**UNIVERSITY OF NATIONAL AND WORLD ECONOMY**

Adopted by the Faculty Council Decision of Faculty of …… protocol № ….. / ……

**Approved by:**

**Dean – Assoc. prof. Svetla Boneva**

# COURSE SYLLABUS

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| *Course* | ***International Money and Finance*** |
| *Educational and Scientific Degree* | ***PhD*** |
| *Course Category* | ***Optional (block B)*** |
| *Area of Study* | ***3. Social, Economic and Law Sciences*** |
| *Field of Study* | ***3.8. Economics*** |
| *PhD Programme* | ***World Economy and International Economic Relations*** |
| *Faculty* | ***International Economics and Politics*** |
| *Department* | ***International Economic Relations and Business*** |
| *Academic Hours* | **0** |
| *Extracurricular Academic Hours* | **250 h** |
| *Credits* | **10 ECTS** |
| *Lecturer* | ***Prof. Svetlana Alexandrova-Zlatanska, PhD*** |

## 1. COURSE DESCRIPTION

The Syllabus contains a large array of topics and problems in the sphere of international money and finance.

The first three topics include problems concerning contemporary characteristics of the foreign exchange market as a component in the structure of the global financial market, exchange rates determination and forecasting. The course examines also the effects of exchange rates dynamics on economic processes.

The topics about international monetary and financial system examine the institutional structure of the system and include analysis of the contemporary challenges for international financial institutions and respectively the need and directions for reforms. The technical elements of the system are analyzed in the topics 7 and 8.

The topics about capital markets examine basic theoretical concept, as well as modern aspects of capital markets functioning – the financial technology impact and the climate change impact.

The topics about European monetary union analyze the realization of the strategic plan about creating a single monetary union in Europe, how these processes developed and also contemporary problems of the monetary union in Europe.

The financial derivatives market is topic 12 and includes material about the relative structural differentiation of the market, financial products and contemporary problems.

## 2. CONTENT

| № | TOPIC |
|---|---|
| 1. | **FOREIGN EXCHANGE MARKET**<br>- *Basic characteristics of the foreign exchange market – participants, instruments, financial centers, volume trends.*<br>- *Theoretical model of the foreign exchange market. Equilibrium of the foreign exchange market*<br>- Contemporary trends on the foreign exchange market |
| 2. | **EXCHANGE RATE**<br>- *Exchange rate basics and determination. Types of exchange rates*<br>- *Factors, determining the exchange rate. Exchange rate and prices. Absolute and relative version of the Purchasing Power Parity theory. Exchange rates and interest rates. Covered interest rate arbitrage. Covered interest rate parity. Fischer effect*<br>- *Exchange rate and economic policy. Exchange rate dynamics and effects on the economy* |
| 3. | **CONTEMPORARY METHODS OF EXCHANGE RATE FORECASTING**<br>- *Fundamental and technical analysis*<br>- *Balassa – Samuelson model. Dornbusch Overshooting Theory. Portfolio balance models of exchange rates determination* |
| 4. | **BALANCE OF PAYMENTS – THEORY, PRACTICE AND CONTEMPORARY PROBLEMS**<br>- *Definition and structure of the BoP. Main principles in composing the BoP*<br>- *Factors, affecting the BoP*<br>- *Macroeconomic interpretation of the BoP data. Savings and investments and the BoP.*<br>- *Economic policy and BoP. Methods of adjustment of BoP imbalances*<br>- *Contemporary problems. Global imbalances* |
| 5. | **INTERNATIONAL MONETARY AND FINANCIAL SYSTEM – PRINCIPLES AND** |

