

**Subject card**

|  |  |  |                     |                                     |  |            |     |
|--|--|--|---------------------|-------------------------------------|--|------------|-----|
| <b>Subject name and code</b>                       | International Settlements, PG_00200486   |  |                     |                                     |  |            |     |
| <b>Field of study</b>                              | International Economic Relations   |  |                     |                                     |  |            |     |
| <b>Date of commencement of studies</b>             | October 2026   | <b>Academic year of realisation of subject</b>           |                     |                                     | 2027/2028  |            |     |
| <b>Education level</b>                             | Bachelor's studies   | <b>Subject group</b>                                     |                     |                                     | Obligatory subject group in the field of study<br>Subject group related to scientific research in the field of study |            |     |
| <b>Mode of study</b>                               | full-time studies  | <b>Mode of delivery</b>                                  |                     |                                     | at the university  |            |     |
| <b>Year of study</b>                               | 2  | <b>Language of instruction</b>                           |                     |                                     | Polish   |            |     |
| <b>Semester of study</b>                           | 4  | <b>ECTS credits</b>                                      |                     |                                     | 6.0  |            |     |
| <b>Learning profile</b>                            | academic   | <b>Assessment form</b>                                   |                     |                                     | exam   |            |     |
| <b>Conducting unit</b>                             | Faculty of Economics -> Rector   |  |                     |                                     |  |            |     |
| <b>Name and surname of lecturer (lecturers)</b>    | <b>Subject supervisor</b>  |  | dr hab. Iwona Sobol |                                     |  |            |     |
|  | <b>Teachers</b>  |  |                     |                                     |  |            |     |
| <b>Lesson types</b>                                | <b>Lesson type</b>   | Lecture  | Tutorial            | Laboratory                          | Project  | Seminar    | SUM |
|  | <b>Number of study hours</b>   | 30.0   | 30.0                | 0.0                                 | 15.0   | 0.0        | 75  |
|  | E-learning hours included: 0.0   |  |                     |                                     |  |            |     |
| <b>Learning activity and number of study hours</b> | <b>Learning activity</b>   | Participation in didactic classes included in study plan |                     | Participation in consultation hours |  | Self-study | SUM |
|  | <b>Number of study hours</b>   | 75   |                     | 0.0                                 |  | 75.0       | 150 |
| <b>Subject objectives</b>                          | 1. Acquaint students with detailed knowledge of international settlements and foreign trade financing.<br>2. Introduce students to various forms of payment and financing used in international transactions and the criteria for their appropriate selection.<br>3. Familiarize students with different types of risks associated with international settlements and methods for mitigating them. |  |                     |                                     |  |            |     |

| Learning outcomes | Course outcome   | Subject outcome  | Method of verification            |
|-------------------|--|--|-----------------------------------|
|                   | [MSGL3_K05] correctly identifies, diagnoses and solves dilemmas and various options of solutions related to the profession   | The student correctly identifies, diagnoses, and resolves dilemmas and various solution options related to performing their profession.  | [SK4] test/exam - oral or written |
|                   | [MSGL3_U06] can identify selected risks related to international operations of enterprises and assess their consequences correctly   | The student can identify selected types of risks associated with the international activities of enterprises (including the risk of non-payment to the exporter, the risk of improper contract performance by the importer, and currency risk), accurately determine their consequences, and methods for mitigating these risks.   | [SU4] test/exam - oral or written |
|                   | [MSGL3_U16] can plan and implement his/her own lifelong learning, expand and improve his/her acquired knowledge and economic skills; is open to new ideas and techniques; is willing to learn using any method, and has a tendency to interact with other participants of the learning process | The student can independently plan and pursue lifelong learning, supplement, and improve their acquired knowledge and economic skills  | [SU4] test/exam - oral or written |
|                   | [MSGL3_U07] can perform commercial transactions on the international market, select and apply appropriate forms of transaction settlement, analyse and critically assess the course of transactions  | The student can apply hedging strategies against exchange rate risk. Furthermore, the student can select and use the appropriate form of settlement for foreign trade transactions and utilize the available financial instruments for foreign trade financing.  | [SU4] test/exam - oral or written |
|                   | [MSGL3_W16] has an advanced knowledge and understanding of the principles of entering into and conducting business transactions on the international market  | The student knows the principles of concluding and settling trade transactions in the international market   | [SW4] test/exam - oral or written |
|                   | [MSGL3_W17] has knowledge of the financial conditions associated with running a business, including the principles of accounting, financial analysis, and international financial settlements  | The student possesses advanced knowledge of the financial conditions related to conducting business activities (they deepen this knowledge during office hours), primarily the principles and regulations concerning international settlements. The student is familiar with the basic foreign exchange law regulations related to conducting business on an international scale | [SW4] test/exam - oral or written |

