



Syllabus Course Program



International investment activity

Specialty

073 - Management

Educational program

International business

Level of education

Bachelor's level

Semester

5

Institute

Institute of Education and Science in Economics,
Management and International Business

Department

Management (204)

Course type

Obligatory discipline of the professional training

Language of instruction

Ukrainian, English

Lecturers and course developers



Iryna Sitak

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PhD in Economic Sciences, Associate Professor Department of Management

Authored and co-authored over 50 scientific and methodological publications. Senior lecturer of courses "International Investment", "International Teamwork and Management of Joint Ventures", "Electronic Business"

More about the lecturer on the department's website

<https://web.kpi.kharkov.ua/mto/about/staff/sitak/>

General information

Summary

The discipline covers a wide range of topics related to investing beyond national borders. The course provides students with in-depth knowledge of various types of international investments, such as foreign direct investment and portfolio investment, as well as investment instruments, including stocks, bonds, futures, forwards, and options. Students study the economic environment of different countries, analyze risks, and develop strategies for managing them. In addition to theoretical knowledge, the course also provides practical skills through case analysis and investment project development, preparing students for a successful career in international business.

Course objectives and goals

The goal of the course is to develop in students deep knowledge and practical skills in the field of international investment, global financial market analysis, investment risk management, and investment strategy development in the context of economic globalization.

Course Objectives

- Define the conceptual foundations of international investment
- Conduct analysis of the international investment environment

- Assess investment risks
- Develop investment strategies
- Perform financial analysis and evaluate investment efficiency
- Master modern tools of international investment
- Monitor and analyze global financial markets

Format of classes

Lectures, practical classes, independent work, consultations. The final control is an exam.

Competencies

GC12. The ability to generate new ideas (creativity).

SC05. The ability to manage the organization and its units through the management functions realization

SC07. The ability to choose and to use modern tools of management.

SC09. The ability to work in a team and to establish interpersonal interaction in solving professional tasks.

SC11. The ability to create and manage effective communication in the process of management.

SC14. To understand the principles of psychology and use them in a professional activity.

SC16. The ability to coordinate export and import operations of an international company, to evaluate their effectiveness, taking into account the peculiarities of customs regulation

Learning outcomes

LO 04. To show skills of identification of problems and justification of management decisions.

LO 05. To describe the content of the functional areas of the organization

LO 09. To demonstrate skills of interaction, leadership, and teamwork.

LO 12. To evaluate the legal, social, and economic implications of an organization's functioning.

LO 13. To communicate in an oral and written form in the state and foreign languages.

LO 15. To show the ability to act socially responsibly and socially consciously on the basis of ethical reasons (motives), respect for a variety, and interlevel of culture.

LO18. Demonstrate the skills of coordinating export and import operations of an international firm, be able to evaluate their effectiveness, taking into account the peculiarities of customs regulation

Student workload

The total volume of the course is 150 hours (5 ECTS credits): lectures - 32 hours, practical studies- 32 hours, self-study - 86 hours.

Course prerequisites

For successful completion of the course, it is necessary to have knowledge and practical skills in the disciplines "Export-Import Operations Management" and "Fundamentals of International Marketing."

Features of the course, teaching and learning methods, and technologies

Interactive lectures with presentations on the Teams MOffice 365 platform. Practical classes are conducted interactively using multimedia and information technologies. Group work, game design is provided. Course work has an individual task and is carried out throughout the study of the academic discipline. The content and topic of the individual task cover the main topics of the course.

Learning materials are available to students through Microsoft Teams, OneNote and OneDrive.

Program of the course

Topics of the lectures

Topic 1. Lecture 1-2. Investment in the International Business System

Economic essence of investment and international investment activity. Classification of international investments. Key actors in international investment activities. The state as an investment entity. Financial



and credit institutions in international investment. Functional areas of the investment process and its infrastructure. Investment process infrastructure. Factors influencing international investment. International investment in the context of internationalization.

Topic 2. Lecture 3. Theories of International Investment

Macroeconomic, mesoeconomic, and microeconomic levels of foreign investment analysis. Classical theories of foreign investment.

Topic 3. Lecture 4-5. International Entrepreneurial Investment Activity

Real investments. Justification of investment feasibility. Techno-economic justification of investment programs. Real investment projects. Economic justification of financial investment projects. Investment planning and pricing. Pricing features in the investment sector. Material base of real investments. Material and technical support of investment projects. Monitoring the implementation of investment projects.

