the fEDERAL STATE-funded educational institution of higher education “FINANCIAL UNIVERSITY UNDER THE GOVERNMENT OF THE Russian federation”

(FINANCIAL UNIVERSITY)

**Department of World Economy and World Finance**

**I.А. Balyuk**

**FINANCE OF ENERGY CORPORATIONS**

**(in English)**

**Syllabus of the course**

for the students learning the discipline

38.03.01 “Economics”, profile “International business of energy companies” (with a partial implementation in English)

**Moscow 2019**

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**Department of World Economy and World Finance**

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| --- | --- |
|  | **APPROVED**  Vice-Rector on development of educational programmes  \_\_\_\_\_\_\_\_\_\_\_\_\_\_Е. А. Kаmеnеva  «\_\_\_\_» \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_2019 |

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*Recommended by the Academic Council of Faculty of International Economic Relations, International Finance Faculty*

*(protocol № 33 as of 15.10.2019)*

*Approved by the Council of education and science department*

*“World Economy and World Finance”*

*(protocol № 3 as of 25.09.2019)*

**Moscow 2019**

UDK

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**Reviewer: М.B. Меdvedeva, Ph.D., Professor of the Department of World Economy and World Finance**

**I.А. Balyuk**

**Finance of energy corporations (in English).** Thesyllabus of the optional course of the educational programme for the students learning the discipline 38.03.01 “Economics”, profile “International business of energy companies” (with a partial implementation in English) — М.: Financial University, Department of World Economy and World Finance, 2019 – 33 p.

The course “Finance of energy corporations” (in English) is an optional course of the discipline 38.03.01 “Economics”, profile “International business of energy companies” (with a partial implementation in English).

The syllabus contains the content of the educational course, interdisciplinary linkages of the topics, the themes of the seminars, the content of independent work, the forms of control and training and methodological guidance of the course.

*Educational edition*

FINANCE OF ENERGY CORPORATIONS

(in English)

Syllabus of the course

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# Name of the course

The course “Finance of energy corporations” (in English) of the bachelor educational discipline 38.03.01 “Economics”, profile “International business of energy companies” (with a partial implementation in English), face-to-face education, programme of training the bachelors.

# List of planned results of learning the educational programme (list of competences) with indicators of their achievement and planned results of learning the course

The course “Finance of energy corporations” for the students learning the discipline **38.03.01 “Economics”,** profile“International business of energy companies” (with a partial implementation in English) ensures the development of the following competences:

|  |  |  |  |
| --- | --- | --- | --- |
| **Competence code** | **Name of the competence** | **Indicators of achieving the competence** | **Results of learning (abilities, skills and knowledge), combined with the competences/indicators of achieving the competence** |
| PKP-2 | Ability to efficiently analyze and process market information, activities of the foreign energy companies and their projects, assess the competitiveness of the companies | 1. Demonstrates ability to analyze a wealth of information, to work with the data and prepare reports  2. Selects forms, methods and instruments of assessment of the companies’ and investment projects’ competitiveness in the international energy markets | 1. **To know** the basics of analysis of statistical data and applying various sources of information for making financial and economic calculations, and preparing information and analytical reports  **To be able** to analyze current situation in the global financial market with a view to arrange financing of the international activities of energy corporations  2. **To know** the main methods and forms of financing of the international activities of energy corporations  **To be able** to select the optimal schemes and terms of financing of the international activities of energy corporations |
| PKP-4 | Ability to perform professional duties to assess the efficiency of the decisions aimed at managing and regulating the basic structure elements of the international business of the energy companies | 1. Takes part in building a system of the key efficiency indicators of the international projects  2. Prepares analytical materials to assess the effectiveness of the foreign economic activities  3. Takes part in arranging Due Diligence  4. Takes part in supporting international transactions | 1. **To know** the basic principles and methods of assessment the level of efficiency and competitiveness of the investment projects in the international energy markets  **To be able** to analyze and interpret information and statistical data connected with realization of the investment projects in the international energy markets, and on this basis to develop a system of financial and economic indicators to assess the level of its viability and efficiency  2. **To know** the basics of conducting foreign economic activities  **To be able** to arrange the settlements on export and import transactions and to execute operations with international credits and various international securities  3. **To know** the basic principles of conducting Due Diligence of various types of international transactions and investment projects  **To be able** to find,select, analyze and interpret various sources of information for conducting Due Diligence in the international energy markets  4. **To know** the basics of preparing and realizing various types of international transactions with participation of energy corporations  **To be able** to prepare necessary information and documentation connected with realization of the international transactions aimed at arranging financing the activities of energy corporations |

# The place of the course in the structure of the educational programme

The course “Finance of energy corporations” (in English) is an optional course aimed at deeper learning the profile of the educational programme “International business of energy companies” (with a partial implementation in English) of the discipline 38.03.01 “Economics”. It is a synthetic training course, and the students should implement knowledge, skills and abilitiesdeveloped as a result of learning the previous training courses, such as “World Economy and International economic relations”, “International monetary, credit and financial relations”, “Economy of organizations”, “World Finance”. Theoretical knowledge and practical skills developed by the students when learning the course should be used in the process of learning consequent courses in accordance with the curriculum, completing graduate qualification works, conducting research work.

**Requirements to the input knowledge, skills and abilities**

For learning the course “Finance of energy corporations” (in English) the student should

**know:**

* the basics of organization of international business of energy companies

**be able:**

* to apply computer technologies and paper editions in order to find information necessary to organize the learning process

**have:**

* an ability to analyze statistical data and current situation in the international financial market

# The volume of the course in credits and in academic hours with an allocation of the class volume (lectures, seminars) and independent work of the students (in the semester, in the credit period)

The course “Finance of energy corporations” (in English) is developed by the Department of World Economy and World Finance.

Form of interim attestation - credit.

**The course “Finance of energy corporations” (in English)**

**38.03.01 “Economics”, profile “International business of energy companies”**

|  |  |  |
| --- | --- | --- |
| **Type of educational activities on the course** | **Total**  **(in credits and hours)** | **Semester 7**  **(in hours)** |
| **Total labour input of the course** | **3/108** | **1 sem. 108 hrs.** |
| ***Contact work- Classes*** | ***34*** | ***34*** |
| *Lectures* | *16* | *16* |
| *Seminars* | *18* | *18* |
| ***Independent work*** | ***74*** | ***74*** |
| Type of current control | *Control work* | *Control work* |
| Type of interim attestation | Credit | Credit |

# Content of the course in accordance with the themes (sections) of the course indicating volume (in academic hours) and types of training sessions

### **5.1 Content of the course**

**Theme 1. General description of the major funding sources of the energy corporations in the international financial market**

Specific features of financing in the international financial market.Public (open) and private (closed) international fund raising. Issue and non-issue instruments of the international financing.

