

EC2880C: Introduction to Foreign Exchange
FASStrack 2024

Schedule: AM Session (10am-1pm, Singapore Time)
Tuesday, Wednesday, Thursday, and Friday

Course Description

With the increase in global trade and capital flows, understanding and managing foreign exchange market exposures are important skills in the workplace. This course introduces students to the foreign exchange markets, institutions, tools and applications. The objective of this module is to provide students with the contexts and tools to think about current issues related to foreign exchange exposures in international finance. These include the choice of exchange rate regimes, exchange rate forecasting and exposure management using a variety of instruments, and policies to ensure the smooth functioning of the foreign exchange markets.

Preclusion/ Prerequisite

Nil

Lecturer

Mun Lai Yoke, Senior Lecturer, ecsmunl@nus.edu.sg

Course Assessment

Assessments		Assessment deadlines
In-class participation	15%	N/A
In-class quizzes	30%	4, 9, 11 & 16 July
Project	30%	18 July
Essay	25%	22 July
Total for CA:	100%	

- In-class participation (15%): Students are assessed based on the quality of their contributions to class discussions.
- In-class quizzes (30%): Best three out of four in-class quizzes (10% each).
- Project (30%): A group presentation pertaining to a case study of how foreign exchange exposures are managed in a global firm.
- Essay (25%): An essay on topics related to the foreign exchange markets and its challenges.

Course Topics

Week	Day	Topic	Session Activities
1	Tuesday, 2 nd July	The International Monetary System	
	Wednesday, 3 rd July	Types of Exchange Rate Regimes	
	Thursday, 4 th July	The Foreign Exchange Market	In-class quiz #1
	Friday, 5 th July	Calculating Spot, Forward and Cross Exchange Rates	
2	Tuesday, 9 th July	Forecasting Exchange Rates with Econometrics	In-class quiz #2
	Wednesday, 10 th July	The Use of Technical Analysis in the Foreign Exchange Market	
	Thursday, 11 th July	Managing Foreign Exchange Exposure with Foreign Currency Forwards	In-class quiz #3
	Friday, 12 th July	Managing Foreign Exchange Exposure with Foreign Currency Options	
3	Tuesday, 16 th July	Financing Foreign Currency Operations with Foreign Currency Swaps	In-class quiz #4
	Wednesday, 17 th July	Blank Swans and Grey Rhinos in International Finance	
	Thursday, 18 th July	Careers in International Finance	
	Friday, 19 th July	Class Presentation	