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| | **EVOLUTION**<br>- *Elements of the international monetary and financial system and evolution*<br>- *International money – characteristics and factors, determining the international status of the currency*<br>- *Exchange rate regimes – floating and fixed exchange rates* |
| 6. | **INSTITUTIONAL STRUCTURE OF INTERNATIONAL MONETARY AND FINANCIAL SYSTEM**<br>- *IMF nowadays – functions, problems and reforms*<br>- *The World Bank and its functions*<br>- *Regional financial institutions (EIB and EBRD)*<br>- *Bulgaria and its membership in the global and regional financial institutions* |
| 7. | **FINANCE IN INTERNATIONAL TRADE**<br>- *Methods of payment in international trade – characteristics, types. Bank guarantees* |
| 8. | **FINANCING INTERNATIONAL BUSINESS**<br>- *Short-term financing*<br>- *Mid-term financing*<br>- *Long-term financing* |
| 9. | **CAPITAL MARKETS**<br>- *Characteristics and structure*<br>- *Theories for capital markets dynamics settin. Rational expectations theory. Information asymmetry. Capital markets efficiency. Behavioral finance*<br>- *Securitization*<br>- *Collective investment schemes – types and contemporary developments*<br>- *Modern aspects in the development of financial markets – FinTech, green finance, sustainable finance* |
| 10. | **FINANCIAL STABILITY**<br>- *The concept of financial stability*<br>- *Financial markets regulation – regulatory reform upon the Global Financial Crisis, role of G20*<br>- *Institutions for financial stability – Financial Stability Board* |
| 11. | **EUROPEAN MONETARY UNION**<br>- *Strategic plan for creating a single monetary unit in Europe. Optimal currency area theory.*<br>- *EMU – principles and institutional structure. Reforms in the EMU design after the Sovereign Debt crisis*<br>- *Banking union in the EU*<br>- *European Central Bank – role of the ECB for overcoming crises. Contemporary aspects of ECB policy*<br>- *The international status of the euro – facts and perspectives*<br>- *Problems and perspectives, related to the accession of Bulgaria in the EMU* |
| 12. | **FINANCIAL DERIVATIVES MARKET**<br>- *Relative structural differentiation – forward, futures, swap and options market*<br>- *Credit derivatives market*<br>- *Structured financial products in the contemporary world* |

## 3. INDIVIDUAL COURCE PREPARATION

*For achieving the course objectives, the PhD student must do the planned individual course preparation, including:*

- studies the literature, concerning the selected topic and prepares a bibliography;
- consults the lecturer on the subject, his/her supervisor and other specialists.
- prepares an individual assignment on the chosen topic and presents his/her work for discussion in the commission.

## 4. ASSESSMENT

The assessment is based on the text of the individual paper, its presentation to the examination board and the discussion with the doctoral student on the topic.

*The final grade is based on a six-point scale, in which the lowest grade for successful completion of the course is Good (4). Converted to the ECTS grading scale, the grades are as follows*:

| Excellent /6/ | Very Good /5/ | Good /4/ | Average /3/ | | Poor /2/ | |
|---|---|---|---|---|---|---|
| **A** | **B** | **C** | **D** | **E** | **FX** | **F** |
| The corresponding number of ECTS credit points is being allocated (10 credits are awarded) | | | No ECTS credit points are being allocated | | | |

The exam shall be held in offline mode for the full-time PhD students, unless stated otherwise in a Rector's order. For the part-time PhD students and for those taking independent study courses the exam can be held in online mode.

## 5. DOCTORAL ACTIVITIES

| Type of classes/employment | Lectures | Extracurricular Activity | Total |
|---|---|---|---|
| 1. *Individual consultations, tutorials* | 0 | 50 | 50 |
| 2. Study of specialized literature | 0 | 50 | 50 |
| 3. Preparation of individual assignment | 0 | 50 | 50 |
| 4. Individual study/preparation for exam | 0 | 100 | 100 |
| 5. Other forms: | 0 | 0 | 0 |
| 6. …….. | | | |
| **Total** | 0 | 250 | **250** |

## 6. LITERATURE

### A. BASIC


1. Aleksandrova-Zlatanska, S., Financial Markets: Globalization, Integration, Innovation, IC ATL-50, Sofia, 2019
2. Kirova, S., Modern Architecture for Financial Stability, Publishing Complex of the University of National and World Economy, Sofia, 2020
3. Statteva , Y., International Financial Architecture – Evolution and Modernity, Publishing Complex – UNWE, Sofia, 2014
4. Statteva , Y., Financial Derivatives, Publishing Complex – UNWE, Sofia, 2015
5. Stoimenov , M. and V. Todorova, Finance of International Trade, Trakia Publishing House – M, Sofia, 2018