Bilateral bank loans. Syndicated loans. Bank loans under insurance cover of the national export credit agencies.

Financing of the energy corporations through equity issues.

Financing of the energy corporations through debt securities issues.

Arrangement of the international project financing for the energy corporations.

**Theme 2. International credit rating is the main indicator of solvency and financial sustainability of the energy corporations**

Importance of the international credit rating for fund raising of the energy corporations in the international financial market.

Major international rating agencies (“big three”) and their methods of assigning the international credit ratings. Rating scales and basic grades.

Classification of the international credit ratings. Basic outlooks for changing the international credit ratings. Meaning of the rating status CreditWatch (RatingWatch). Minimum credit ratings necessary for fund raising in the international financial market.

Specific features of the procedure of assigning the international credit rating.

Problem of reforming the current system of assigning the international credit ratings.

**Theme 3. Financing of the energy corporations’ international activities through equity issues (shares and depositary receipts)**

Specific features of international fund raising of the energy corporations through issues of equity securities. Classification of the equity securities. International market of the equity securities.

Procedure of shares issues by the energy corporations in the international financial market through IPO (Initial Public Offering). Stock exchange and OTC placement of shares. Participants of the placement of shares transaction and their functions. Main preparatory stages of the transaction.

Main types of documents and major kinds of expenses connected with the shares issues by the energy corporations in the international financial market.

International fund raising by the energy corporations through issues of the depositary receipts. Main types of the depositary receipts (ADR, GDR, EDR) and specific features of issue and circulation in the secondary market. Scheme of depositary receipts placement in the international financial market, participants of the transaction and their major functions.

**Theme 4. Syndicated loans are the basic form of international debt financing of the energy corporations**

Specific features of syndicated loans compared to other instruments of international financing. International market of syndicated loans and its regulation. Market of syndicated loans of the Russian borrowers.

Basic types of syndication. Structure of the bank syndicate. Participants of the syndicated loans and their functions. Syndicated loan’s arrangement and administration. Process of loan syndication.

Basic types of documents and main kinds of expenses connected with arranging international syndicated loans for the energy corporations.

**Theme 5. Financing of international activities of the energy corporations under insurance cover of the national export credit agencies (ECA)**

Role and functions of the national export credit agencies (ECA).Regulation of the international market of export loans. Berne Union. Prague Club. EXIAR.

Arrangement and realization by the energy corporations the trade finance transactions under insurance cover of the national export credit agencies. Main participants of the transaction and their functions.

Basic types of documents connected with the trade finance transactions.

Main kinds of expenses connected with the realization of the trade finance transactions under insurance cover of the national export credit agencies.

**Theme 6. Forms of financing of the energy corporations in the international debt securities market (eurobonds, euro commercial papers, convertible bonds, etc.)**

Specific features of the international debt securities market. Basic types of the international debt securities.

Eurobonds and its modern types. Issuing eurobonds by the energy corporations under the special programmes. Participants of the eurobond issues and their functions. Basic types of documents and main kinds of expenses connected with the eurobond issues.

Euro commercial papers (ECP) as the main type of the international short-term corporate debt securities. Specific features of the ECP issues in the international financial market.

Convertible bonds are the “hybrid” financial instrument of the international debt securities market. Specific features of the convertible bond issues. Main participants of the transaction and their functions. Basic types of documents and main kinds of expenses.

**Theme 7. Specific features of project finance of the energy corporations**

Basic characteristics of the international project finance practice and specific features of project finance of the energy corporations.

Investment project and conditions of its realization. Project finance schemes and its comparative characteristics. Major participants of the investment process and their functions.

Classification of the funding sources of the long-term investments and kinds of project finance by the financial sources. Financing projects’ sources and forms of financing of the long-term projects used by the energy corporations in the international market.

Risk classification, its analysis and determination at the different stages of the project’s life cycle. Risks of the investment projects of the energy corporations.

### **5.2 Curriculum**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **№** | **Course themes** |  | **Volume in hours** | | | | | **Forms of current control of performance** |
| **Total hours** |  | **Classes** | | | **Independent study** |
| **Total** | **Lectures** | **Seminars** | **Interactive studies** |  |  |
| 1. | General description of the major funding sources of the energy corporations in the international financial market | **14** | **4** | **2** | **2** | **2** | **10** | Survey, discussion |
| 2. | International credit rating is the main indicator of solvency and financial sustainability of the energy corporations | **14** | **4** | **2** | **2** | **2** | **10** | Survey, discussion |
| 3. | Financing of the energy corporations’ international activities through equity issues (shares and depositary receipts) | **15** | **5** | **2** | **3** | **2** | **10** | Survey, discussion |
| 4. | Syndicated loans are the basic form of international debt financing of the energy corporations | **18** | **6** | **3** | **3** | **2** | **12** | Survey, discussion |
| 5. | Financing of international activities of the energy corporations under insurance cover of the national export credit agencies (ECA) | **15** | **5** | **2** | **3** | **2** | **10** | Survey, discussion |
| 6. | Forms of financing of the energy corporations in the international debt securities market (eurobonds, euro commercial papers, convertible bonds, etc.) | **18** | **6** | **3** | **3** | **2** | **12** | Survey, discussion |
| 7. | Specific features of project finance of the energy corporations | **14** | **4** | **2** | **2** | **2** | **10** | Survey, discussion |
| **Total:** | | **108** | **34** | **16** | **18** | **12/ 35%** | **74** | According to curriculum: control work |

