



Course Syllabus

Course Code	Course Title	ECTS Credits
FIN-521	International Currency Markets	10
Prerequisites	Department	Semester
DFIN-513	Finance	Fall/Spring/Summer
Type of Course	Field	Language of Instruction
Required	Finance	English
Level of Course	Lecturer(s)	Year of Study
2 nd Cycle	Ioannis Menelaou	1 st
Mode of Delivery	Work Placement	Co-requisites
Distance Learning	N/A	None

Course Objectives:

One useful framework for understanding digital currencies is to consider them a foreign currency relative to your own benchmark currency. The main objective of the course is to provide a critical study of the foreign exchange markets, both theoretically and operationally to understand useful principles that could be applied to the study of digital currencies.

Topic areas include:

- the operations and dynamics of the FX currency markets
- the role of arbitrage and speculators
- the impact of foreign exchange controls and the exchange price margin
- the efficacy of various transfer and payment systems

The concepts underlying these areas will be applied to digital currencies.

Learning Outcomes:

Upon completion of this course, students are expected to be able to:

- Model and explain theoretical changes in foreign exchange rates
- Observe and participate in foreign exchange and digital currency transactions
- Understand and explain fundamental market theories
- Understand how digital currencies fit into the current FX framework
- Recent Developments and regulatory needs for both fiat and digital currencies

Course Content:

- Introduction to Foreign Exchange Markets
- Key Infrastructure and Architecture of FX and Digital Currency
- Inside a Trading Platform: Fiat and Digital Currency Platforms
- Fiat and Digital Currency Arbitrage, Parity and Interest Rates
- Understanding the Market through the Investment Decision Process and the Security Analysis
- Introduction to Portfolio Management and Market Theories
- Forex Trading Vehicles/Currency Swaps
- FX Hedging and Digital Currency Derivatives
- Put-Call Parity/The One Step Binomial Model/Black-Scholes Model
- SDRs and relation to Digital Currency/Modern Currency Failures (2007-Today)
- Historical Currency Failures (1900-2007)/Digital Currency Failures
- FX and Digital Currency Key Regulation/Investor Compensation Fund

Learning Activities and Teaching Methods:

Lectures, Asynchronous Discussions, Readings, Peer Review

Assessment Methods:

Quizzes, Assignments and/or Case Studies, Final Examination.

Required Textbooks / Readings:

Title	Author(s)	Publisher	Year	ISBN
Forex Revolution: An Insider Guide to the Real World of Foreign Exchange	Rosenstreich	Prentice-Hall	2005	e-book
Options, Futures and Other Derivatives	Hull, J. C	Pearson	2009	0-13-500994-4
FX Options Trader Handbook	Chicago Mercantile Exchange	CME Group	2014	e-book

Bitcoin: A Peer-to-Peer Electronic Cash System	Nakamoto, S.	www.bitcoin.org	2008	journal
Working Paper Series No 1485/October 2012: Banking, Debt, and Currency Crises. Early warning indicators for developed countries	Jan Babecký, Tomáš Havránek, Jakub Matějů, Marek Rusnák, Kateřina Šmídková and Bořek Vašíček	European Central Bank	2012	http://www.ecb.europa.eu ISSN 1725-2806 (online)

News, articles and updates related to the Fiat and Digital Currency markets, and which are published by the Central Banks, the Market Authorities, the International Monetary Fund, the Bank of International Settlements and any other governmental authority or regulator is recommended reading for this course. Furthermore, additional material will be provided throughout the duration of the course. The currency market is a continuous developing space and extra information related to regulatory updates will be also delivered.