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|---------------------------------|---|---|-------------------------------|
| Subject contents                | <p>1. The essence of international settlements - the narrow and broad concept of international settlements</p> <p>2. Means of Payment in Foreign Trade - Bill of Exchange and Promissory Note<br/> Concept and types<br/> Elements of a bill of exchange and promissory note<br/> Application of bills of exchange and promissory note</p> <p>3. Methods of Payment in Foreign Trade - Documentary Collection<br/> Concept and procedure of documentary collection<br/> Types of documentary collection<br/> Benefits and drawbacks of documentary collection from the perspective of the exporter and importer<br/> Uniform Rules for Collections</p> <p>4. Methods of Payment in Foreign Trade - Documentary Letter of Credit<br/> Concept and procedure of a documentary letter of credit<br/> Elements of a letter of credit<br/> Types of letters of credit<br/> Principles of document verification within the framework of a documentary letter of credit<br/> Benefits and drawbacks of letters of credit from the perspective of the exporter and importer<br/> Uniform Customs and Practice for Documentary Credits</p> <p>5. Forms of financing foreign trade - factoring</p> <ul style="list-style-type: none"> <li>• the concept of factoring and the process of factoring operations</li> <li>• functions of factoring</li> <li>• types of factoring</li> <li>• factoring in foreign trade</li> <li>• the global factoring organization - FCI</li> <li>• benefits and drawbacks (limitations in the application) of factoring</li> </ul> <p>6. Forms of financing foreign trade - forfaiting</p> <ul style="list-style-type: none"> <li>• the concept of forfaiting and the process of forfaiting operations</li> <li>• types of forfaiting</li> <li>• the global forfaiting organization - ITFA</li> <li>• benefits and drawbacks (limitations in the application) of forfaiting</li> <li>• comparison of factoring with forfaiting</li> </ul> <p>7. Foreign Exchange Market and Currency Risk in Foreign Trade<br/> Basic concepts related to the foreign exchange market (base currency, quoted currency, direct and indirect quotations, cross rates, figures, pips)<br/> Spot transactions on the foreign exchange market<br/> The essence of currency risk<br/> Liquidity position and currency position</p> <p>8. Forward and Swap Transactions<br/> Concept of forward transactions<br/> Calculation of forward rate<br/> Non-Deliverable Forwards (NDF) - concept and application<br/> Concept and application of currency swaps</p> <p>9. Currency Futures Contracts<br/> Concept and origin of futures transactions<br/> Application of futures transactions</p> <p>10. Currency Options<br/> Concept of currency options<br/> Types of currency options (call and put, OTC and exchange-traded, European and American)<br/> Application of options</p> <p>11. Transactional and institutional structure of the foreign exchange market<br/> 12. Basic regulations of foreign exchange law - basic regulations of foreign exchange law relevant to exporters and importers</p> |   |                               |
| Prerequisites and co-requisites | The prerequisite course for students is International Trade Transactions. The starting point for this course is knowledge of the basic concepts of foreign trade transactions and elements of the international sales contract.   |   |                               |
| Assessment methods and criteria | Subject passing criteria  | Passing threshold   | Percentage of the final grade |
| Recommended reading             | Basic literature  | Rozliczenia międzynarodowe, red. D. Marciniak-Neider, PWE, Warszawa 2011 (współautorzy: I. Sobol, M. Szmelter).<br>Rozliczenia w praktyce handlu zagranicznego, red. D. Marciniak-Neider, A. Stańczyk, PWE, Warszawa 2017.<br>Sobol I., Faktoring międzynarodowy, Oficyna Ekonomiczna, Kraków 2005.<br>Zajac J., Polski rynek walutowy w praktyce, K E. Liber, Warszawa 2005. |                               |

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|  | Supplementary literature | <p>Finanse, bankowość oraz rynki finansowe, red. E. Pietrzak, M. Markiewicz, Wyd. Uniwersytetu Gdańskiego, Gdańsk 2006.</p> <p>Handel zagraniczny, Poradnik dla praktyków, red. B. Stępień, PWE, Warszawa 2012.</p> <p>Heropolitańska I., Weksel w obrocie gospodarczym, wyd. XIV, Twigger, Warszawa 2007.</p> <p>ICC Uniform Customs and Practice for Documentary Credits, "Publication" no. 600. ICC, Paris 2006.</p> <p>Marciniak-Neider D., Warunki dostaw towarów w handlu zagranicznym, Polska Izba Spedycji i Logistyki, Gdynia 2017.</p> <p>Sobol I., Rynek usług faktoringowych w Polsce i Unii Europejskiej, w: Globalizacja. Integracja. Konkurencyjność: współczesne dylematy, red. A. Grynia, Uniwersytet w Białymstoku, Wydział Ekonomiczno-Informatyczny w Wilnie, Wilno 2020.</p> <p>Sobol I., Szmelter M., Non-deliverable forwards - factors of development and market structure, "Przegląd Prawno-Ekonomiczny", 2022, nr 1.</p> <p>Szmelter M., Internacjonalizacja polskiego rynku walutowego, w: Procesy globalizacji, internacjonalizacji i integracji w warunkach współczesnej gospodarki światowej, red. Sporek T., Wydawnictwo Akademii Ekonomicznej, Katowice 2009.</p> <p>Szmelter M., Internacjonalizacja światowego rynku walutowego, Prace i Materiały Instytutu Handlu Zagranicznego Uniwersytetu Gdańskiego 2010, nr 28</p> <p>Szmelter M., Uczestnicy światowego i polskiego rynku walutowego, Prace i Materiały Instytutu Handlu Zagranicznego Uniwersytetu Gdańskiego 2010, nr 29.</p> |
|  | eResources addresses     |   |
| Example issues/<br>example questions/<br>tasks being completed |                          | <p>If the spot rate is 1 EUR = 0.8950 GBP, the interest rate on 6-month deposits in EUR is 1%, and the interest rate on deposits in GBP is 0.5%, then the 6-month forward rate EUR/GBP is:</p> <p>a) lower than the spot rate</p> <p>b) higher than the spot rate</p> <p>c) equal to the spot rate</p> <p>d) the forward rate is not related to the interest rates</p>  |
| Work placement   |                          | Not applicable  |

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