Course Description

This course will equip the student with an economics based framework for analysis of global financial markets around the world. In this course we will delve into the issues of macroeconomic performance, stabilization policies and exchange rates. The course will also enhance students’ ability to gather and synthesize global economic data and information.

As such, this is a course in applied macroeconomics. Throughout the course we will develop the tools of economic analysis and apply to the important problems facing managers and policymakers. In addition, students will work within their groups to analyze a predetermined economic system. They will be required to submit a written report on the assigned economy as well as make an oral presentation to the class.

Required Texts/Readings

All required Readings will be posted on Carmen.

Suggested Readings: This course stresses “real world” applications. The Wall Street Journal and the Financial Times both provide national and international news as well as detailed information on financial markets. The WSJ and/or the FT are a must for any serious business student. There is often a high correlation between those students who read the WSJ and/or FT on a regular basis and those who do well in the course. The Economist is an outstanding weekly British newsmagazine. It analyzes the week’s events and surveys financial market developments. The Economist is also a must for those serious about understanding the functioning of financial markets.

Grade Determination

Grading Policies and Practices: With the objective of establishing as dynamic and effective a learning environment as possible, the course requires a commitment on your part not only to attend all classes, but to prepare fully and to participate. We will work together to create an environment in which open, rigorous discourse is the standard. Thus, each of you must be willing not only to share your ideas and analysis with your colleagues, but be open to challenges of those ideas.

The following are the fundamental principles for grading in this course:
• The requirements of the course are identical for everyone. This means it is not possible to “make up” for poor performance through “extra credit” work.

• As required by school policy, grading will be based on relative rather than absolute standards. The average grade in this course will be a 3.6 or lower. A B (3.00) average in core courses and overall is required to earn a graduate degree from The Ohio State University.

• It is possible to earn any of the official OSU grades, from A to E, in this course.

• Sometimes alleged cases of academic misconduct arise due to apparent confusion over the degree of collaboration allowed on assignments. University policy clearly states that it is each student’s responsibility to resolve issues that appear ambiguous directly with the faculty member. However, to help create clarity and avoid potential misunderstanding, we use the following letters to indicate the degree of collaboration allowed on each assignment.

  N: No Collaboration of Any Kind Allowed
  T: Collaboration with Teammates Only Allowed
  A: Collaboration with All Fellow Students Allowed
  U: Unlimited Collaboration with All Fellow Students and Other Parties Allowed

Final Grade Calculation: The following criteria is used in the calculation of your final grade. The final grade assigned is an informed and final evaluation and not the beginning offer in a bargaining process. If an error occurs in the calculation of your grade, please notify the Professor during the beginning of the following term and actions will be taken to correct any errors. Please do NOT contact the TA or the instructor to "lobby" for a higher grade. Any lobbying efforts (i.e. asking for a higher grade simply because you want one or need one) will not be tolerated.

  Final Exam: 40% (N, no collaboration)
  Group Projects written report: 30% (T, Team only – includes peer evaluation)
  Group Project oral report contribution: 25% (A, All Fellow Students)
  Class Contribution: 5% (N, no collaboration)

Below each element of the grade is described in more detail.

Final Exam: The exam will be a closed book, closed not exam. No study sheets, crib notes or other aids will be allowed. The exam will cover material covered in the assigned readings, classroom discussions and Group Project oral reports. The test will consist of a combination of multiple choice and short answer questions.

Group Project Written Report: Each group will submit a final report on their assigned country. The paper should be at least 10 pages (excluding exhibits), single spaced, 12 font characters with 1 inch margins. The main purpose of the paper is make an economic forecast for the economy for the next 2 years and to offer advice on possible investment in the country.

The report should include, but not limited to:
- an executive summary of no more than three paragraphs. The executive summary should be separate from the rest of the report.

- discussion and analysis of recent significant economic events that impacted financial markets in the economy.

- best case, worse case, and most likely case economic projections over the next 2 years for the economy in question.