# 5.3 Content of the seminars

|  |  |  |
| --- | --- | --- |
| **Course themes** | **Issues to discuss at the seminars, practical exercises, recommended sources from the parts 8,9 (the part and sequence number of the source are specified)** | **Forms of studies** |
| General description of the major funding sources of the energy corporations in the international financial market | 1. Specific features of financing in the international financial market. 2. Public (open) and private (closed) international fund raising. 3. Issue and non-issue instruments of the international financing.   Recommended sources: 8.1,8.2, 8.3, 8.4, 8.5, 8.16**.** | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| International credit rating is the main indicator of solvency and financial sustainability of the energy corporations | 1. Classification of the international credit ratings. 2. Basic outlooks for changing the international credit ratings.   Recommended sources: 8.1, 8.2, 8.3, 8.12, 8.15, 8.19. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| Financing of the energy corporations’ international activities through equity issues (shares and depositary receipts) | 1. Classification of the equity securities. 2. Stock exchange and OTC placement of shares. 3. Participants of the placement of shares transaction and their functions. 4. Main preparatory stages of the transaction.   Recommended sources: 8.1, 8.2, 8.3, 8.6, 8.10, 8.12. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| Syndicated loans are the basic form of international debt financing of the energy corporations | 1. Basic types of syndication. 2. Structure of the bank syndicate. 3. Participants of the syndicated loans and their functions. 4. Syndicated loan’s arrangement and administration. 5. Process of loan syndication.   Recommended sources: 8.1, 8.2, 8.3, 8.5, 8.13, 8.17, 8.18. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| Financing of international activities of the energy corporations under insurance cover of the national export credit agencies (ECA) | 1. Role and functions of the national export credit agencies (ECA). 2. Regulation of the international market of export loans. 3. Scheme of the trade finance transaction under insurance cover of the ECA. 4. Main participants of the transaction and their functions. 5. Basic types of documents connected with the trade finance transactions.   Recommended sources: 8.1, 8.2, 8.3, 8.5, 8.19. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| Forms of financing of the energy corporations in the international debt securities market (eurobonds, euro commercial papers, convertible bonds, etc.) | 1. Specific features of the international debt securities market. 2. Basic types of the international debt securities. 3. Eurobonds and its modern types. 4. Euro commercial papers as the main type of the international short-term corporate debt securities. 5. Convertible bonds are the “hybrid” financial instrument of the international debt securities market.   Recommended sources: 8.1, 8.2, 8.3, 8.5, 8.6, 8.8, 8.11, 8.12. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |
| Specific features of project finance of the energy corporations | 1. Investment project and conditions of its realization. 2. Project finance schemes and its comparative characteristics. 3. Major participants of the investment process and their functions. 4. Financing projects’ sources and forms of financing of the long-term projects used by the energy corporations in the international market. 5. Risk classification, its analysis and determination at the different stages of the project’s life cycle.   Recommended sources: 8.1, 8.2, 8.3, 8.7, 8.9, 8.14. | Solving situational tasks on the seminar topics. Discussion on the results of solving the tasks. |

# Training and methodological guidance for independent study of the course students

# 6.1 Forms of extra-curricular independent study

|  |  |  |
| --- | --- | --- |
| **Course themes** | **List of issues for independent study** | **Forms of extra-curricular independent study** |
| General description of the major funding sources of the energy corporations in the international financial market | Comparative features of the basic funding sources of the energy corporations | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| International credit rating is the main indicator of solvency and financial sustainability of the energy corporations | Comparative analysis of the rating scales of the leading international rating agencies | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| Financing of the energy corporations’ international activities through equity issues (shares and depositary receipts) | Role of financial adviser in arranging the issues of equity securities | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| Syndicated loans are the basic form of international debt financing of the energy corporations | Major types of syndicated loans | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| Financing of international activities of the energy corporations under insurance cover of the national export credit agencies (ECA) | Basic types of documents connected with the transactions under insurance cover of the export credit agencies | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| Forms of financing of the energy corporations in the international debt securities market (eurobonds, euro commercial papers, convertible bonds, etc.) | Participants of the debt securities issues and their main functions | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |
| Specific features of project finance of the energy corporations | Stages of project finance arrangement | Study of recommended textbooks and training manuals, search for appropriate information in the Internet |

# 

# 6.2 Methodological guidance for curricular and extra-curricular independent study

**Issues to discuss and independently study**

1. What are specific features of financing in the international financial market?
2. What is the difference between public and private international fund raising?
3. What issue and non-issue instruments of the international financing do you know?
4. What international rating agencies are included into the “big three”?
5. What is the difference between the investment grade and speculative grade of the international credit ratings?
6. What is the essence of the problem of reforming the current system of assigning the international credit ratings?
7. What are the main types of the international equity securities?
8. What is the difference between international equity securities and international debt securities?
9. What main types of the depositary receipts do you know?
10. Why syndicated loans are attractive for the borrowers and lenders?
11. What does the “club deal” mean?
12. What functions are performed by the agent bank when arranging syndicated loans?
13. What functions does the Berne Union perform?
14. What is EXIAR?
15. Is it possible to have a hundred percent foreign trade contract insurance cover issued by the national export credit agency?
16. What modern types of eurobonds do you know?
17. Why convertible bonds are specified as a “hybrid” financial instrument?
18. What functions are performed by the underwriter when issuing international debt securities?
19. What is the difference between project finance and financing of the projects?
20. What major financial sources are traditionally used when arranging project finance?

# Fund of assessment tools for interim attestation of the course students

# 7.1 List of competences developed in studying the course

The list of competences developed in studying the course is in the section 2 “Planned results of studying the education programme (list of competences) with the indicators of their achievement and planned results of the course study”.

The criteria of scoring of various forms of current control of performance are in the appropriate methodological recommendations of the responsible departments.

The current control is performed during the training process and consulting the students, and in accordance with the results of completed independent works. The main forms of the current knowledge control are:

* discussion of the seminar topics and control issues;
* solving the tests, writing the control work;
* taking part in the discussion on the problem situations in order to learn to draw conclusions, make recommendations and make adequate management decisions;
* discussion of the results.

The interim attestation is carried out in the form of attestation. The attestation is carried out either in an oral or in a written form answering the questions contained in the section 7.3 “Typical control tasks or other materials necessary to assess knowledge and skills”.

The assessment of the students’ knowledge is given in points taking into account:

* marks for the work during the semester (marks for control works, answers to questions, participation in discussion at the seminars, etc.);
* marks for the attestation.

