

<b>Course number</b> 7.1 a)	<b>Course name</b> <b>International Capital Markets</b> (Internationale Kapitalmärkte)		
<b>Code</b> IKM	<b>Semester</b> 2	<b>Number of WSH</b> 4	<b>Module offered</b> every academic year (summer semester)
<b>Lecturer</b> Prof. Dr. Hößl	<b>Tuition type</b> Seminar tuition		<b>Compulsory/Elective</b> Elective module Major Management and Finance
<p><b>Entry requirements</b></p> <p>Students are advised to bring a basic knowledge of portfolio and risk management as well as a basic understanding of the main classes of asset and their associated financial instruments.</p> <p><u>Literature to establish basic knowledge:</u></p> <p>Beike, R., Schlütz, J., Finanznachrichten lesen - verstehen - nutzen: Ein Wegweiser durch Kursnotierungen und Marktberichte, 5th revised and expanded edition, Stuttgart, 2010</p> <p>Steiner, M., Bruns, C., Stöckl, S., Wertpapiermanagement: Professionelle Wertpapieranalyse und Portfoliostrukturierung, 10th edition, Stuttgart, 2012</p> <p>Bruns, C., Meyer-Bullerdiek, F., Professionelles Portfoliomanagement: Aufbau, Umsetzung und Erfolgskontrolle strukturierter Anlagestrategien, 5th edition, Stuttgart, 2013</p>			
<p><b>Learning outcomes</b></p> <p>On completing the module the students will have achieved the following learning outcomes on the basis of scientific methods:</p> <p><u>Subject skills</u></p> <p>Students understand the main issues affecting capital investment for both private and institutional investors. They are familiar with the fundamental capital market theories and with the features of the different asset classes and financial instruments. Students are able to successfully implement the portfolio management process. They can take grounded investment decisions which take account of the effects of market interventions, and are able to implement and evaluate strategies successfully. Students are able to reliably assess the opportunity/risk profile of derivatives and deploy them selectively to hedge against risks. They understand the different types of risk, have mastered the most common methods of risk calculation and measurement and are familiar with the risk triad. They can accurately define risks and calculate them selectively so as to proactively control them.</p> <p><u>Method skills</u></p> <p>Students have learned to analyze and evaluate issues affecting capital investment. They have mastered the techniques used to put together, control and hedge portfolios and can apply them successfully. They have the skills enabling them to price derivatives using models and to deploy them strategically. They can successfully apply diverse methods used to manage different types of risk.</p> <p><u>Social skills</u></p>			

Students have the ability to act successfully within a team framework. They exhibit good communication skills and can exercise constructive criticism. They can conduct debates and present conclusions to an audience in a clearly structured manner.

#### Personal skills

Students are able to take on and resolve problems of portfolio and risk management on their own initiative. They can comment critically on current events and assess their impact on the capital markets.

### **Content**

#### Part 1: Portfolio Management

- Principles of portfolio management and capital market theory
- Active management, passive management and index tracking
- Semi-active management and factor theories
- Selected investment strategies and market interventions
- Performance measurement

#### Part 2: Derivative Finance Instruments

- Principles and types of derivative financial instruments
- Valuation methods for derivative financial instruments
- Presentation of option strategies and selected options

#### Part 3: Risk Management

- Principles of risk management
- Risk management theories in portfolio management
- Management of interest rate risks
- Management of currency risks
- Management of credit risks

### **Literature**

#### Required reading

Poddig, P., Brinkmann, U., Seiler, K., Portfoliomanagement: Konzepte und Strategien, Theorie und praxisorientierte Anwendung mit Excel™, 2nd revised edition, Bad Soden / TS., 2009

Hull, J., Optionen Futures und andere Derivate, 8th updated edition, Munich; Boston, Mass. [et al], 2012

Wiedemann, A., Risikotriade, Teil 1: Messung von Zins-, Kredit- und operationellen Risiken, Frankfurt am Main, 2013

#### Recommended reading

Hull, J., Optionen Futures und andere Derivate, Übungsbuch, 7th updated edition, Munich; Boston, Mass. [et al], 2009

Rudolph, B., Schäfer, K., Derivative Finanzinstrumente, Eine anwendungsbezogene Einführung in Märkte, Strategien und Bewertung

Belke A., Polleit T., Monetary Economics in Globalised Financial Markets, Berlin, Heidelberg, 2009

Bieg, H., Bankbilanzierung nach HGB und IFRS, 2nd fully revised and expanded edition, Munich, 2010

Reilly, F., Brown, K., Investment Analysis and Portfolio Management, 2011

<p>Breuer, W., Gürtler, M., Schuhmacher, F., Portfoliomanagement I, 3rd updated and revised edition, Wiesbaden, 2010</p> <p>Poddig, T., Dichtl, H., Petersmeier, K., Statistik, Ökonometrie, Optimierung, Methoden und ihre praktischen Anwendungen in Finanzanalyse und Portfoliomanagement, 3rd expanded edition, Bad Soden/Ts., 2003</p> <p>Poddig, T., Handbuch Kursprognose, quantitative Methoden im Asset Management, Bad Soden, Uhlenbruch, 1999</p> <p>each in their latest edition</p>		
<p><b>Teaching and learning methods</b></p> <p>Seminar tuition</p> <p>Presentation by lecturers using presentation slides and lecture notes</p> <p>Exercises using Excel spreadsheets provided, including solutions.</p> <p>Additional work by students as part of exercises and assignments, case studies, topical issues</p>		
<p><b>Type of examination/Requirements for the award of credit points</b></p>		<p>Written examination Duration: 90 minutes</p>
<p><b>Other information</b></p>		<p>-</p>
<p><b>ECTS Credits</b></p> <p>5</p>	<p><b>Workload</b></p> <p>150 hours</p> <p>Contact/attendance time: 60 h</p> <p>Additional work: 90 h</p>	<p><b>Course language</b></p> <p>German</p>