- a discussion of the 3 to 5 most important variables that might impact in a significant way the economy’s economic and financial performance.

- discussion and analysis of recent macroeconomic policies in the country.

- discussion and analysis of current and future financial market stability in the country under analysis.

- a detailed discussion and analysis of any other important variable that might impact in country’s economic and financial performance.

- a recommendation on whether an American firm should undertake a foreign direct investment in the country. If so, which industry or industries should the investment take place and why? What are the expected rate of returns on the investment? If investment is not recommended, a detailed explanation of what conditions need to change and to what extent for an investment to be recommended.

- internal headings are suggested.

**Grading of the Group Project Written Report**: These are how points will be assigned to various components of the paper.

**Quantitative and Qualitative Analysis**

6: Employs unique insights and/or exceptional analytical abilities.
5: Successfully addresses all aspects of the analysis.
4: Falls short in some area of analysis (keep concepts missed, faulty logic, etc.)
3: Falls short in multiple areas of analysis.
2: Very low quality analysis, poor thought process.
1: Unacceptable level of analysis for this level.

**Recommendation**

3: Analyses effective support recommendations and conclusions.
2: Analyses are insufficient to support the recommendations made.
1: Poorly thought out recommendations and lack of insight offered.

**Quality and Clarity of Writing**

4. Grammatically correct in all aspects, with exceedingly few “typos” and/or punctuation errors. The paper is well organized, logic is clearly presented, thoughts flow together, discussion supports recommendation.
3. Does not meet the criteria listed above in one or more areas, but generally a sound and readable paper.
2. Difficult to read and/or follow.
1. Unacceptable work at this level.
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13 = A+ = 100. Note a “6-3-4” paper is a rarity. This is a flawless paper that goes “above and beyond” in its analysis and presentation.
12 = A = 95. A twelve paper is an excellent paper, yet not perfect.
11 = A - = 92. An eleven paper is a very good paper, but fails to meet the assignment expectations in some area.
10 = B+ = 88. A ten paper is good paper, but falls short in some areas.
9 = B = 85. A nine paper is one that “gets the job done” but fails to distinguish itself in any particular area.
8 = B - = 82. An eight paper has significant deficiencies in one or more areas.
7 = C = 78. A seven paper has serious significant deficiencies.
Below 7: Unacceptable work for this level of academic performance.

Group Project Oral Report: Each group will make a 15 to 20 minute presentation to the class on their assigned country. The oral report in no way should try to cover all of the concepts covered in the written report. Instead, the oral report should motivate the audience member to want to read the written report.

The grading for the oral report will be based on the clarity of the presentation, each member contribution, quality of presentation, quality of the analysis of the presentation and the ability of group members to answer questions from the audience including the instructor.

Attendance and Class Contribution: Attendance and contribution are extremely important. Attendance at each session is mandatory. Most of your learning will occur in preparation for and participating in the case discussions. As noted earlier, the complexity of the course material relies heavily on discussion learning. This process allows the cumulative insights of your colleagues to contribute to the evolution of the class’s learning. Thus, the entire class learning experience relies on each of you taking responsibility for contributing to the discussion. In order to do so, it is imperative that each of you arrives on time and fully prepared each day.

In order to emphasize the necessity to be prepared for and to contribute to each class, class contribution will comprise a significant portion of your grade. As is the case with real world work environments, you are judged by what you contribute. Even if you feel that you know the material, unless you share your insights with the class, no one can adequately evaluate your preparedness and contribution. Students are not penalized for making comments that don’t appear to be the “right answer.” It is only through consideration of many diverse opinions and viewpoints that we will move toward a greater shared understanding of the multi-dimensional material that this course includes.

Standards of Integrity and Conduct: Each student in this course is expected to be familiar with and abide by the principles and standards set forth in The Ohio State University’s code of student conduct and code of academic conduct. You can view these documents or download pdf versions at:


It is also expected that each student will behave in a manner that is consistent with the Fisher Honor Statement, which reads as follows:
As a member of the Fisher College of Business Community, I am personally committed to the highest standards of behavior. Honesty and integrity are the foundations from which I will measure my actions. I will hold myself accountable to adhere to those standards. As a future leader in the community and business environment, I pledge to live by these principles and celebrate those who share these ideals.