The allocation of the maximum points according to the work types is as follows:

|  |  |  |
| --- | --- | --- |
| № | Work types | Points |
| 1. | Work during the semester | 40 |
| 2. | Attestation | 60 |
| 3. | Total: | 100 |

The assessment of knowledge based on the 100 points scale is conducted in accordance with the regulations of the Financial University.

|  |  |
| --- | --- |
| Requirements regarding results of the course study | Mark or attestation |
| 86-100 points | Excellent |
| 70-85 points | Good |
| 51-69 points | Satisfactory |
| 50 points and less | Unsatisfactory |
| Less than 50 points | Credit |
| 50 points and more | Non-credit |

The course mark is based on the average mark including all competences to be developed when studying the course that is a mandatory requirement. The “non-credit” mark means the competence is not developed.

# 7.2 Typical control tasks or other materials necessary to assess knowledge and skills

The interim attestation (credit) is carried out in answering the questions either in an oral or in a written form.

**Typical test tasks**

1. Global financial market includes:

a. forex market;

b. oil market;

c. stock market;

d. metal market;

e. wheat market.

2.Global financial market does not include:

a. offshore areas;

b. free economic zones;

c. international bank zones;

d. international integration zones;

e. international financial centers.

3. Global stock market is:

a. variety of international and national stock markets;

b. segment of global financial market;

c. variety of stock exchanges;

d. segment of global derivatives market;

e. market of equity securities.

4. Eurobonds are bonds:

a. denominated in euros;

b. issued in the international debt market and aimed at placing among international investors from different countries;

c. issued by the governments of the various European countries;

d. issued by the European Central Bank;

e. issued by the Eurozone countries.

5. Participant of the international syndicated loan is not:

a. legal adviser;

b. issuer;

c. paying agent;

d. process agent;

e. borrower.

6. Institutional investors do not include:

a. insurance companies;

b. pension funds;

c. investment companies;

d. individuals;

e. banks.

7. Special Purpose Vehicle (SPV) is:

a. foreign company conducting marketing events for potential investors;

b. company especially established abroad to co-operate with stock exchanges on listing of the debt securities;

c. company especially established and registered abroad by the issuer to issue debt securities;

d. company especially established abroad to gather information on the stock market and potential foreign investors;

e. company especially established abroad whose accounts are used for the transfer of problem assets of the mother company.

8. Securitization of assets is:

a. to ensure the safety of assets;

b. to integrate separate illiquid financial assets and turn it into a market financial instrument in the form of securities;

c. to exchange various assets for the securities;

d. to sell shares of the company in order to buy high liquid assets;

e. to rapidly sell non-core assets in order to improve financial statements of the company or bank.

9.International credit rating is:

a. indicator of the credit indebtedness of the borrower;

b. table of ratings of the various international lenders;

c. indicator of the borrower’s reliability based on the analysis of his financial statements;

d. indicator of international reputation of a rating agency;

e. indicator showing a maximum amount of loans per one borrower in the international credit market.

10. In the global financial market depositary and clearing operations are performed by:

a. Euroclear;

b. Streamline;

c. Clearstream;

d. Autoclear;

e. Datastream.

**Typical profession oriented tasks**

1. Russian energy corporation invested equal amounts in two international investment projects. In three years, it decided to withdraw from the projects. According to the below figures, determine what investment project was more profitable, if the discount rate for the both projects was 10% p.a.

|  |  |  |  |
| --- | --- | --- | --- |
| Year | 1 | 2 | 3 |
| Revenues from the project 1 | 400 | 500 | 300 |
| Revenues from the project 2 | 300 | 400 | 500 |

2. According to the below figures, calculate loan life cover ratio (LLCR) for the international investment project with participation of the Russian energy corporation for every year of the loan repayment since the moment of its granting.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 |
| Operating cash flow |  | 200 | 200 | 200 | 200 | 200 | 200 |
| NPV of operating cash flow | 870 | 758 | 634 | 497 | 347 | 182 |  |
| Debt repayment |  | 100 | 100 | 100 | 100 | 100 | 100 |
| Debt outstanding (end of the year) | 600 | 500 | 400 | 300 | 200 | 100 | 0 |
| Interest payment |  | 60 | 50 | 40 | 30 | 20 | 10 |
| Debt service total |  | 160 | 150 | 140 | 130 | 120 | 110 |

3. Russian energy corporation issued eurobonds in the amount of EUR 1 bln at the fixed rate of 6% p.a. with maturity of 15 years. However, since the eleventh year of the circulation eurobonds start to be redeemed in equal installments (EUR 200 mln) with bullet repayment of the due debt and interest at the end of the year. Determine what amount will be repaid over 15 years by the Russian energy corporation regarding the service of the issue (coupon payment amount on the issued eurobonds).

4. International energy corporation purchased 1000 eurobonds issued by the Russian energy corporation at the price of USD 1000 per 1 note in order to sell it in the market in 3 months at a higher price. Determine whether this operation was profitable, if 3-month risk free rate for USD deposits was 3% p.a. at the moment of purchase, and market price of the eurobond in 3 months reached USD 1005 per 1 note?

5. Russian energy corporation invested in the international project USD 2 000 000. In 3 years USD 2 600 000 entered the corporation’s bank account as dividends, then in 2 years the amount increased up to USD 3 400 000, and then in 2 years – up to USD 4 000 000. When it was reasonable for the energy corporation to withdraw the project with a maximum profit, if the discount rate over the period of realization of the investment project was 9% p.a.?

**Typical control questions for the credit**

* 1. International sources of funding for energy corporations.
  2. Forms of fundraising in the international financial market.
  3. Issue and non-issue instruments of international finance for energy corporations.
  4. Classification of the international credit ratings.
  5. Basic outlooks for changing the international credit ratings.
  6. Problem of reforming the current system of assigning the international credit ratings.
  7. Classification of the international equity securities.
  8. International market of the international equity securities.
  9. Participants of the placement of shares transaction and their functions.
  10. Basic types of syndication.
  11. Structure of the bank syndicate.
  12. Participants of the syndicated loans and their functions.
  13. Syndicated loan’s arrangement and administration.
  14. Role and functions of the national export credit agencies (ECA).
  15. Regulation of the international market of export loans.
  16. Arrangement and realization by the energy corporations the trade finance transactions under insurance cover of the national export credit agencies.
  17. Main participants of the trade finance transaction and their functions.
  18. Basic types of the international debt securities.
  19. Eurobonds and its modern types.
  20. Issuing eurobonds by the energy corporations under the special programmes.
  21. Participants of the eurobond issues and their functions.
  22. Specific features of the ECP issues in the international financial market.
  23. Convertible bonds are the “hybrid” financial instrument of the international debt securities market.
  24. Financing projects’ sources and forms of financing of the long-term projects used by the energy corporations in the international market.
  25. Risks of the investment projects of the energy corporations.

