

	<u>Subject title:</u> <b>INTERNATIONAL FINANCE</b>			
<u>Subject code:</u>	<u>Subject Status:</u>	<u>Semester:</u>	<u>Credit value:</u>	<u>Teaching load:</u>
MBS/M08	Compulsory	VI	6	3L+2T

<u>Study programme:</u> Academic Undergraduate Studies: Financial Management
<u>Responsible Staff:</u> Professor Radislav Jovović, PhD
<u>Pre-requisite:</u> Nil
<u>Mode of study</u> Lectures, tutorials, seminar papers, homework
<u>Assessment:</u> Written: 2 mid-term tests = 40 points Oral: Final exam = 50 points Attendance, Seminar paper, Homework = 10 points
<u>Objectives:</u> Analysis and understanding of the concepts and categories of international finance.

### **SYLLABUS:**

- Introductory considerations: basic categories of international finance
- The essentials of exchange rate and foreign exchange market. Formation and types of exchange rates
- Regimes of exchange rates
- Interventions on foreign exchange market. Determinants of exchange rate levels (theories)
- The essentials of balance of payment (development methods and structure)
- Interrelation between balance of payment and exchange rate
- Theories of balance of payment adjustment: classical mechanism and income approach
- Theories of balance of payment adjustment: absorption approach and monetary theory
- International movement of capital
- International monetary system in the period up to the Second World War
- Breton-Woods and modern international monetary system
- European monetary union
- Economic reforms of the '90s and the role of International Monetary Fund

### **READING LIST AND REFERENCES:**