While most students have high standards and behave honorably, like every academic institutions we sometimes encounter cases of academic misconduct. It is the obligation of students and faculty to report suspected cases of academic and student misconduct. Students can report suspected violations of academic integrity or student misconduct to faculty or to a program's leadership. All reported cases of academic misconduct are actively pursued and confidentiality is maintained.

It is important to appreciate that every student is an important cog in the class discussion, and that it is equally important that each of us listen carefully to one another and attempt to build on or constructively critique prior comments. Please resist the temptation to jump to topics that are not specifically open for discussion. It is also important to note that you are rewarded for your contribution, not just participation. Your contribution score will be based on how much you contribute to the class' learning, not just by how much you talk in class. Some of the specific things that will have an impact on effective class participation and on which you will be evaluated include:

- Is there a willingness to take intellectual risks and test new ideas, or are all comments “safe”? (Safe comments include repetition of case facts without analysis or conclusions or repeating comments that have already been made by someone else.)
- Are the points made relevant to the discussion? Are they linked to the comments of others and to the themes that the class is exploring together?
- Do the comments add to our understanding of the situation? Are they incisive? Do they cut to the core of the problem?
- Is there a willingness to challenge the ideas that are being expressed?
- Does the participant integrate material from past classes or the readings where appropriate? Do the comments reflect cumulative learning over the course and the program curriculum, or does the participant merely consider each case in isolation?
- Is theoretical material applied effectively and appropriately?

Finally, we understand that participating in class can be an intimidating experience initially, and we will try to help you as much as we can.

Grade Appeal Policy: Grades on assignments are intended to reflect the overall quality of performance of the student(s). If you think your grade on an exam or assignment does not reflect the quality of your performance, submit a clear written explanation of your reasoning within one week after the return of your assignment or test. The written document need not
be long, but must clearly identify the problem or issue of concern. I will carefully consider all such appeals. There will be no grading appeals after the one-week deadline has passed.

SEATING ARRANGEMENTS

We would like each of you to sit in the same seat each day. This helps us keep track of class participation, and makes it easier for you to interact with each other during class discussions. Please sit in your preferred seat from the second session onward.

ELECTRONIC DEVICES

All electronic devices (e.g. laptops, cell phones, etc.) are not to be used in class. They should be put away during class time. This includes the sending and receiving of text messages. Note: the use of laptops to take notes in class is strictly forbidden. Persistent violation of this rule will result in a final grade reduction of one full letter grade.

OFFICE APPOINTMENTS

I am available to discuss any issues of concern to you on an individual basis either after class or in my office during office hours and/or any other time I am in my office. Feel free to stop by my office at any time or you may call my office or email me to make an appointment for an office visit. So that we can be better prepared for your visit, please give me a general idea of the topic you'd like to discuss. We typically schedule 15 minute appointments; if you believe you will require more time, please request a longer appointment.

DISABILITY SERVICES

(http://ods.osu.edu/faculty_syllabus.asp)

Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities.
TENTATIVE COURSE OUTLINE (subject to Change)

Week of:

February 27    Class 1

March 4    Lecture I: Measurement
               Lecture II: Business Cycles

SPRING BREAK

March 18    Lecture III: Stabilization Policies
               Lecture IV: Stabilization Policies II

March 25    Lecture V: Exchange Rates
               Lecture VI: Exchange Rates II

April 1:    Catch-up
               Project kick off

April 8:    Group Presentations (Groups 1 – 3)
               Group Presentations (Groups 4 – 6)

April 15:    Group Presentations (Groups 7 – 9)
               Group Presentations (Groups 10 – 12)

April 22:    Group Presentations (Groups 13 & 14)
               Catch-up and wrap up

Exam to be scheduled by Program either April 30, May 1 or 2.