**7.3 Examples of assessment tools for checking every competence developed by the course**

|  |  |
| --- | --- |
| **Competence** | **Typical tasks** |
| PKP-2  Ability to efficiently analyze and process market information, activities of the foreign energy companies and their projects, assess the competitiveness of the companies | **1. Demonstrates ability to analyze a wealth of information, to work with the data and prepare reports**  **Task 1**  Prepare and analyze the schedule of the daily change for the last month of the share prices of the three Russian energy corporations chosen by you whose shares are listed at the Moscow Exchange.  **Task 2**  Using the data of the official Internet site of PAO “Gazprom”, prepare the table of the key debt indicators of the energy company including the gross amount, currency breakdown and maturities, and also the basic ratios of debt sustainability of the company.  **Task 3**  Russian energy corporation issued 10-year eurobonds in the international stock market. However, in 5 years it redeemed it fully and issued new eurobonds in the same amount and with the same maturity. Why did the company do it and what financial mechanism was used in order to early redeem international debt securities?  **2. Selects forms, methods and instruments of assessment of the companies’ and investment projects’ competitiveness in the international energy markets**  **Task 1**  Russian oil company is planning to issue eurobonds in the international stock market in the amount of USD 1,2 bln with 10-year maturity. The lead manager provided two variants of putting the transaction into life. Analyze both variants and determine which one is more preferable in terms of expenses and guarantee of successful placement in the volatile market, and which one is more preferable for the rally in the market.  **Variant No 1:**   |  |  | | --- | --- | | Lead Manager Liability | Best Efforts | | Placement Amount | USD 1.2 bln | | Maturity | 10 years | | Interest | 8.0% p.a. | | Arrangement Fee | 1.0% of the placement amount |   **Variant No 2:**   |  |  | | --- | --- | | Lead Manager Liability | Underwritten | | Placement Amount | USD 1.0 bln | | Maturity | 7 years | | Interest | 7.0% p.a. | | Arrangement Fee | 1.75% of the placement amount |   **Task 2**  According to the below figures, determine the amount of expenses of the international oil company at the stage of the oil production project exploitation connected with the purchase by borrowing from the bank every year with 12-month maturity of the working capital with initial cost of USD 100 000.   |  |  |  |  | | --- | --- | --- | --- | |  | Year 1 | Year 2 | Year 3 | | Interest rate, % p.a. | 5,0 | 4,0 | 3,0 | | Inflation over the year, % | 4,0 | 3,0 | 2,0 |   **Task 3**  Determine whether it was profitable for the energy corporation to invest in the international project USD 1 000 000 at the discount rate of 10% per annum, if in 1 year the energy company gained USD 500 000, in 2 years – USD 200 000, and in 3 years – USD 500 000. |
| PKP-4  Ability to perform professional duties to assess the efficiency of the decisions aimed at managing and regulating the basic structure elements of the international business of the energy companies | **1. Takes part in building a system of the key efficiency indicators of the international projects**  **Task 1**  According to the below forecast figures, calculate profitability of investments index (PI) for two projects with participation of the international energy corporation having the same loan life, and determine the attractiveness of each project for investing in terms of its profitability. The amount of investments in the project 1 is USD 1.0 mln, and in the project 2 – USD 1.2 mln. Discount rate for both projects is 10% p.a.   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Year | 1 | 2 | 3 | 4 | 5 | | Revenues from the project 1, in USD thousand | 300 | 200 | 300 | 300 | 200 | | Revenues from the project 2, in USD thousand | 300 | 300 | 300 | 300 | 300 |   **Task 2**  According to the below forecast figures, calculate in what year the initial investments of the energy corporation in the international project in the amount of USD 1 mln will be paid back, and determine the amount of profit as a result of realization of the project, if the discount rate is 10% p.a.   |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | Revenues from the project, in USD thousand | 200 | 300 | 400 | 500 | 600 | 700 | 800 | 900 | 900 | | Expenses on the project, in USD thousand | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |   **Task 3**  Russian energy corporation invested in the international project USD 1 000 000. In 3 years USD 1 300 000 entered the corporation’s bank account as dividends, then in 2 years the amount increased up to USD 1 700 000, and then in 2 years – up to USD 2 000 000. When it was reasonable for the energy corporation to withdraw the project with a maximum profit, if the discount rate over the period of realization of the investment project was 10% p.a.?  **2. Prepares analytical materials to assess the effectiveness of the foreign economic activities**  **Task 1**  Russian energy corporation is planning to take international syndicated loan in the amount of USD 30-50 mln with 12-month maturity. You are interested in minimizing expenses connected with arranging and servicing the loan. You have arranged the tender and received the proposals from two banks with an equal credit rating who are the potential arrangers of the transaction. Your task is to assess both proposals and select the best one for you.  **Proposal of the Bank 1:**   |  |  | | --- | --- | | Bank Liability | Best Efforts | | Loan Amount | USD 50 000 000 | | Maturity | 12 months | | Interest Rate | 6.5% per annum | | Arrangement Fee | 1.0% of the loan amount | | Participation Fee | 0.5% of the loan amount | | Interest Payment | Quarterly | | Loan Repayment | Bullet repayment |   **Proposal of the Bank 2:**   |  |  | | --- | --- | | Bank Liability | Underwritten | | Loan Amount | USD 30 000 000 | | Maturity | 12 months | | Interest Rate | 6.0% per annum | | Arrangement Fee | 1.75% of the loan amount | | Participation Fee | No | | Interest Payment | Monthly | | Loan Repayment | Bullet repayment |   **Task 2**  Russian energy corporation is planning to issue 5-year eurobonds denominated in USD in the amount of USD 500 mln with a fixed coupon rate of 7% per annum. At the same time, the issue of 5-year eurobonds denominated in DKK in the equal amount will cost 6% per annum. As the energy corporation needs USD and does not need DKK, it can enter into the currency swap, i.e. to exchange DKK gained from the placement of the eurobonds for USD. The price of 5-year DKK/USD swap is 3.375%. Is the issue of 5-year eurobonds denominated in DKK profitable for the Russian energy corporation taking into account the current market price of the currency swap?  **Task 3**  Russian oil company bought at the London stock exchange 1000 shares of the international energy company at the price of USD 50 per 1 share in order to sell it in the market in 3 months at a higher price. Determine whether this operation was profitable, if 3-month risk free rate for USD deposits was 2% p.a. at the moment of purchase, and the market price of one share in 3 months reached USD 50.5 per 1 share?  **3. Takes part in arranging Due Diligence**  **Task 1**  Give a definition of Due Diligence and identify the basic stages and essence of this procedure for the Russian energy corporation planning to participate in realization of the international investment project connected with a new oil development and further oil production.  **Task 2**  Russian energy corporation is planning to take part in realization of the international investment project connected with gas production and, in this regard, it is conducting Due Diligence. According to the below forecast figures, calculate annual debt service cover ratio (ADSCR) for every year of the project realization and determine the level of risk for the Russian energy corporation regarding the possible participation in the project.   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | | Operating cash flow |  | 200 | 200 | 200 | 200 | 200 | 200 | | NPV of operating cash flow | 870 | 758 | 634 | 497 | 347 | 182 |  | | Debt repayment |  | 100 | 100 | 100 | 100 | 100 | 100 | | Debt outstanding (the end of the year) | 600 | 500 | 400 | 300 | 200 | 100 | 0 | | Interest payment |  | 60 | 50 | 40 | 30 | 20 | 10 |   **Task 3**  List the departments of the Russian energy corporation who should participate in conducting Due Diligence of the international investment project connected with a new gas development and further gas production, and also identify their main functions for conducting appropriate Due Diligence. What are possible actions of the Russian energy corporation, if the results of Due Diligence are negative?  **4.** **Takes part in supporting** **international transactions**  **Task 1**  In the international financial market 95% of the credit ratings are assigned by three international rating agencies only: Standard & Poor's, Moody’s Investors Service и Fitch Ratings. In spite of the regular attempts to limit the monopoly of the “big three” by establishing a new international rating agency, the situation in the market of rating services does not change radically. Explain, why at present there is no real alternative to the “big three” of the international rating agencies.  **Task 2**  Russian energy corporation is planning to issue 10-year eurobonds in the amount of USD 1.5 bln with a floating coupon rate. Managing banks during preliminary marketing events found out that at the proposed minimum rate of LIBOR + 2.0% international investors are ready to give USD 1 bln, and at the maximum rate of LIBOR + 2.5% international investors are ready to give USD 2 bln. What interest rate can be proposed to the investors in order to ensure that the Russian energy corporation will be guaranteed to receive USD 1.5 bln?  **Task 3**  In the international financial market, an appropriate documentation for the most investment projects in the energy area is completed by several international legal firms. Identify basic reasons of domination of the limited number of international legal firms in the international financial market and also explain, why the vast majority of transactions are based on the English law. |

