

International Financial Markets

Introduction to the course

(22 /02/ 2012)

Two modules

- **How it all began** (dr Pozzi)
 - The basic of finance, studying the past
- **International Finance** (dr Esposito)
 - Finance nowadays (and for the future)

Exams: General structure

- Final score:
 - 50% (15/30 pts) first module
 - 50% (15/30 pts) second module
- Assessment
 - Mid-term: individual test 28th March
 - Final-term: group assignment (end course)
- Attendance and incentives
 - Mandatory attendance (minimum 6 on 10 lessons)
 - Extra points to reward active participation (0-12 pts)

Mandatory pts – Extra pts

Pozzi	Attendance (individual) 0-2 pts	Group ass. (group) 0-3 pts	Mid-term test (individual) 0-15 pts
Esposito	Attendance (individual) 0-2 pts	Group contest (group) 0-5 pts	Group research paper (group) 0-15 pts

- Mandatory: 0-30/30 points (individual test + group paper)
- Incentives to active participation: 0-12/30 points (attendance + group activities)
- Your final target: 30/30 with distinction (to the 3 better scores over 30/30)

About extra points

- Attendance to the lessons will be rewarded:
 - +1 pt : 4 lessons
 - +2 pts: 5 lessons
- **REMEMBER:** “attendance”=active participation, not just to sit in the classroom...
- Group activities will evaluate:
 - Comprehension, presentation skill, personal contributions, participation, team-work

In case of failure

- If you...
 - Could not reach the minimum attendance requirement
 - Received final score <18 on 30
- Individual exam
 - Since June(ordinary exams session)
 - Written test
 - NO EXTRA POINTS (15pts Pozzi's exercises, 15 pts Esposito's exercises)

International Financial Markets

Module I – How it all began

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How it all began **Introduction to the module**

(22 /02/ 2012)

Practical information

- Dr Daniele Pozzi
 - Contact: dpozzi@liuc.it - 0331.572.274
 - Office: Torre, 4th floor
 - Meeting time: Wednesday 15.00-16.00
- Lessons information
 - 20 academic hours, 5 lessons + 1 test
 - 180' lesson: 9.15-10.45 / break / 11.15-12.45.
PLZ try to be in classroom by 9.00!

Aim of the module

- Introduce some basic concepts needed to understand contemporary finance
- Consider some topics we usually assume as given, from different perspective (history)
- Examine different answers humanity gave to the need for trading

Main topics

- Money
- Credit
- Banking
- Monetary international regimes (just an introduction)

- References:

Karl Gunnar Persson, *An Economic History of Europe. Knowledge, Institution and Growth, 600 to the Present* (Cambridge: Cambridge University Press, 2010), pp. 129- 153 (Chapter 7) and 171-184 (Chapter 9).

Learning is an active process



**You aren't geese!
Ban students force-feeding!**

Finance
is it real stuff?

Finance: is it real stuff?

- NO
 - an imaginary world, based on conventions, expectations and mutual **trust**
- YES
 - affects the very life of companies, household and States (and it is affected by many “real” factors)

Why do we trade?