

1. Course Identity

Course Name	International Financial Economics		
Faculty	Business and Economics	Study Program	Economics
Code	SIE406	Credit	3
Group	Study Program	Course Status	Mandatory
Semester	4	Availability	Limited
Learning Method	in-class	Media	blended
Course Group	Core Course	Prerequisite	International Trade Economics
Lecturer	Rokhedi Priyo Santoso, SE., MIDEc.	Semester/ Tahun Akademik	3/2020-2021

2. COURSE LEARNING OUTCOME

GLO Code	Formulation of GLO	CLO Code	Formulation of CLO	Indicators	Assignment / Assessment / Measurement	percentage
D	Able to apply the framework of economic theories in explaining issues of business, finance, and economic development	D18	<p>Able to apply the framework of financial economic theories related to international finance and the use of financial instruments in an international context</p> <p>Sub-CLO 1: able to put forward and analyze the determinants of exchange rates and macroeconomics of an open economy</p>	<p>Having undertaken this course, students are able:</p> <ol style="list-style-type: none"> To elaborate the determinants of exchange rates and exchange rates system To analyze the macroeconomic condition of an open economy 	Quiz, discussion, case study, written assignment, mid-term exam	70%
J	Able to apply the knowledge and expertise in the area of financial economics to study/analyze financial industry practices	J2	<p>Able to master conceptually the economic theoretical concepts in foreign exchange and able to apply the models to analyze a variety of current problems in international finance.</p> <p>Sub-CLO 1: able to elaborate and evaluate the policy of international macroeconomics</p>	<p>Having undertaken this course, students are able:</p> <ol style="list-style-type: none"> to study/ analyze the policy of international macroeconomics to criticize and evaluate the implementation of international macroeconomic policy to solve current problems in international finance 	Quiz, discussion, case study, written assignment, final-term exam	30%



3. Learning Outcome Analysis Map

Able to apply the knowledge and expertise in the area of financial economics to study/analyze financial industry practices

Able to apply the framework of economic theories in explaining issues of business, finance, and economic development

able to master conceptually the economic theoretical concepts in foreign exchange and able to apply the models to analyze a variety of current problems in international finance in identifying the benefits and limitations of how the global economy market works

able to put forward and analyze the determinants of exchange rates and macroeconomics of an open economy

able to elaborate and evaluate the policy of international macroeconomics

Able to apply the framework of financial economic theories

4. Learning Experiences and References

Learning Experiences	<p>Students gain learning experiences through the following assignments:</p> <ul style="list-style-type: none"> • group discussions • self-study / independent learning • analyzing a case study • conducting presentations
References	<p>Main:</p> <p>A Krugman, P.R., M. Obstfeld, dan M. Melitz. 2018. International Economics, 11th Edition, Adison-Wesley</p> <p>Supporting:</p> <p>B Carbaugh, Robert J. 2015. International Economics, 15th edition. Boston: Cengage Learning</p>

5. Learning Activities in Detail

Session	CLO/ Sub-CLO/ Indicator	Study Material (Topic/ Sub-topic)	Strategy/Method/Technique/Learning Steps	Implementa tion (Duration)	References
1	CLO D18 Sub-CLO 1	<p>Introduction to international finance:</p> <ol style="list-style-type: none"> 1. Explanation of SLP 2. Explanation of international finance scope 	<p>Explanation of Semester Learning Plan (SLP), Assignment Design, Assessment Rubrics, class discussion on some class rules</p> <p>Explanation of international finance scope</p> <p>Discussion and session of question and answer</p>	<p>30 minutes</p> <p>60 minute-lecture</p> <p>30 minute-discussion</p>	A
2	CLO D18 Sub-CLO 1	<p>Balance of payments:</p> <ol style="list-style-type: none"> 1. Balance of payments structure 2. Factors affecting the balance of payments 3. balance of payments surplus and deficit 	<p>Reviewing previous material by giving oral questions to students</p> <p>The lecturer explains the balance of payments</p> <p>Class discussion and session of question and answer</p>	<p>15 minute-review</p> <p>60 minute-lecture</p> <p>45 minute-discussion</p>	A chapter 13
3	CLO D18 Sub-CLO 1	<p>Exchange rates and foreign exchange market:</p> <ol style="list-style-type: none"> 1. Foreign exchange supply and demand 	<p>Reviewing previous material by giving oral questions to students</p> <p>The lecturer explains exchange rates and the foreign exchange market</p>	<p>15 minute-review</p>	A chapter 14