# 7.4 Guidance material to assess knowledge and skills

The procedure of assessing knowledge and skills is regulated by the appropriate orders, rectorate’s directives on control the level of learning the courses and developing competences of the students.

**8. List of basic and supplementary training literature necessary to learn the course**

**Basic literature**

1. Global Finance [Miroviye finansi]. 2 volumes. Vol. 1: textbook and practical book for bachelors and masters / V.V. Antropov [et al.]; Finuniversitet; Edited by М.А. Eskindarov, Е.А. Zvonova. - Moscow: Yurait, 2016, 2017. - 374 p. - Text : paper. – The same. - 2019. – EBS Yurait. - URL: https://www.biblio-online.ru/bcode/434325 (date of access: 22.10.2019). – Text : electronic.
2. Global Finance [Miroviye finansi]. 2 volumes. Vol. 2: textbook and practical book for bachelors and masters / V.V. Antropov [et al.]; Finuniversitet; Edited by М.А. Eskindarov, Е.А. Zvonova. - Moscow: Yurait, 2016, 2017. - 373 p. - Text : paper. – The same. - 2019. – EBS Yurait. - URL: https://www.biblio-online.ru/bcode/434325 (Date of access: 22.10.2019). – Text : electronic.
3. Global Finance [Miroviye finansi]: textbook for students learning the course “Economics” / М.А. Eskindarov [et al.]; Finuniversitet; Edited by М.А. Eskindarov, Е.А. Zvonova. - Moscow: Knorus, 2017. - 424 p. – Text : paper. – The same. – EBS BOOK.ru. - 2019. - URL: https://book.ru/book/931413 (Date of access: 22.10.2019). – Text : electronic.
4. International Financial Market [Mezhdunarodnii finansovii rynok]: textbook and practical book for bachelors and masters / Finuniversitet; Edited by М.А. Eskindarov, Е.А. Zvonova. - Moscow: Yurait, 2017, 2019. - 453 p. - Text : paper. – The same. – 2019. – EBS Yurait. – URL: https://www.biblio-online.ru/bcode/433807 (Date of access: 22.10.2019). – Text : electronic.
5. Economy and Finance of Fuel and Energy Complex [Ekonomika i finansy toplivno-energeticheskogo kompleksa]: textbook for bachelors learning the course “Economics” / L.G. Akhmetshina [et al.]; Finuniversitet; Edited by М.А. Eskindarov, А.V. Sharkova, I.А. Меrkulina - Moscow: Кnorus, 2019. - 447 p. – (Baccalaureate). - Text : paper. – The same. – EBS BOOK.ru. – URL: http://www.book.ru/book/931502 (Date of access: 22.10.2019). – Text : electronic.