6. Aleksandrova-Zlatanska, S., Capital Markets: Global Perspectives, Daniela Ubenova Publishing House, Sofia, 2005
7. Krugman, P., Obstfeld and Melitz, International Finance: Theory and Policy, Eleventh Edition, Pearson, 2018
8. Madura, J., International Financial Management, Cengage Learning, 13th Edition, USA, 2018
9. Melvin, M and S. Norrbin, International Money and Finance, Elsevier Inc., Tenth Edition, USA, 2022
10. Mishkin, F. And S. Eakins, Financial Markets and Institutions, Global Edition, 9th Edition, Pearson, 2018

**B. ADDITIONAL**

11. Aleksandrova-Zlatanska, S., Adaptation to climate change - management policies and impact tools, IC ATL-50, 2019
12. Alexandrova, S., Financing climate change actions, "Bulgaria's EU membership eleven years later", Sixteenth International Scientific Conference, UNWE, 2019
13. Kirova, S., International Finance, IC of UNWE, 2018, Sofia
14. Kirova, S., Europe and leadership in financial innovation (fintech), Economic and Social Alternatives, issue 3, 2019, Sofia
15. Stateva, Y., S. Alexandrova, S. Kirova and N. Dimitrov, The Debt Crisis in the ENP and Effects for Bulgaria, Publishing Complex - UNWE, Sofia, 2013
16. Stateva, Y., Kirova, S., Ivanov, D. and P. Valkov, Contemporary Aspects of Financial Market Regulation, Publishing Complex - UNWE, Sofia, 2020
17. Bobeva, D., Zhelyazkova, V., 11. Aleksandrova-Zlatanska, S., Pavlyova, Y. (2023). The European Union's Transition to a Green Economy and Challenges for Bulgaria's Financial Sector and Public Finances. The "Black Swan" Is Now "Green". Plovdiv: "Paisii Hilendarski" University Press, ISBN 978-619-202-878-7.
18. Aleksandrova-Zlatanska, S. and D. Zheleva Kalcheva, Alternatives for Financing of Municipal Investments - Green Bonds. Review of Economic and Business Studies, 2019, Volume 12, Issue 1
19. Aleksandrova-Zlatanska, S., Reshaping Finance to Fighting against Climate Change, Regional and Social Challenges in the Transition towards and Green Economy, Conference Proceedings, Green Conference, September 2021, Plovdiv University Press 2021
20. Kirova, S., Financial Stability Risks related to Climate Change and Greening of Central Banks, Economic, Regional and Social Challenges in the Transition towards and Green Economy, Conference Proceedings, Green Conference, September 2021, Plovdiv University Press 2021
21. Kirova, S., European Green Bond Market: Development, Current state and Regulatory Regime, in Membership of Bulgaria in the European Union: Fifteen Years Later: Conference Proceedings: Volume 2, UNWE Publishing Complex, 2023
22. Kirova, S., Contemporary Developments of Global Imbalances, Economic Alternatives, UNWE Publishing Complex, Issue 3/2013, Sofia
23. IMF materials, www.imf.org
24. World Bank materials, www.worldbank.org
25. Materials from the Bank for International Settlements, www.bis.org

26. The Financial Times, www.ft.com
27. The Wall Street Journal, www.wsj.com
28. The Economist, www.economist.com
29. Материали на БНБ, www.bnb.com
30. ICC Uniform Customs and Practice for Documentary Credits, UCP-600

*The course syllabus is approved by the Department Council of „IER and Business" Department on .05. 2024 (Record № ……).*

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| *Lecturer* | *Prof. Svetlana Alexandrova-Zlatanska, PhD*<br>*Assoc. Prof. Silvia Kirova, PhD* |
| *Head of Department* | *Assoc. Prof. Vasil Petkov, PhD* |