Course: Global Investments            Semester: Spring 2018

Professor: Dr Gerald Pollio
Day/Time/Room: TBA
Office Hours: By Appointment
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About the Professor:
Gerald Pollio, BA, MA, PhD has held permanent academic positions at several UK universities as well as adjunct appointments at leading universities in the United States and Europe. He earned a PhD in Banking and International Finance from the UK’s City University (now Cass) Business School. Prior to becoming an academic, Dr Pollio was a senior executive with Chemical (now JP Morgan Chase) Bank, as Head of the Global Industries Unit, Economic Research Department, and as Senior Adviser, in the Bank’s Energy and Minerals Group. Dr Pollio has also served as a consultant to leading firms in the global energy and financial services industries. His is the author of a standard text on international project analysis and financing, and has written numerous articles that have appeared in both scholarly and more general industry and professional publications.

Course Description:
Economic recovery from the 2007-08 recession in the OECD countries has until recently been sluggish in comparison with past experience. Fiscal policy virtually everywhere in the industrial world is hobbled by the need to reduce huge budget deficits, so that economic stabilisation has depended almost uniquely on monetary policy, the consequences of which are manifest in historically low interest rates and a relatively flat yield curve; several countries have actually adopted negative interest rates, breaching the so-called zero bound commonly found in the finance literature. Current market conditions are creating difficulties for financial institutions that in some instances have led to renewed financial innovation, for example, banks that rely on equity rather than deposits to fund loans; others, pension funds or insurance companies, can meet existing commitments only by investing in higher yielding, and ultimately, higher risk investments. International political risks have also increased. China refuses to reconsider reforming its economy while or financial system which is burdened with actual and potential large loan losses. The UK has voted to exit the EU, which has raised questions concerning the role of the City of London as the world’s leading financial centre. Unemployment rates, especially among younger individuals, remain high in many EU countries. And, finally, the current US president opposes globalisation, the free movement of labour and favours possible restrictions on financial investments.

Against the backdrop of developments that have occurred over the past decade, the purpose of this course is to provide an introduction to global financial markets, with the main focus on (a) international monetary arrangements, (b) the structure of international payments, (c) foreign direct investment, and (d) international portfolio investment. The risks posed by recent economic and political developments will also be considered in terms of their impact on national, regional, and international financial markets.
**Learning Objectives:**
Upon completion of this course, you will have an understanding of:

(a) The logic of international commercial and financial transactions, how they are measured and current payment arrangements.

(b) The structure of specific international financial sectors, above all, global equity and fixed income markets, the foreign exchange market, and international commodity markets, above all, gold and other precious metals, petroleum and other industrial commodities.

(c) The factors that influence foreign direct investment, entry modes, funding choices, and whether international investments add or destroy shareholder value.

(d) How recent developments are reshaping global financial markets.

**Jesuit Principles:**

*The Mission of the University*
Fordham University, the Jesuit University of New York, is committed to the discovery of Wisdom and the transmission of Learning, through research and through undergraduate, graduate and professional education of the highest quality. Guided by its Catholic and Jesuit traditions, Fordham fosters the intellectual, moral and religious development of its students and prepares them for leadership in a global society.

**Gabelli School of Business:**
The Jesuit identity of Gabelli School of Business is reflected in the teaching. Foremost is the belief that business must serve a higher purpose than mere profit. Gabelli students are encouraged to think about how they, as business leaders can contribute to the advancement of society and move the world forward in a profound and lasting way.

**Teaching Methodology:**
The course consists of a three hour period once a week. This is broken down into two one and a half hour sessions consisting of lectures and focused case studies. Class participation is expected. The sessions should be both informative and fun.

**Breakdown of Grade:**
Mid-term exam (40% of the final grade); final exam (60%).
Additionally: class attendance and contribution will count towards the final grade.

**Course Text and Recommended Readings:**
*Recommended Readings:*
G. Pollilo, *International Project Analysis and Financing* (Macmillan/University of Michigan Press);

**Class Etiquette:**
Classes begin promptly at the stated time; please show respect for your professor and class colleagues by not arriving late. **Food is not allowed in class.** Students should at all times behave in a courteous and professional manner in class. The Centre also follows a closed lap top policy; texting or tweeting from class is a criminal offence!

**Special Accommodations:**
It is recognised that some students may need special accommodations. These should be bought to the attention of the Programme Director at the commencement of the semester.

**Academic Integrity:**
A University, by its nature, strives to foster and recognize originality of thought, which can be recognized only when people produce work that is theirs alone and properly acknowledge information and ideas that are obtained from the work of others. It is therefore important that students must maintain the highest standards with regard to honesty, effort, and performance.
As a Jesuit, Catholic University, Fordham is committed to ensuring that all members of the academic community strive not only for excellence in scholarship but also for integrity of character. In the pursuit of knowledge and personal development, it is imperative that students present their own ideas and insights for evaluation, critique and eventual reformulation. As part of this process, each student must acknowledge the intellectual contribution of others.

Please check the link for the full Academic Integrity Statement:

http://www.fordham.edu/academics/handbooks_publicati/undergraduate_academ/undergraduate_ai_pol/the_ai_statement_72294.asp