**Supplementary literature**

1. Balyuk I.А. International Debt Finance: Main Forms and Mechanisms [Mezhdunarodnoie dolgovoie finansirovaniie: osnovniie formy i mehanizmy] : monograph / Balyuk I.А. — Moscow : Rusains, 2018. — 186 p. — ISBN 978-5-4365-2392-7. — EBS BOOK.ru. - URL: https://book.ru/book/929532 (date of access: 22.10.2019). — Text : electronic.
2. Yescombe E.R. Principles of Project Finance [Printsipy proektnogo finansirovaniia]: Translated from English / E.R. Yescombe - Moscow: Alpina Pablisher, 2015 - 408 p. – The same. - 2016. - URL: https://finunivers.alpinadigital.ru/book/7936 (date of access: 22.10.2019). – Text : electronic.
3. Nikonova I.А. Project Analysis and Project Finance [Proektny analiz i proektnoie finansirovaniie] / I.А. Nikonova. — Moscow: Alpina Pablisher, 2016. — 154 p. - ISBN 978-5-9614-1771-5. - EBS Znanium.com. - URL: http://znanium.com/catalog/product/916273. (date of access: 22.10.2019). - Text : electronic.
4. Fabozzi F. Corporate Bonds: Structure and Analysis [Korporativniie obligatsii: struktura i analiz] / Wilson R., Fabozzi F. - Moscow: Alpina Pablisher, 2016. – EBS Alpina. – URL: https://finunivers.alpinadigital.ru/book/270. (date of access: 22.10.2019). - Text : electronic.
5. Chisholm A. An Introduction to International Capital Markets: Products, Strategies, Participants. - Wiley Finance, 2009. – ProQuest. – Subscription of LIC Finuniversiteta. – URL: https://search.proquest.com/docview/2131020227/56004457A3284295PQ/1?accountid=140257 (date of access: 22.10.2019). - Text : electronic.
6. Fight A. Syndicated Lending: Essential Capital Markets. - Butterworth-Heinemann, 2004. – Elsevier. – Subscription of LIC Finuniversiteta. - URL:https://www.sciencedirect.com/book/9780750659079/syndicated-lending#book-description (date of access: 22.10.2019). - Text : electronic.
7. Yescombe, E. R. Principles of Project Finance / Yescombe, E. R.; Yescombe Consulting Ltd.- London : Academic Press: An imprint of Elsevier Science. – Available at: https://ebookcentral.proquest.com/lib/faru/ date of access: 22.10.2019). – Text : electronic.

# List of Internet resources necessary to learn the course

1. www.berneunion.org – Berne union of insurers of export credits

2. www.bis.org – Bank for International Settlements

3. www.cbonds.ru – Information agency Cbonds

4. www.dealogic.com – Information agency Dealogic

5. www.euromoney.com – International journal Euromoney

6. www.exiar.ru – Export insurance agency of Russia

7. www.fitchratings.com – International rating agency FitchRatings

8. www.icmagroup.org – International Capital Market Association

9. www.ifre.com – International journal International Financing Review

10. www.ipfa.org - International Project Finance Association

11. www.lma.eu.com – Loan Market Association

12. www.moodys.com - International rating agency Moody’s

13. www.oecd.org – Organization for Economic Co-Operation and Development

14. www.rusbonds.ru - Internet-project of information agency Finmarket

15. www.standardandpoors.com - International rating agency Standard&Poor's

16. Electronic resources of LIC:

Elsevier: full data base SciVerse ScienceDirect

Electronic library of Financial University (EL) http://elib.fa.ru/

Electronic library system BOOK.RU http://www.book.ru

Electronic library system «University library ONLINE» http://biblioclub.ru/

Electronic library system Znanium http://www.znanium.com

Electronic library system of «YURAIT» publishing house https://www.biblio-online.ru/

Business online-library Alpina Digital http://lib.alpinadigital.ru/

Science electronic library eLibrary.ru http://elibrary.ru

Electronic library http://grebennikon.ru

National electronic library http://нэб.рф/

Electronic library of dissertations of Russian State Library https://dvs.rsl.ru/

Information system «Continent-WWW» http://continent-online.com/

Electronic library of Organization for Economic Co-Operation and Development OECD iLibrary http://www.oecd-ilibrary.org/

Electronic collection of books of Springer publishing house: Springer eBooks http://link.springer.com/

Data base of electronic structured information on private and public companies of Russia, Ukraine, Kazakhstan RUSLANA https://ruslana.bvdep.com/

Data base of electronic structured information on banks Orbis Bank Focus https://orbisbanks.bvdinfo.com/

Data base package of company EBSCO Publishing, the largest aggregator of science resources of the leading world publishing houses http://search.ebscohost.com

Electronic products of Elsevier publishing house. Collections: Business, management and Accounting; Economics, Econometrics and Finance http://www.sciencedirect.com

JSTOR Arts & Sciences I Collection http://jstor.org

Data base Business Ebook Subscription on the platform of Ebook Central‎ of ProQuest company https://ebookcentral.proquest.com/lib/faru/home.action

Collection of science journals Oxford University Press https://academic.oup.com/journals/

University information system ROSSIIA https://uisrussia.msu.ru/

Interactive financial information system of Bloomberg

System Thomson Reuters Eikon

# 10. Guidance instructions for the students to learn the course and complete various forms of independent work

**Recommendations to prepare for lectures**

Learning the course requires systemic and consequent accumulation of knowledge, therefore, missing some topics prevents to have deep knowledge on the course. In this respect, control over systemic work of the students is the focus of attention of the department.

The students should:

* prior to every lecture view the syllabus of the course in order to save time when writing the lecture’s topic, its main points, recommended literature;
* for the selected lectures bring the appropriate papers that are posted by the lecturer on the portal or sent to “the email box of the group” (tables, schedules, schemes). This material will be characterized, commented, added directly at the lecture;
* prior to the next lecture view the notes of the previous lecture. If the student faces some difficulties in studying the material, it is necessary to use basic and supplementary literature recommended to learn the course. If the situation has not changed, try to address the lecturer (according to the lecturer’s schedule of consultations) or the teacher at the seminars. Try to avoid “blind spots” in studying the material.

**Recommendations to prepare for seminars**

The students should:

* bring the literature recommended by the teacher for the specific seminar;
* prior to the next seminar study the theoretical material of the appropriate topic using basic and supplementary training literature;
* use not only lectures and training literature, but also legal documents and legal practice materials when preparing for the seminars;
* combine theoretical material with legal norms, as it can be changed and amended, and it may be not always reflected in the training literature;
* at the start of the seminar ask the teacher on the problem material and tasks for independent solving;
* at the seminar give exact and clear substantive answers;
* at the seminar solve the tasks fully, demonstrate understanding of the completed calculations (analyses, situations), in case of difficulty address the teacher.

The students missing the seminars (regardless of cause) without papers with written answers to the math problems or having not prepared for the seminar, are recommended not later than 2-week period to visit the teacher’s consultation and make a report on the topic studied at the seminar. The students who have not made an appropriate report on every topic studied at the seminars by the start of credits and examinations, can not receive fair points for the work during the appropriate semester.

# Guidance instructions to complete various forms of independent homework

Independent work of the students includes completing various tasks aimed at deep understanding of the material on the studied course. Each topic of the course offers the students a list of the tasks for independent study.