Topic 4. Lecture 6. International Investment Operations with Securities

Characteristics of securities. Assessment of investment qualities of securities. Investment operations of financial and credit institutions. Bonds. Stocks. Financial futures. Currency futures. Options. Investment portfolio.

Topic 5. Lecture 7-8. International Investment Market

Characteristics of the international investment market. Factor commodity and financial markets. Money market. Loanable funds market and interest rates. Demand and supply in the capital market. Macroeconomic interconnections and the capital market in an international context. International interconnections: capital mobility, exchange rates, and financial asset profitability. International stock markets. Stock indices. Development of financial markets. Government regulation of the securities market.

Topic 6. Lecture 9-10. Regulation of International Investment Activity

Implementation tools for international investment projects. Investment agreements in international investment. Insurance of international investments. Financial support for international investment projects. International investment leasing. Innovative forms of foreign investment in the global economy. Venture entrepreneurship. Intellectual investments. Macroeconomic regulation of the investment process and state policy on foreign investments. International investment activity and its institutions. Forms of stimulating foreign investment activity. Procedure for the establishment, operation, and liquidation of free economic zones (FEZs).

Topic 7. Lecture 11-12. Analysis and Evaluation of International Investment Projects

System of indicators used in investment process analysis. Methodological approaches to evaluating international investment projects. Methods for assessing economic efficiency of investments. Profit calculation method. Net present value (NPV) method. Marginal efficiency method.

Topic 8. Lecture 13-14. Modeling Investment Processes and Investment Strategies in a Global Environment

Main forms of entering foreign markets. Global economic, general economic, resource-economic, and political-economic factors influencing investment strategy choice. External and internal factors and their impact on the formation of corporate investment strategies. Strategies of home countries of companies engaging in foreign investments. Strategies of host countries receiving investments.

Topic 9. Lecture 15-16. International Investment Activity in Ukraine

Formation and evaluation of national investment climate parameters. Economic environment of investment activity in Ukraine. Investment infrastructure. Monetary policy of the National Bank of Ukraine. Role of the State Property Fund of Ukraine. Real investments in Ukraine's industrial sector. Forms and types of foreign investments in Ukraine. Effectiveness and challenges of attracting foreign investments.

Topics of the workshops

Topic 1. Workshops 1, 2. Analysis of the Economic Environment of Different Countries

Study key macroeconomic indicators (GDP, inflation, unemployment, trade balance). Assess the economic potential of countries using economic indices (Human Development Index, Doing Business, Global Competitiveness Index). Conduct a comparative analysis of the economic environment of several countries.

Topic 2. Workshops 3, 4. Case Study on Foreign Direct Investment (FDI)

Examine real case studies from various economic sectors. Identify factors that contributed to the success or failure of an investment project. Develop recommendations to improve the investment climate.

Topic 3. Workshops 5, 6. Developing a Portfolio Investment Strategy

Define investment objectives and the investor's risk profile. Select financial instruments for inclusion in the portfolio (stocks, bonds, derivatives). Apply diversification methods to reduce risks.



Topic 4. Workshops 7, 8. Investment Risk Assessment and Management

Identify key risks for a specific investment project. Assess risk magnitude using quantitative and qualitative methods. Develop risk management strategies (insurance, hedging, diversification).

Topic 5. Workshops 9, 10. Currency Hedging in Practice

Study key hedging instruments (forwards, futures, options). Perform calculations to determine the optimal hedging strategy. Evaluate the effectiveness of different hedging instruments in specific situations.

Topic 6. Workshops 11, 12. Investment Project Effectiveness Analysis

Study evaluation methods (NPV, IRR, PI, DPP). Conduct calculations for a specific investment project. Draw conclusions on the feasibility of investment.

Topic 7. Workshops 13, 14. Legal Aspects of International Investment

Study key international treaties and agreements regulating investments (e.g., BITs, International Centre for Settlement of Investment Disputes - ICSID). Examine real cases of legal disputes in investment. Develop strategies to protect investor interests.

Topic 8. Workshops 15, 16. Discussion: "Ethical Cases in International Investment"

Identify key ethical principles and standards. Analyze real cases involving ethical dilemmas. Develop proposals for resolving ethical issues.

