacy are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

COURSE REQUIREMENTS:

While in class, students are expected to conduct themselves in a professional manner. Professionalism includes regular attendance, participation in class discussions, civil conduct, and ethical behavior, etc. If a student is observed coming to class late often, being disrespectful to peers, texting or using mobile devices, or carrying on personal conversations during lecture, the grade will be reduced based on a demerit system and the student would be subject to disciplinary penalties from the University.

COURSE RESEARCH PROJECT:

Every student who is enrolled for 4 units must complete, submit, and present the assigned course research project. Every student must complete an individual assigned course research project (1 unit). The project requires 45 hours of self-study.

* Detailed description of learning outcomes and information about the assessment procedure are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

ATTENDANCE:

Students are expected to attend each class session. If you cannot attend a class due to a valid reason, please notify the instructor prior to the class.

Homework Assignments:

Every student needs to read the PowerPoint Slides according to the syllabus timetable in preparation for the upcoming class session. Higher education is about learning how to learn. So, in acquiring new knowledge, always pay attention to the learning objectives of each chapter or topic. In addition, you will enhance your understanding by solving the chapter problems to be assigned in class. Of course, you are welcome to bring questions to class for discussion by reading ahead of each classroom lecture. Achievement is assured when done repetitively.

GRADING POLICY:

Your performance in this course will be evaluated under the following Grading Scheme.

COURSE ASSESSMENT METHODS		GRADING SCALE
Midterm Exam:	25%	A = 94-100
Final Examination:	30%	A- = 90-93
Research Project:	25%	B+ = 85-89
Assignments:	20%	B = 80-84
Total:	100%	B- = 75-79
		C+ = 70-74
		C = 65-69
		C- = 60-64
		D+ = 55-59
		D = 50-54
		F = Below 50

The mid-term and final exams will include both types of theoretical and empirical questions and problems that are like the term assignments. They are designed to test both theory and problem solving. There will be NO “make-up credit” or “extra credit” work during and after the semester. The instructor reserves the right to modify the grading system based on class performance and notification to the students about any change during the semester. Assignments are to be completed on time during the course. Late assignments will result in a reduced grade. Mid-term and final exams cannot be made up if missed unless there is a documented emergency. You are responsible for keeping apprised of any change in syllabus. If you plan to be sick on exam days, please do the exam a day earlier before getting sick. The key to success in this course is communication and interaction. Thus, we will have to work as a team. First, we will create a positive learning environment where everyone can participate without fear. Second, relevant reading and problem assignments will be presented and discussed in class. When in doubt, ask.

Scholastic Dishonesty:

Scholastic dishonesty will not be tolerated. Students who violate rules of academic dishonesty are subject to disciplinary penalties, including failure in the course and/or other actions from the University. The key to success in this course is communication and interaction. Thus, we will have to work as a team. First, we will create a positive learning environment where everyone can participate without fear. Second, relevant reading and problem assignments will be presented and discussed in class. When in doubt, ask.

COURSE SCHEDULE

Lectures		Topic	Chapters	
#			Lectures	Textbook
1	Week1	Money and Currency	Ch. 1	Notes
2	Week2	Trading Money	Ch. 2	Ch. 1
3	Week3	Markets, Prices and Market making	Ch. 3	Ch. 2
4	Week4	Interest Rates	Ch. 4	Ch. 3
5	Week5	Brief History of Foreign Exchange	Ch. 5	Ch. 4
6	Week6	Foreign Exchange Spot Market	Ch. 6	Ch. 5
7	Week7	Foreign Exchange Arbitrage and Spot Market	Ch. 7	Ch. 5
8	Week8	Foreign Exchange Forwards	Ch. 8	Ch. 6
9	Week9	Midterm Examination	Ch. 1-8 as in lectures	
10	Week10	Foreign Exchange Futures Foreign Exchange Swaps	Ch. 9 Ch. 10	Ch. 7 Ch. 8
11	Week11	Foreign Exchange Options Exotic Options and Structured Products	Ch. 11 Ch. 12	Ch. 9 Ch. 10
12	Week12	The Greeks of the Options	Ch. 13	Ch. 13
13	Week13	Cryptocurrencies	Ch. 14	Notes
14	Week14	Hedging Topics and Techniques	Ch. 15 and Notes	
15	Week15	Comprehensive Final Examination	Ch. 1-15 as in lectures	

ADDENDUM: SUPPLEMENTARY COURSE MATERIAL

The PowerPoint slides are designed to give students a head start in learning course materials in a concise and coherent fashion. They are not intended to substitute, but complement, the textbook and classroom lectures. Don't just read; you need to absorb and understand the body of knowledge through a synthesis of critical thinking and problem solving skills. Thus attending classroom lectures and completing exercises and assignments are critical to your success.

INDIVIDUAL RESEARCH PROJECT (1 unit)

Each student registered for a 400-level course must complete a one-unit research project in addition to the coursework described in this syllabus. The specific topic will be assigned by the instructor.

The project requires 45 hours of independent study with regular consultations in accordance with the schedule determined by the instructor. The project work results in a written report (not less than 15 pages; APA style) and an oral presentation during the class session.

Evaluation of the student's work on the Individual Research Project will be done using the following rubric:

WRITTEN REPORT				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	<i>Not Present</i>
<i>Research Problem Statement</i>	The statement of a research problem is crystal clear, novel and thought provoking	Clearly and concisely identifies a research problem	The statement of a research problem is incomplete, lacking precision.	The statement of a research problem is absent.
<i>Organization</i>	The report is logically organized; ideas are exceptionally well-developed and support a thoughtful and engaging conclusion.	The development of ideas is present; the conclusion is effective and directly addresses the original thesis.	Organization is confusing, disjointed, and inconsistent; ideas, if present, are not developed; the conclusion is vague and/or does not address the original thesis.	The report lacks organization
<i>Sources and formatting</i>	A variety of high-quality sources is used; all factual claims are supported with citations. The report follows the APA style guidelines.	A few high-quality sources are used; majority of factual claims are supported with citations. The report mostly follows the APA style guidelines.	Sources used are of a questionable quality; factual claims are not supported. Use of APA style is inconsistent.	Sources are not identified or of a poor quality; factual claims are unsubstantiated. The report is poorly formatted
PRESENTATION				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	
<i>Style and Organization</i>	Presentation is clear, confident and fully engaging; the use of visual aids enhances its effectiveness; the presentation is well timed and structured.	Presentation is clear; the use of visual aids is not detrimental to audience engagement; all necessary components are given appropriate time.	Presentation lacks clarity, no attempt is made to engage the audience; visual aids are haphazard and distracting; lack of structure results in an inefficient use of time.	
<i>Questions and Answers</i>	Student demonstrates extensive knowledge of the topic by providing confident, precise and appropriate responses to all audience questions.	Student demonstrates knowledge of the topic by responding adequately to questions of the audience.	Student demonstrates lack of knowledge of the topic by responding inaccurately and inappropriately to audience questions.	