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|  |  | **Кафедра міжнародної економіки** |
| **INTERNATIONAL INVESTMENT ACTIVITY**  **Working program of the discipline (Syllabus)** | | |

# Details of the discipline

|  |  |
| --- | --- |
| The level of higher education | *Second (master's)* |
| Branch of knowledge | *05 Social and behavioural sciences* |
| Specialty | *051 Economics* |
| Educational program | *International Economics* |
| Discipline status | *Selective* |
| Form of study | *full-time study* |
| Year of preparation, semester | *1 th year, spring semester* |
| The scope of discipline | *120* |
| Semester control / control measures | *test* |
| Timetable | *according to the schedule* |
| Language of instruction | *English* |
| Information about  course leader / teachers | Lecturer: *Doctor of Economics, Professor, Okhrimenko Oksana,* [*o.okhrimenko@kpi.ua*](mailto:o.okhrimenko@kpi.ua)  Practice: *Doctor of Economics, Professor, Okhrimenko Oksana,* [*o.okhrimenko@kpi.ua*](mailto:o.okhrimenko@kpi.ua) |
| The level of higher education | https://classroom.google.com/c/MTQ0NTUyODIwMDE0?cjc=pw4g5wy |

# Curriculum

1. **Description of the discipline, its purpose, subject of study and learning outcomes**

**The purpose of the discipline** is to develop students' understanding of the laws of international investment, knowledge formation and acquisition of analytical skills in the field of foreign and foreign investment.

**The subject of the discipline -** the mechanisms of international investment activities in various segments of the international investment market.

Program learning outcomes:

*Competences:*

*Knowledge:*

* acquire knowledge of investment theory, legal and methodological foundations of organization and implementation of investment activities;
* get acquainted with the trends in the functioning of certain segments of the market of investment resources;
* will form a system of knowledge about the peculiarities of investment activities in different countries;

*Skills:*

* be guided in the legislative framework of international investment activities;
* analyse global investment trends;
* evaluate the effectiveness of state and supranational regulation of investment markets;
* assess the profitability of various investment instruments;
* determine the impact of exchange rates on the return on international investment;
* Habits:
* identify patterns of international investment activity;
* to create an analytical system in the field of foreign investment, including in the domestic legal field;
* analysis and formation of the international investment portfolio;
* assessment of quantitative characteristics of international direct and portfolio investments;
* analysis of profitability and risk of securities in international markets and portfolios of international investments.

# Prerequisites and postrequisites of the discipline (place in the structural and logical scheme of education according to the relevant educational program)

The discipline "International Investment Activity" is taught after studying the disciplines "International Economics", "International Finance", "Investment". Discipline "International Investment Activity" provides the study of disciplines "Management of international business projects. Industry 4.0 "," International Trade "," International Scientific and Technical Cooperation "," International Strategies for Economic Development».

# The content of the discipline

Topic 1. The essence of international investment activity

Topic 2. Factors and motivation of international investment activities

Topic 3. Regulation of international investment activities

Topic 4. Development of the international investment market in the era of globalization

Topic 5. International activities in the stock market

Topic 6. International bond market

Topic 7. Derivative securities

Topic 8. Real investment in the system of international agreements

Topic 9. Investment strategies in the global environment

# Training materials and resources

Basic literature:

1. Lecture notes.
2. Zadoia A. International Investment Activity: textbook / A. Zadoia. – Dnipropetrovs’k: Alfred Nobel University Dnipropetrovs’k, 2015. – 112 p. <http://ir.duan.edu.ua/bitstream/123456789/1863> /1/International%20Economic%20Activity%2C%20Textbook.pdf
3. Taraniuk L. M. Т 21 International investment activity: study guide / edited by Dr. Sc. L. M. Taraniuk, Dr. Sc. I. I. D’yakonova, Ph. D. K. V. Taraniuk. – Sumy : Sumy State University, 2020. – 85 p. URL: [https://essuir.sumdu.edu.ua/bitstream-download/ 123456789/ 78683/1/ Taraniuk \_investment](https://essuir.sumdu.edu.ua/bitstream-download/%20123456789/%2078683/1/%20Taraniuk%20_investment)\_activity.pdf;jsessionid=907B50AD297BF7AAC17283A5DB4B0524

Additional literature:

1. Investment activity in Ukraine/ URL: <https://www.me.gov.ua/Documents/Detail?lang=en-GB&id=14fdd5c9-70b6-4f46-b2f2-842dfc4a7b3f&title=InvestmentActivityInUkraine>
2. World Investment Report. https://unctad.org/topic/investment/world-investment-report
3. Measuring International Investment by Multinational Enterprises. https://www.oecd.org/corporate/FDI-BMD4-brochure.pdf.

Information resources:

1. http://www.globalpolicy.igc.org. — covers the news of world business, investment and finance.

