



Lincoln University

BA 444 - International Securities and Foreign Exchange

COURSE SYLLABUS Fall, 2014

Lectures: Saturday, 3:30 PM – 6:15 PM
Credit: 4 units (45 lecture hours + 45 hours of research project)
Instructor: Prof. Sergey Aityan, PhD, DSc
Office Hours: Thursday, 11:15 AM – 12:15 PM
Saturday, 11:15 AM – 12:15 PM
Students are advised to schedule appointments on the appointment list on the information board at the professor's office that will ensure exact appointment time without waiting.
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Text:

- 1. Main Textbook:**
Tim Weithers
“Foreign Exchange: A Practical Guide to the FX Markets”
Wiley, 2013
ISBN-10: 0471732036
ISBN-13: 978-0471732037
*** previous editions of this book are okay too ***
- 2. Course lecture notes:**
Sergey Aityan, “International Securities and Foreign Exchange,”
the online course notes on <http://elearning.lincolnuca.edu>.

Last Revision: August 25, 2014

CATALOG 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).

COURSE 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.

PROCEDURES AND METHODOLOGY

Lecture method is used in combination with a supervised exercises and business case study. The emphasis will be on learning by doing. Every student must participate in an intensive classroom activity, must complete home tasks and course projects, and take quizzes and exams.

COURSE PROJECT

Every student must complete and submit an assigned course project no later than two weeks before the end of the semester.

REQUIREMENTS

Continuous assessment is emphasized. Written or oral quizzes will be given every week. Reading, writing, home tasks, and “business case study” assignments will be made throughout the course. Students must complete all assignments and take all quizzes, mid-term exam and final exam on the **dates due**. Plagiarism or cheating will result in the grade “F” (with zero points for the activity) and a report to the administration.

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.

EXAMS

Both, midterm and final exams are structured as written essay to answer to the given questions. The essay must be written structurally with clear logical presentation of the answers. Graphs, charts, tables, and other supporting illustrations are required if needed. Examples to illustrate the answers are required.

Exams will cover all assigned chapters, any additional readings or supplementary materials covered in class. The exams are neither “open book” nor “open notes.”

GRADING AND SCORING

All activities will be graded according to the points as shown below.

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	F
Points	94-100	90-93	87-89	83-86	80-82	77-79	73-76	70-72	67-69	60-66	0-59

In exams, every answer is graded by points from 0 to 100 and the total points for an exam are calculated as the average of the points received for all answers in the exam.

The final grade for the course will be given as the total weighted score for all activities according to the percentage shown in the table below.

Activity	Time	Percent
Quizzes, home tasks, and classroom activities	Every week	20%
Course project		20%
Mid-term exam	In the middle of the course	30%
Final exam	Last week of the course	30%

If both grades for the midterm and final exams are “F” the term grade for the course is “F” regardless of the grades for the project and classroom activities.

MAKE-UP WORK

Assignments are to be completed on time during the course. Late assignments will result in a reduced grade. Mid-term and final exams and group presentations cannot be made up if missed unless there is a documented emergency.

COURSE SCHEDULE

Lectures		Topic	Chapters	
#	Date		Lectures	Textbook
1	Aug. 30	(a) About the Course (b) Money and Currency	Ch. 1	--
2	Sep. 6	Trading Money	Ch. 2	Ch. 1
3	Sep. 13	Markets, Prices, and Marketmaking	Ch. 3	Ch. 2
4	Sep. 20	Interest Rates	Ch. 4	Ch. 3
5	Sep. 27	Brief History of Foreign Exchange	Ch. 5	Ch. 4
6	Oct. 4	Foreign Exchange Spot Market	Ch. 6	Ch. 5
7	Oct. 11	Foreign Exchange Arbitrage and Spot Market	Ch. 7	Ch. 5
8	Oct. 18	Foreign Exchange Forwards	Ch. 8	Ch. 6
9	Oct. 25	Midterm Exam	Ch. 1-8 as in lectures	
10	Nov. 1	Foreign Exchange Futures	Ch. 9	Ch. 7
11	Nov. 8	Foreign Exchange Swaps	Ch. 10	Ch. 8
12	Nov. 15	(a) Foreign Exchange Options (b) Exotic Options and Structured Products	Ch. 11 Ch. 12	Ch. 9 Ch. 10
13	Nov. 22	Fundamentals of Technical Analysis	Ch. 13	Ch. 13
	Nov. 29	Thanksgiving – No classes		
14	Dec. 6	Course Project Presentations		
15	Dec. 13	Comprehensive Final Exam	Ch. 1-13 as in lectures	

OTHER COMMENTS

- Please participate. What you put into the class will determine what you get out of it – and what others get out of it.
- Please come on time. Late arrivals disturb everyone else.
- If you miss a class, you are responsible for getting notes/slide printouts on the material covered from a classmate or the instructor.
- To avoid distracting noise in class, cellular phones must be turned off or the ringing mode silenced.
- Questions and comments during the class are welcome. Do not hesitate to ask questions – do not leave anything unclear for you.

MODIFICATION OF THE SYLLABUS

The instructor reserves the right to modify this syllabus at any time during the semester. Announcements of any changes will be made in a classroom.