To complete the tasks for independent study the student should meet the following requirements: the tasks are to be completed independently and presented in due time, and also be designed in accordance with appropriate standards.

The students should:

- comply with the schedule of the independent study fixed by the course syllabus;

* complete all planned tasks, determined by the teacher for independent study, and discuss problem issues at the seminars and consultations;
* use for preparing the adopted documents of the Financial University, namely, directives on abstract, essay, control work, home creative task, approved by an order №611/о issued on April 01, 2014, directive on calculation and analysis work, approved by an order № 2161/0 issued on December 19, 2013.
* preparing for the examination simultaneously study appropriate theoretical and practical sections of the course, fixing problem issues for discussion at the planned consultation.

**Guidance instructions to prepare for discussion**

Training process actively using interactive methods of learning is organized to involve all students of the group into studying and learning. In so doing, collective joint activity means that every person contributes, during work and discussion there is an exchange of ideas, knowledge, methods of activity. The basics of interactive methods are the principles of the students’ activity, collaboration, using group experience and mandatory feedback. The created communication environment is characterized by collaboration of the participants, openness, equality of arguments, accumulation of the joint knowledge, possibility of mutual control and evaluation.

Interactivity means collaboration, the regime of dialogue, conversation. The main thing is that interactive methods in contrast to active ones, are aimed at wider collaboration of the students not only with the teacher, but also with each other and domination the students’ activity in the learning process. The teacher’s role at such seminars is to channel the students’ activity towards achieving the seminar’s goals.

The aim of discussion as a method of interactive learning is to provide comfortable learning conditions which ensure the student or listener feel his intellectual sustainability, success. That is what makes the learning process productive, gives knowledge and skills, creates the basis for work aimed at solving the problems after the learning process is over.

Discussion as one of the interactive methods is a focused discussion of the particular selected issue that is accompanied by the exchange of ideas, opinions, thoughts between the group students.

The principles of work at the interactive seminar in the form of discussion:

* every participant of the discussion has the right to express his own view on any issue.
* no direct criticism of the person, the idea can be criticized only.
* everything that is discussed and spoken during the discussion is not a guide to action, but information to think about.

**Guidance instructions to prepare scientific report**

One of the forms of the student’s independent work is preparing a scientific report for discussing it at the seminar.

The aim of scientific report is to develop the students’ skills of analytical work with a science literature, analysis of deliberative science views, reasoning own opinions. Preparing scientific reports develops creative potential of the students as well.

Scientific report is prepared under the guidance of the teacher who arranges the practical classes (seminars).

The recommendations to the student:

* prior to the start of the work aimed at preparing the scientific report to agree with the teacher the topic, structure, literature, and also to discuss the key issues to be covered in the report;
* to present the report to the scientific adviser in a written form;
* to speak at the seminar with a 10-15 minutes presentation of the scientific report, to answer the questions raised by the group students.

Requirements:

* to design the scientific report: font — Times New Roman, font size -14, line spacing -1,5, field size - 2,5 sм, space at the beginning of a paragraph -1,25 sм, width formatting; the report’s sheets are fastened together by the stapler. The cover sheet has the name of the higher education institution, the name of the department, the name of the course, the topic, the full name of the student;
* to structure the scientific report: contents, introduction (the relevance, goal and tasks are specified), main part, the author’s conclusions, list of literature (at least 5 sources). The volume is agreed with the teacher. At the end of the report there is the date of its completion and the signature of the student who has prepared the report. The final evaluation is based on the report content, its presentation and answers the questions.

The report can contain flow charts, schedules, diagrams, small in volume tables clearly showing the way of thinking, confirming the author’s conclusions. All inscriptions, numbers must be easily legible.

The main wording of the problems, the author’s proposals also should be reflected in the presentation, as this will facilitate its discussion in the group.

Some clarifying questions can be raised during reporting, and the problem discussion is held after the full statement of the report author’s positions.

To take part in discussing the problems addressed in the report, all students should examine the topic when preparing the seminar and be able both to raise questions and answer the questions. In so doing, the speaker presents the problem in a deeper and more expanded way. The speaker’s aim is to build the speech so that it will become a basis for the consequent discussion.

**Guidance instructions to work with literature**

Any form of the student’s independent work (preparing for the seminar, completing the scientific report, etc.) starts with an examination of the relevant literature both in the library and at home.

For every topic of the learning course there is a basic and supplementary literature. The basic literature includes the textbooks and training manuals. The supplementary literature includes the monographs, collections of scientific papers, journal and newspaper articles, various guides, encyclopedias, Internet resources.

The recommendations to the student:

* the selected monograph or article should be carefully examined. As for the books, the student should get to know the contents and scientific and guidance tools, to read the annotation and preface. It is reasonable to leaf through it, to see the illustrations, tables, diagrams, appendices. Such a cursory look can indicate what chapters should be read carefully and what chapters can be read quickly;
* in the book or journal that belongs to the student the key points can be highlighted with a marker or noted in the margin. Working with Internet resource it is also reasonable to highlight the important information;
* if the book or journal does not belong to the student, then it is reasonable to write down the page numbers that have attracted the attention. Afterwards, the student should return to them, reread or copy the needed information. A physical action in the form of writing down assists to put the information firmly in the “memory bank”.

The records in this or that form not only facilitate understanding and learning the material, but also assist to develop the skills of clear description of various theoretical issues in a written form.

**11. List of information technologies used in the process of learning the course including a list of necessary software and information and reference systems**

**11.1 Set of licensed software**

1. Windows, MicrosoftOffice.

2. Antivirus ESETEndpointSecurity

**11.2 Modern professional data bases and information and reference systems**

1. Information and legal system “Garant”

2. Information and legal system «Konsultant Plus»

3. Electronic encyclopedia: <http://ru.wikipedia.org/wiki/Wiki>

4. System of complex information disclosure “SKRIN” -http://www.skrin.ru/

5. System of information and analytical agency “Bloomberg”;

6. Free environment of elaborating software with an open initial code for programming language R “RStudio”;

7. Software package for statistical analysis “Statistica”;

8. Application software package for econometric modelling “Gretl”;

9. Modelling environment “MatLab”.

**11.3 Certified programme and hardware information protection facilities**

It is not prescribed.

1. **Description of physical infrastructure necessary to ensure learning the course**

To ensure learning the course it is necessary to have an audiovisual equipment in the audience.