2. http://www.iplanet.net/fdisurvey — information on global direct investment flows.

3. http://www.oecd.org. — The official website of the Organization for Economic Co-operation and Development (OECD) provides information on OECD development indicators.

4 . http://www.standartsandpoors.com — The official website of the Standarts &Poors, information on risks, ratings of financial instruments.

5. http://www.moodys.com — The official website of rating agency Moody’s, , information on risks, ratings of financial instruments.

6. http://www.transnationale.org. — provides information on more than 10,000 companies, including TNCs.

7. http://www.unctad.org/wir/index.htm — information on global investment reviews.

8. http://www.finance.yahoo.com — world business, investment and finance news.

9. http://www.fdi.eu.com — information on global FDI flows and TNCs.

10. http://www.ssmsc.gov.ua — official website of the State Commission on Securities and Stock Market.

11. http://www.rada.gov.ua — official website of the Verkhovna Rada of Ukraine.

12. http://www.ufs.com.ua. — Ukrainian financial server.

13. http://www.investfunds.com.ua — financial information server.

# Educational content

# Methods of mastering the discipline (educational component)

Lecture 1. The essence of international investment activity

1.1. Economic essence of international investment activity.

1.2. Entities for objects of investment activity

1.3. Classification of investments

Lecture 2. Factors and motivation of international investment activity

2.1. Reasons and essence of international capital movements.

2.2. Factors influencing FDI

2.3. Motivation for the use of investment resources.

Lecture 3. Regulation of international investment activities

3.1. Evolution of development of legal bases of international investment relations

3.2. Methods and levels of regulation of international investment relations

3.3. International investment rules

3.4. Features of regulation of international securities markets

Lecture 4. Development of the international investment market in the era of globalization

4.1.T tendencies of investment market development in the era of globalization

4.2. Structural features of investment distribution in the context of globalization

4.3. International investment market conditions

Lecture 5. International activities in the stock market

5.1. General features of investing in ordinary shares

5.2. Classification of ordinary shares

5.3. International stock market

Lecture 6. International bond market

6.1. Structure of the international debt capital market

6.2. The essence and types of bonds

6.3. Main bond markets

Lecture 7. Derivative securities

7.1. Concepts and features of derivative financial instruments

7.2. The main types of derivative securities are surrogate securities

7.3. Characteristics of derivatives market participants

Lecture 8. Real investments in the system of international agreements

8.1. Real investments and their structure.

8.2. Material base of real investments

8.3. Feasibility study of investment programs and projects.

Lecture 9. Investment strategies in the global environment

9.1. Factors influencing the choice of investment strategy.

9.2. Strategic and tactical allocation of resources. Resource allocation optimization.

9.3. The main types of active investment management and their features.

Seminar 1. The essence and factors of international investment activity

1.1. Economic essence of investment.

1.2. Systematization of international investments.

1.3. The main motives of international investment.

1.4. Infrastructure for international investment.

Seminar 2. Institutional investors in the international market.

2.1. Transnational and multinational companies.

2.2. Financial and credit institutions in international investment. Banking institutions.

2.3. Investment funds and investment companies.

2.4. Venture funds.

2.5. Insurance companies.

2.6. Leasing companies.

Seminar 3. Theories of international investment

3.1. Classical theories of foreign investment.

3.2. Portfolio theories of foreign investment.

3.3. Markovitz's portfolio theory

3.4. Neoclassical theories of foreign investment.

3.5. Capital market theory

Seminar 4. Factors of international investment.

4.1. Factors that determine the intensification of international production: liberalization, technological change, increasing competition.

4.2. Determinants of the location of international production (liberalization of economic policy, technological change, innovation in the management and organization of production).

4.3. International investment in the context of internationalization.

4.4. Motivation of investment partners.

Seminar 5. Regulation of international investment activities

5.1. Methods of regulation of international investment activities

5.2. Systems of regulation of international investment activities at the national level.

5.3. Instruments for regulating the movement of capital at the level of an individual country.

Seminar 6. Tools for influencing foreign investment

6.1. Free economic zones. World experience in creating SEZ.

6.2. Investment climate and investment potential.

6.3. International ratings of international investments.

6.4. Influence of international institutions on investment activity

Seminar 7-8. Development of the international investment market in the era of globalization