		2. Determination of exchange rates	Class discussion and session of question and answer	60 minute-lecture 45 minute-discussion	
4	CLO D18 Sub-CLO 1	The relationship between money, interest rates, and exchange rates: 1. Definition and functions of money 2. The equilibrium of interest rates: the interaction of money supply and demand 3. Money supply and exchange rates in the short and long run	Reviewing previous material by giving oral questions to students The lecturer explains the relationship between money, interest rates, and exchange rates Class discussion and session of question and answer	15 minute-review 60 minute-lecture 45 minute-discussion	A chapter 15
5	CLO D18 Sub-CLO 1	Price level and exchange rates in the long run: 1. The law of one price and theory of purchasing power parity (PPP) 2. Long-term exchange rate model based on PPP 3. Big Mac Index	Reviewing previous material by giving oral questions to students The lecturer explains the relationship between the price level and exchange rates Class discussion and session of question and answer	15 minute-review 60 minute-lecture 45 minute-discussion	A Chapter 16
6	CLO D18 Sub-CLO 1	Exchange rate system: fixed exchange rates and foreign exchange intervention 1. Why study fixed exchange rates? 2. Central bank intervention and money supply 3. Stabilization policy with fixed exchange rates	Reviewing previous material by giving oral questions to students The lecturer explains exchange rate system Class discussion and session of question and answer	15 minute-review 60 minute-lecture 45 minute-discussion	A Chapter 18
7	CLO D18 Sub-CLO 1	Case study: 1. Case of Carry Trade 2. Targeting inflation and exchange rates in developing countries 3. Why are price levels lower in poor counties? 4. etc	Reviewing previous material by giving oral questions to students The lecturer explains current issues of international finance economics Class discussion and session of question and answer	15 minute-review 60 minute-lecture	A dan B



				45 minute-disc ussion	
Mid-term Exam					
8	CLO D18 Sub-CLO 1	Output and exchange rates in the short run: 1. Determinants of aggregate demand in an open economy 2. Aggregate demand equation 3. How output is determined in the short run	Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	35 minute-pres entation 40 minute-disc ussion 45 minute-lect ure	A Chapter 17
9	CLO D18 Sub-CLO 1	Output market equilibrium Analysis of the DD curve and AA curve 1. Output market equilibrium in the short run: DD curve 2. Asset market equilibrium in the short run: AA curve 3. Short-run equilibrium for an open economy: DD and AA curves	Reviewing previous material by giving oral questions to students Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	15 minute-revi ew 30 minute- presentatio n 30 minute-disc ussion 45 minute-lect ure	A Chapter 17
10	CLO J2 Sub-CLO 1	International monetary structure: 1. Objectives of macroeconomic policy in an open economy 2. Classification of monetary: the open economy monetary trilemma 3. International macroeconomic policy	Reviewing previous material by giving oral questions to students Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	15 minute-revi ew 30 minute-pres entation 30 minute-disc ussion 45 minute-lect ure	A Chapter 19
11	CLO J2 Sub-CLO 1	Optimum Currency Area: 1. How has the European single currency developed?	Reviewing previous material by giving oral questions to students	15 minute-revi ew	A Chapter 21

		2. Euro and economic policy in the Eurozone 3. Theory of optimum currency area:	Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	30 minute-presentation 30 minute-discussion 45 minute-lecture	
12	CLO J2 Sub-CLO 1	International finance in developing countries: 1. Income, wealth, and world economic growth 2. Structural developing countries 3. Loans and debts in developing countries	Reviewing previous material by giving oral questions to students Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	15 minute-review 30 minute-presentation 30 minute-discussion 45 minute-lecture	A Chapter 22
13	CLO J2 Sub-CLO 1	Financial globalization: opportunities and crisis: 1. International banking and international capital market 2. Banking and financial fragility 3. Virtual currency case in Indonesia	Reviewing previous material by giving oral questions to students Students conduct presentations in accordance with the topics being discussed, followed by discussions The lecturer adds more material and provides feedback over discussions	15 minute-review 30 minute-presentation 30 minute-discussion 45 minute-lecture	A Chapter 20
14	CLO J2 Sub-CLO 1	Case study: 1. Brexit 2. Global financial crisis 2007–2009 3. etc	Reviewing previous material by giving oral questions to students The lecturer explains current issues of international financial economics The lecturer adds more material and provides feedback over discussions	15 minute-review 60 minute-lecture 45 minute-discussion	A and B

Final-term exam

6. Evaluation and Assessment System

Assessment System

Scale for each CLO: 0 – 4.

Assessment instrument: rubrics in each assignment/ exam questions

Final grade is gained from the accumulation of CLO D18 (70%), CLO J2 (30%)

Conversion of numeric to letter grades:

No.	Score	Grade	No	Score	Grade
1	80.00 – 100.00	A	8	62.50 - 64.99	C+
2	77.50 – 79.99	A-	9	60.00 - 62.49	C
3	75.00 – 77.49	A/B	10	55.00 - 59.99	C-
4	72.50 – 74.99	B+	11	50.00 - 54.99	C/D
5	70.00 – 72.49	B	12	45.00 - 49.99	D+
6	67.50 – 69.99	B-	13	40.00 - 44.99	D
7	65.00 – 67.49	B/C	14	< 40.00	E

Evaluation System

The requirement to pass is an average of at least 2.00 for each CLO

Remediation is only allowed for students who get a CLO score of less than 2.00 on the course

Date :	Date :	Date :
Approved by the Head of the Study Program	Checked by the Coordinator of the Course Group	Prepared by the Lecturer
Dr. Sahabudin Sidiq, S.E., M.A.	Awan Setya Dewanta, Drs., M.Ec.Dev.	Rokhedi Priyo Santoso, SE., MIDEc.