

# Module Descriptor – Treasury & Risk Management

## Module – Short Title

Treasury

## Module – Long Title

Treasury & Risk Management

## Level

2

## Credits

10

## Semester

1

## Pass Mark

40%

## Module Description

This course introduces the fundamentals of Treasury and Risk Management in an international context. Topics covered include money markets, foreign exchange markets and the determination of exchange rates, measuring and managing accounting, economic and political exposure, managing working capital in a multinational and the methods and products for managing risk.

## Learning Outcomes

On completion of this module students should be able to:

- Explain how exchange rates are determined
- Describe the market for foreign exchange and their financial institution's place and role (if any) in it, and explain the parity conditions in international finance
- Analyse and assess accounting exposure for a firm and construct solutions for managing that exposure
- Analyse and assess economic exposure for a firm and construct solutions for managing that exposure
- Outline the nature of political risk and how it may be managed
- Explain the alternatives for financing foreign exchange and the associated costs of each alternative and outline the methods for managing current assets and the overall multinational financial system
- Describe the products available for international financing and risk management and calculate prices for these products
- Illustrate your understanding of risk management products such as derivatives and their applications in reducing risk

## Prior Learning:

- Requirements – Completed microeconomics or macroeconomics at stage 1

### Assessment

- Examination
- 6 questions, at least 2 of which contain computation, with candidates required to answer any four
- 60% of Final Grade
- 3 Hours
- Continuous Assessment (40%) - comprising 1 individual assignment worth 40% (project).

### Workload (hours)

• Class Contact =	18
(6 x 3 hour sessions delivered on campus)	
• Specified Learning Activities [assignments etc.]	
o Reading =	25
o Assignment =	40
o Reflective learning =	25
• Autonomous Student Learning	
o Class preparation =	15
o Self-Directed Learning =	50
o Exam Preparation =	27
o Exam =	3
<b>Total =</b>	<b>203</b>

Students will be expected to reflect upon how the course concepts are applicable in their own workplace. A central feature of this module will be the sharing of the application and experience during class and the illustration of this experience in the coursework submitted. Advance preparation for the occasional classes scheduled, as part of this distance-learning module will be an important feature. Readings and questions to be reflected upon in advance of each meeting with the module tutor will be assigned at the start of the semester.

### Additional Information

- The module is aimed at students who are interested in corporate treasury operations and the management of risk and who aspire to management and senior management careers in Financial Services.
- The aim of the module is to describe the market for foreign exchange and the forces acting on it and to provide the students with the understanding and techniques to analyse and manage the risks and financing decisions facing a multinational organisation.