7.1. Trends in the investment market in the era of globalization

7.2. Structural features of investment distribution in the context of globalization

7.3. International investment market conditions

7.4. The impact of globalization on the benefits of placement for foreign direct investment.

7.5. The impact of technological innovations on the process of transformation of the global investment market.

7.6. Creation of investment clusters of countries.

Seminar 9. Analysis and evaluation of international investment projects

9.1. System of indicators used in the analysis of investment processes.

9.2. Methodical approaches to the evaluation of international investment projects.

9.3. Methods for assessing the economic efficiency of investment.

Seminar 10. Real investments in the system of international economic agreements

10.1. Monitoring the implementation of investment projects.

10.2. Types of agreements governing the investment process.

10.3. Insurance of real investments.

10.4. Venture business. Intellectual investments.

Seminar 11. International stock market activities

11.1. General features of investing in ordinary shares

11.2. Classification of ordinary shares

11.3. International stock market

Seminar 12-13. Investment activity in international bond markets

12.1. International bond market.

12.2. Features of bond trading in different national markets.

12.3. Eurobond market.

12.4. International bond ratings.

12.5. Bonds, their value and yield.

12.6. Analysis of the return on international investment in bonds

Seminar 14. Derivative securities

14.1. Concepts and features of derivative financial instruments

14.2. The main types of derivative securities are surrogate securities

14.3. Characteristics of derivatives market participants

Seminar 15. Modular test

Seminar 16. International cryptocurrency markets

16.1. Features of cryptocurrency markets

16.2 Regulation of cryptocurrency markets

16.3. Trends in the development of cryptocurrency markets in the global financial system

Seminar 17. Markets of precious metals and stones.

17.1 The international market of precious metals in the system of the world financial market

17.2 Trends in the functioning of the world market of precious metals

17.3. Regulation of operations with precious metals and stones

Seminar 18. Credit (Appendix 1)

# Independent work of a student / graduate student

The student's independent work includes preparation for classroom classes, reports on research of international investment markets, development of methodological approaches to the analysis of investment instruments. 54 hours are allocated for independent work.

# Policy and control

# The policy of the discipline (educational component)

**Attending classes**

Attendance at lectures, practical classes, as well as absence from them, is not evaluated. However, students are encouraged to attend classes because they teach theoretical material and develop the skills needed to complete a semester individual assignment. The grading system is focused on obtaining points for student activity, as well as performing tasks that are able to develop practical skills and abilities.

**Control measures missed**

The thematic task, which is submitted for inspection in violation of the deadline, is evaluated taking into account the penalty points.

**Procedure for appealing the results of control measures**

Students have the opportunity to raise any issue related to the control procedure and expect it to be addressed according to predefined procedures.

Students have the right to challenge the results of the control measures, but it is obligatory to explain, with which criterion they do not agree according to the assessment letter and / or comments.

**Calendar boundary control**

Intermediate attestation of students (hereinafter - attestation) is a calendar boundary control. The purpose of the certification is to improve the quality of student learning and monitor the implementation of the schedule of the educational process by students [[1]](#footnote-1).

|  |  |  |
| --- | --- | --- |
| Criterion | The first certification | The second certification |
| Term of certification | 8th week | 14th week |
| The condition for obtaining certifications is the current rating | ≥ 15 points | ≥ 30 points |

**Academic virtue**

The policy and principles of academic integrity are defined in Section 3 of the Code of Honour of the National Technical University of Ukraine " Igor Sikorsky Kyiv Polytechnic Institute". Read more: <https://kpi.ua/code>.

**Norms of ethical behaviour**

Norms of ethical behaviour of students and employees are defined in Section 2 of the Code of Honour of the National Technical University of Ukraine " Igor Sikorsky Kyiv Polytechnic Institute ". Read more: <https://kpi.ua/code>.

Inclusive education

The discipline "International Consulting" can be taught to most students with special educational needs, except for students with severe visual impairments who do not allow to perform tasks using personal computers, laptops and / or other technical means.

**Extracurricular activities**

# Types of control and rating system for assessing learning outcomes (ALO)

|  |  |
| --- | --- |
| **Evaluation system** | |
| № | | Evaluation control measure | | % | Weight score | Number | Total |
| 1. | | Participation in discussions and additions at seminars | | 15 | 3 | 5 | 15 |
| 2. | | Execution of practical tasks | | 25 | 5 | 5 | 25 |
| 3. | | Modular control work | | 10 | 10 | 1 | 20 |
| 4. | | Test | | 40 | 40 | 1 | 40 |
|  | | Total | | | | | 100 |

|  |  |
| --- | --- |
| **Semester certification of students** | |
| Mandatory condition for admission to the test | | | | Criterion |
| 1 | | Participation in discussions and additions at seminars | | 9 ≤ RD ≤15 |
| 2 | | Execution of practical tasks | | 10 ≤ RD ≤25 |
| 3 | | Modular control work | | 10≤ RD ≤ 20 |
| 4 | | Test | | 30≤ RD ≤ 40 |
|  | | Total | | 60≤ RD ≤ 100 |

