

Module: VIII – International Economic – trade and finance

Name of the course: Balance of payment and FOREX fundamentals

Course instructor: Paolo Paesani, Lecturer in Economics – University of Rome Tor Vergata – E-mail address: paolo.paesani@uniroma2.it – Office hours: to be announced at the start of the course.

Course description:

The aim of this course is to teach students the fundamental concepts in international monetary economics. The course consists of two related parts. The first part will be devoted to explaining the balance of payments with a special focus on accounting principles and on the linkages between the balance of payments and the system of national accounts. The second part of the course will centre on foreign exchange markets and foreign exchange rates and on the key concepts of arbitrage, interest and exchange rate parity, spot and forward exchange rate, risk hedging. At the end of the course students should be able to read and understand official documents discussing the balance of payments and exchange rates.

Duration: 4 hours

Exam: Written exam. Students will be asked to answer one question closely related to the course material and to briefly comment one passage taken from an official document discussing the balance of payments and exchange rates

Recommended readings: Salvatore D. (2007) International Economics, ninth edition, Wiley Press, Ch. 13, 14

Links: