

**NATIONAL AVIATION UNIVERSITY  
EDUCATIONAL AND SCIENTIFIC INSTITUTE OF ECONOMICS AND  
MANAGEMENT**

**Department of management of foreign economic activity of enterprises**

**METHODICAL RECOMMENDATIONS ON THE  
ORGANIZATION OF INDEPENDENT WORK OF STUDENTS  
ON DISCIPLINE "INTERNATIONAL MONETARY AND  
FOREIGN EXCHANGE TRANSACTIONS"**

for students 7 / 8.03060104 "Management of Foreign Trade"  
(the code and the name of the direction (specialty) of training)

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**M 502 International credit-settlement and currency transactions.**  
**METHODOLOGICAL RECOMMENDATIONS ON THE ORGANIZATION OF THE SELF-EMPLOYED STUDENTS 'WORKINGS TO REDUCE EDUCATIONAL MATERIAL**

7 / 8.03060104 «Management of foreign economic activity» / Form. T.G. Ostapenko, T.V. Kuznetsova, E.I. Danilov - K. : NTUU "Polytechnic University", 2015. -15с.

The methodological recommendations provide general guidance on the implementation of independent tasks and tasks in the main sections of the discipline "International credit and settlement and currency operations".

Designed for full-time and part-time students studying in the specialty 7 / 8.03060104 "Management of foreign economic activity".

It is designed for students of higher educational institutions, who study according to the program of specialists and masters when introducing modular rating technologies into the educational process.

## INTRODUCTION

The discipline "International credit-settlement and currency operations" is taught for students of specialty 7 / 8.03060104 "Management of foreign economic activity".

It is a unit of normative disciplines that meets the state standard of training of a specialist.

The subject of the discipline is the essence, the main theoretical and practical aspects of the implementation of international credit, settlement and currency transactions at the state, industry and enterprise level.

The peculiarity of teaching the discipline "International credit-settlement and currency transactions" is the implementation of independent work and solving typical and specific tasks.

Yes, it is necessary to understand that international credit-settlement and currency transactions are carried out by subjects of foreign economic activity. These operations serve the main relations of such entities with regard to the sale of goods or services, lease and leasing, tolling operations, investment schemes and their implementation.

Foreign exchange operations are the starting point for the implementation and maintenance of the foreign economic activity of the enterprise. When the future earnings and servicing of settlement and credit operations in the FEA of a particular enterprise depend on currency risk. How to calculate and forecast the exchange rate is an applied question of determining the effectiveness of foreign economic operations in Ukraine and in the world.

Settlement transactions are a practical part of the execution of payments for international supplies of goods and services. The quality of delivery and optimization of relations in the international environment of multi-national counterparties depends on the chosen settlement mechanism.

Credit operations are quite common. They are determined by the need to raise funds for export or import operations. Financing of foreign trade operations characterizes the need of this enterprise in external funds and lack of own funds.

Situational tasks and typical and specific tasks are solved on the basis of the methods developed by the teachers and the department of management of foreign economic activity of the NAU enterprises.

Separate tasks and tasks are integrated within the modules. Studying discipline involves performing independent work on two modules and one term paper (which is the third module).

## **MODULE 1. EXCHANGE, CALCULATION AND CREDIT OPERATIONS AS BASIS FOR DEVELOPMENT OF INTERNATIONAL CURRENCY-FINANCIAL RELATIONS**

### **Theme 1.1: Currency values, currency markets and exchange rates**

Question (task) for independent work

1. What should be understood by the term "currency"?
2. What are the components of the national currency system?
3. Date the definition of the world currency system.

References

1. Borynets S.Ya. International Monetary and Financial Relations: Textbook. - 5th species., Processing. and add - K. : Knowledge, 2008. - 582s.
2. Decree of the Cabinet of Ministers of Ukraine "On the System of Currency Regulation and Currency Control" dated 19.02.93 No. 15-93 (as amended and supplement) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>
3. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.

Guidelines

1. To work the literature and answer the questions in the form of abstracts.
2. Read and process the Decree of the CMU "On the System of Currency Regulation and Control" to prepare an essay on the national currency system in Ukraine.
3. On the basis of the worked literature, prepare answers to questions for self-control.

The question for self-control

1. What are the characteristics of the Parisian gold standard system?
2. Describe the Genoese system of golden standard.
3. What are the main features of the world currency crisis of 1926-1933.
4. Analyze the preparation and signing of the Bretton Woods monetary and financial system.
5. Name the basic principles of the functioning of the Bretton Woods monetary system.
6. Name the main provisions of the Jamaican currency system.

### **Theme 1.2: Features of conversion currency operations**

Question (task) for independent work

1. Name the world's largest gold markets.
2. What is the share of gold in the structure of official gold and foreign exchange reserves of developed countries?
3. Describe the concept of "foreign exchange operations" in the narrow and broad sense.
4. Date the definition of the most common "currency transactions" in the interbank foreign exchange market.

#### literature

1. Borynets S.Ya. International Monetary and Financial Relations: Textbook. - 5th species., Processing. and add - K.: Knowledge, 2008. - 582s.
2. Decree of the Cabinet of Ministers of Ukraine "On the System of Currency Regulation and Currency Control" dated 19.02.93 No. 15-93 (as amended and supplement) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>
3. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.

#### Guidelines

1. To work the literature and answer the questions in the form of abstracts.
2. Read and process the Decree of the CMU "On the system of currency regulation and control" to prepare an essay on the use of currency and currency values in Ukraine.
3. On the basis of the worked literature, prepare answers to questions for self-control.

#### The question for self-control

1. What forms of currency transactions are used on foreign exchange markets?
2. What currency transactions are current, and what are the urgent?
3. What is currency arbitrage?
4. Give the definition of the category "international settlement operations".
5. What are the main forms of international payments?

**Theme 1.3: Establishment of correspondent relations between commercial banks of different countries**

### Question (task) for independent work

1. Cross-cultural features of the systems of inter-bank settlements
2. Understanding "correspondent interbank relations"
3. The main content and purpose of establishing correspondent relations
4. Process of the establishment of correspondent relations

### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K. : Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K. : Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K. : University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. The Decree of the Nationwide Bank of Ukraine "On Approval of the Rules for the Registration of Correspondent Banks of Banks by the National Bank of Ukraine" dated 15.08.2001. No. 343 (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua/laws/show/z0708-01>

### Guidelines

1. To work out literary sources and answer the questions of the topic.
2. Work the NBU Resolution and describe the main provisions of the functioning of the correspondent relations between the banks of Ukraine and the banks of Germany.
3. Develop literary sources and characterize cross-cultural relations between the banks of Ukraine and the banks of Belgium.

### The question for self-control

1. Describe the national electronic payment system;
2. To determine the models of service of the consolidated correspondent account of the bank.
3. Analyze the system of clearing interbank credits.
4. To characterize the process of formation of reserves for funds placed on correspondent accounts in other banks.
5. Where do banks buy foreign currency for international settlements?
6. What is the essence of licensing banking operations and what types of licenses are known to you?

## **Theme 1.4: Means of making international payments: checks, drafts, international payment orders**

Question (task) for independent work

1. What is a bank transfer?
2. How to use bills and checks in international settlements?
3. What do you know types of bills?
4. What is a traveler's check and in what cases is it used?
5. What is the mechanism for using Eurocards?

literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. Resolution of the Nationwide Bank of Ukraine "Regulation of the Accounting of Banks of Ukraine Operations with Checks in a Foreign Currency" of 04.09.2009. №530 (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

Guidelines

1. To characterize banking transactions with checks, cards and bills in international economic relations.
2. Write an abstract on the use of traveler's checks on trips of Ukrainian managers to the United States.
3. Characterize the activities of international payment systems.

The question for self-control

1. To characterize the features of operations with traveler's checks.
2. Analyze the features of transactions with plastic cards.
3. Characterize the services of transferring funds of individuals abroad.
4. Characterize the mechanism of settlements using bills.
5. Who use plastic cards in calculations?
6. What types of plastic cards do you know?

Theme 1.5: Non-documentary and documentary forms of international settlements

### Question (task) for independent work

1. What are the non-documentary forms of payments in international settlements do you know?
2. What is the difference between a payment to an open account and an advance payment?
3. What is a documentary letter of credit? Expand the settlement mechanism by using it.
4. What documents are used in the agreement with the letter of credit?

### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. Decree of the Nationwide Bank of Ukraine "On Financial Services and State Regulation of Financial Services Markets" of 12.07.2001. №2664-III (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

### Guidelines

- 1 Determine the differences between documentary and documentary forms of international settlements
2. Write a lecture on the topic "Letter of Credit for International Settlements in the Activities of a Commercial Bank (on a Student's Choice)"
3. To determine the features of the use of cash collection in international payments in Ukraine.

### The question for self-control

1. Give a general description of the use of non-documentary forms of settlements in the international sphere.
2. Identify the concept of "advance payments".
3. Define the concept of "payment to an open account".
4. Describe the essence and features of international payments with letters of credit.
5. Describe the nature and types of collection.

### Theme 1.6: Methods of international short-term loans



### Question (task) for independent work

1. Classification of operations for the attraction and placement of foreign exchange resources
2. International lending operations
3. Principles of international bank lending
4. Loan repayment terms
5. Risks and methods of protection against them

### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K. : Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K. : Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K. : University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. Decree of the Nationwide Bank of Ukraine "On Financial Services and State Regulation of Financial Services Markets" of 12.07.2001. №2664-III (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

### Guidelines

1. Characterize the terms of concluding international short-term loans.
2. Prepare an essay on short-term loans in international economic operations of clients of a certain commercial bank (at the student's choice).

### The question for self-control

1. What is the reason for the emergence of an international loan?
2. What functions does an international loan?
3. What forms of international loan do you know? Give a brief description of their individual forms.
4. Name and describe the types of commercial loans.
5. Explain the importance of overdraft.
6. What is the difference between the acceptance loan and the acceptance reimbursement?

## Theme 1.7: Traditional and non-traditional methods of medium-term international loans

### Question (task) for independent work

1. Give the definition of an international loan. What are its main forms?
2. Describe commercial and financial international loans.
3. Identify the differences between traditional and non-traditional methods of medium-term international loans.
4. Identify peculiarities of rollover international loans.
5. Describe factoring and forfeiting as non-traditional methods of medium-term international lending.
6. Identify the main features of international leasing.

### literature

6. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
7. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
8. Krivovoz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
9. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
10. Decree of the Nationwide Bank of Ukraine "On Financial Services and State Regulation of Financial Services Markets" of 12.07.2001. №2664-III (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

### Guidelines

1. Prepare a detailed report on the distinction between traditional and non-traditional methods of medium-term international lending.
2. Determine the level of efficiency of each of the non-traditional methods of lending (factoring, forfeiting and leasing).

### The question for self-control

1. Give the definition of international financial leasing.
2. Describe the basic principles of the Convention on International Financial Leasing.
3. Expand the essence of international leasing in accordance with the Law of Ukraine "On Leasing".
4. Lists the dominant features of international leasing.

## **MODULE 2. PECULIARITIES OF IMPLEMENTATION OF INTERNATIONAL CURRENCY-FINANCIAL RELATIONS**

Theme 2.1: Export control in foreign economic activity of enterprises engaged in active currency and financial transactions

Question (task) for independent work

1. Give the definition of export control in the foreign economic activity of the enterprise.
2. Describe the goods subject to export control in Ukraine.

literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. Decree of the Nationwide Bank of Ukraine "On Financial Services and State Regulation of Financial Services Markets" of 12.07.2001. №2664-III (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

Guidelines

1. To define the schemes of export control by enterprises of Ukraine.
2. To write an abstract on Ukraine's participation in world markets of goods subject to the export control regime

The question for self-control

1. Restrictions and prohibitions related to the implementation of decisions of the Security Council
2. Embargo imposed by the United Nations Security Council on designated states
3. Reservation of the UN Security Council for designated states

Theme 2.2: Guarantees for overcoming risks in international credit and settlement and currency transactions

Question (task) for independent work

1. The concept of risk as an economic category;

2. Types of currency risk and their identification:
  - 2.1. Accounting risk management;
  - 2.2. Currency and economic risk management;
  - 2.3. Competitive risk management;
3. The arguments for and against foreign exchange risk insurance;
4. Practice of valuation of exchange rates.

#### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
2. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
3. Krivovyaz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
4. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.
5. Decree of the Nationwide Bank of Ukraine "On Financial Services and State Regulation of Financial Services Markets" of 12.07.2001. №2664-III (With changes and replenishment) [Electronic resource]. - Mode of access: <http://www.zakon2.rada.gov.ua>

#### Guidelines

1. To write a lecture on a theme: "Peculiarities of insurance of currency risks by enterprises - subjects of foreign economic activity".
2. To create block diagrams of system of overcoming of currency, credit and accounting risks.

#### The question for self-control

1. List the types of risks that the company is confronted with, is involved in foreign trade activities. How to identify them?
2. Describe transaction risk hedging instruments, summarize the advantages and disadvantages of each of the instruments under consideration.
3. What strategies are used by an international financial manager in hedging competitive risks?
4. List the main methods of hedging accounting risks.

Theme 2.3: Legal bases of regulation of international credit-settlement and currency transactions in Ukraine

#### Question (task) for independent work

- 1 Ways of establishing the national monetary and financial system of Ukraine;

2. Foreign economic potential of Ukraine as a factor in the intensification of currency and financial relations;
3. The main documents in the field of regulation of the currency sphere of the economy of Ukraine;
4. Formation of the currency and financial markets of Ukraine;
5. Problems and prospects of Ukraine's entry into the international monetary and financial system;
6. International Solvency of Ukraine

#### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K .: Knowledge, 2010. - 227s.
2. Borinets S.Ya. International Monetary and Financial Relations: Textbook. - 5th edition, reb. and add - K .: Knowledge, 2008. - 582s.
3. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K .: Knowledge, 2009. - 63s.
4. Krivovoz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K .: University "Ukraine", 2009 - 327s.
5. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.

#### Guidelines

1. To prepare an essay and a theme: "Currency regulation in Ukraine and possibilities to overcome currency threats"
2. Determine the conditions for the achievement of Ukraine's compliance with the economic standards of the Euro zone.

#### The question for self-control

1. What are the forms of providing financial assistance to Ukraine from the IMF?
2. Describe the stages of cooperation between Ukraine and the IMF.
3. What are the features of investment financing provided by the World Bank?
4. What is the feature of cooperation between Ukraine and the EBRD?

Topic 2.4: International monetary and financial law as a means of regulating international credit and settlement and currency operations

#### Question (task) for independent work

1. Forms of national regulation of currency and financial flows;
2. Accounting (discount) and the monetary policy of the state;
3. Traditional methods of currency regulation (devaluation and revaluation);
4. Currency restrictions and currency risks;
5. Special (free) economic zones. Offshore centers;

6. Improvement of the international system of regulation of world finances;
7. Activities of the Paris and London clubs.

#### literature

1. Banking operations: textbook / ed. VI Mischenko, N.G. Slavic - K. : Knowledge, 2010. - 227s.
2. Borinets S.Ya. International Monetary and Financial Relations: Textbook. - 5th edition, reb. and add - K. : Knowledge, 2008. - 582s.
3. Vasyurenko O.V. Economic analysis of commercial banks: teaching. manual / O.V. Vasyurenko, KO Woolhat - K. : Knowledge, 2009. - 63s.
4. Krivovoz T.V. International credit-settlement operations in banks: training. manual / for sciences Ed. E. Syvulsky - K. : University "Ukraine", 2009 - 327s.
5. Petrashko L.P. Foreign exchange operations: training. manual / LP Petrashko - 2nd form., Reworked. and complemented - K.: Knowledge, 2012. - 271s.

#### Guidelines

1. To write an essay on the topic "Historical Peculiarities of the Formation of International Currency Law".
2. To construct a block diagram of the influence of international monetary and financial relations on international credit and settlement relations.

#### The question for self-control

1. What is currency regulation?
2. Define currency policy.
3. Name the characteristic features of accounting and tax policy.
4. What are the features of currency dumping?
5. Tell us about the use of devaluation and revaluation now and at the time of the gold standard.
6. What are the features of the application of currency restrictions?

### НАВЧАЛЬНЕ ВИДАННЯ

## METHODOLOGICAL RECOMMENDATIONS ON THE ORGANIZATION OF THE SELF-EMPLOYED STUDENTS 'WORKINGS TO REDUCE EDUCATIONAL MATERIAL

from the discipline

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