Topics of the laboratory classes

Laboratory classes are not provided

Self-study

The individual assignment is carried out by the student using the example of an existing transnational corporation (TNC) and consists of researching the investment activities of the selected transnational corporation (TNC) in various countries, analyzing the motives and investment strategies, assessing investment efficiency, and studying the impact of investments on host countries. Individual Assignment Plan: Selection and justification of the chosen TNC. History of establishment and main business activities. Geographical location and key markets. Analysis of the TNC's investment activities in each country. Motives and investment strategies. Assessment of investment efficiency. Impact on host countries: economic, social, and environmental impact. Positive and negative aspects. General conclusions on the investment activities of the selected TNC. Recommendations for improving the investment strategy.

Course materials and recommended reading

1. Dobroskok I.B. The Strategy of Attracting Foreign Direct Investment in Ukrainian Enterprises [Electronic resource]. – Access mode : https://business-inform.net/export_pdf/business-inform-2023-5_0-pages-67_72.pdf.
2. Peter Egger, Alain Pirotte, Catharine Titi International investment agreements and foreign direct investment: A survey. *The World Economy*. Volume 46, Issue 6. URL: <https://doi.org/10.1111/twec.13429>
3. Bhagwat, V., Brogaard, J., & Julio, B. (2021). A BIT goes a long way: Bilateral investment treaties and cross-border mergers. *Journal of Financial Economics*, 140, 514–538. URL: <https://www.sciencedirect.com/science/article/abs/pii/S0304405X20303457>
4. Linton D. (2020) Foundations of Investment Management: Mastering Financial Markets, Asset Classes, and Investment Strategies. J Ross Publishing
5. Robert D., Graham W. (2020) Investing and Trading Strategies. Matthew of Investing and Trading Academy Production, Narrator
6. Rudolf Dolzer, Ursula Kriebaum, Christoph Schreuer (2022) Principles of International Investment Law. Oxford University Press. - 560 p.
7. Surya P Subedi (2024) International Investment Law: Reconciling Policy and Principle. Bloomsbury Publishing, - 392 p.
8. Biden, Joseph (2020). "Responses to United Steel Workers Candidate Questionnaire", May 17. <https://www.uswvoices.org/endorsed-candidates/biden/BidenUSWQuestionnaire.pdf>
9. Christian J. Tams, Stephan W. Schill, Rainer Hofmann. (2023) International Investment Law and General International Law. Edward Elgar Publishing - 416 p.



10. Zhan JX, Santos-Paulino AU (2021). Investing in the Sustainable Development Goals: Mobilization, channeling, and impact. *J Int Bus Policy*.4(1):166–83. doi: 10.1057/s42214-020-00093-3.
11. Schmidt, Richard and Yeşin, Pınar (2022). The growing importance of investment funds in capital flows. Swiss National Bank Working Paper No. 13/22. <https://ssrn.com/abstract=4293920>

Assessment and grading

Criteria for assessment of student performance, and the final score structure

The academic success of a student of higher education is determined by the criteria and the system for evaluating the knowledge and skills of students, which is used in NTU KhPI (<http://surl.li/ppxix>).

100% final assessment in the form of an exam

25% exam: individual assignment (written) and its oral presentation

75% continuous assessment:

- 35% assessment of tasks in practical classes (participation in discussions and case-based tasks);
- 25% interim control (online tests);
- 15% discussion of debate questions in practical classes.

Grading scale

Total points	National	ECTS
90–100	Excellent	A
82–89	Good	B
75–81	Good	C
64–74	Satisfactory	D
60–63	Satisfactory	E
35–59	Unsatisfactory (requires additional learning)	FX
1–34	Unsatisfactory (requires repetition of the course)	F

Norms of academic integrity and course policy

The student must adhere to the Code of Ethics of Academic Relations and Integrity of NTU "KhPI": to demonstrate discipline, good manners, kindness, honesty, and responsibility. Conflict situations should be openly discussed in academic groups with a lecturer, and if it is impossible to resolve the conflict, they should be brought to the attention of the Institute's management.

Regulatory and legal documents related to the implementation of the principles of academic integrity at NTU "KhPI" are available on the website: https://blogs.kpi.kharkov.ua/v2/nv/?page_id=208

Approval

Approved by

28.08.2024



Head of the department
Olena PROKHORENKO

28.08.2024



Guarantor of the educational program
Olena CHAIKOVA