Table of translation of rating points to grades on a university scale [[2]](#footnote-2)

|  |  |
| --- | --- |
| Rating points, RD | Score for  university scale |
| 95 ≤ RD ≤ 100 | Perfectly |
| 85 ≤ RD ≤ 94 | Very good |
| 75 ≤ RD ≤ 84 | Fine |
| 65 ≤ RD ≤ 74 | Satisfactorily |
| 60 ≤ RD ≤ 64 | Enough |
| RD < 60 | * Unsatisfactorily |
| Failure to comply with the conditions of admission | * Not allowed |

# Additional information on the discipline (educational component)

* list of issues submitted for semester control (Appendix 1);
* certificates of distance or online courses on the subject can be credited with the prior consent of the teacher;

**Appendix 1. Issues submitted for credit**

1. The economic essence of international investment activity.

2. Entities for objects of investment activity

3. Classification of investments

4. Causes and essence of international capital movements.

6. Institutional investors in the international market

7. Factors of international investment

8. Motivation to use investment resources.

9. Instruments of influence on foreign investments

7. The evolution of the legal framework of international investment relations

8. Methods and levels of regulation of international investment relations

9. International investment rules

10. International investment in the context of internationalization

11. Free economic zones. World experience in creating SEZ.

12. Investment climate and investment potential.

13. International ratings of international investments.

14. The influence of international institutions on investment activities

15. Structural features of investment distribution in the context of globalization

16. Conjuncture of the international investment market

17. The impact of globalization on the benefits of placement for foreign direct investment.

18. The impact of technological innovations on the process of transformation of the global investment market.

19. Creating investment clusters of countries.

20. The system of indicators used in the analysis of investment processes.

21. Methodical approaches to the evaluation of international investment projects.

22. Methods for assessing the economic efficiency of investment.

23. Monitoring the implementation of investment projects.

24. Types of agreements governing the investment process.

25. Real investment insurance.

26. Venture business. Intellectual investments.

27. General features of investing in ordinary shares

28. Classification of ordinary shares

29. International stock market

30. International bond market.

31. Features of bond trading in different national markets.

32. Eurobond market.

33. International bond ratings.

34. Bonds, their value and yield.

35. Analysis of the return on international investment in bonds

36. The concept and features of derivative financial instruments

37. The main types of derivative securities are surrogate securities

38.Characteristics of derivatives market participants

39. Features of the cryptocurrency markets

40. Regulation of cryptocurrency markets

41. Trends in the development of cryptocurrency markets in the global financial system

42. The international market of precious metals in the world financial market

43. Trends in the world market of precious metals

44. Regulation of operations with precious metals and stones

45. Factors influencing the choice of investment strategy.

46. ​​Strategic and tactical allocation of resources. Resource allocation optimization.

**Appendix 2. Sample of modular control**

1. Analyse the factors of international investment.

2. Justify the need for infrastructure for international investment activities. Describe the most important, from your point of view, infrastructure elements.

3. Test task

*1. International investment activity (corporations) is an activity that:*

*a) related to the export and import of technologies, services, implementation of projects together with other states, creation of joint ventures with integration processes in various fields;*

*b) related to the export and import of capital, technology, services, implementation of projects together with other states, with integration processes in various fields;*

*c) related to the export and import of capital, technology, services, implementation of projects together with other states, the creation of joint ventures with integration processes in various fields.*

*b)….*

*in)…*

*……*

Tasks.

**Task 4.1.** American Intel Group owns a package of US Treasury bonds with a total face value of $ 500,000. Coupon interest is paid annually at 2% of face value. The management of "American Intel Group" plans to release strips with a face value of $ 1,000 and a circulation period of 3 years. determine:

1. How many comics can "American Intel Group" release?

2. What profit will the investor receive if he buys 5 strips at the price of $ 850 and keeps them with him until the maturity date?

**Task 4.2.** The investor purchased at the initial public offering a package of 1,000 ordinary shares of Genentech Inc for $ 20, received dividends at the rate of $ 1.00 per share and sold on the secondary market:

200 shares of $ 40 each;

300 - $ 41 each;

500 - $ 42 each.

Determine the relative amount of profit of the operation.

**Work program of the discipline (syllabus):**

Compiled by Professor, Ph.D. Oksana Okhrimenko

Approved by the Department of International Economics (protocol № 11 from 26.05.2021)

Approved by the Methodical Commission of the faculty (protocol № 10 from 15.06.2021)

1. Рейтингові системи оцінювання результатів навчання: Рекомендації до розроблення і застосування. Київ: КПІ ім. Ігоря Сікорського, 2018. 20 с. [↑](#footnote-ref-1)
2. Оцінювання результатів навчання здійснюється за рейтинговою системою оцінювання відповідно до рекомендацій Методичної ради КПІ ім. Ігоря Сікорського , ухвалених протоколом №7 від 29.03.2018 року. [↑](#footnote-ref-2)