

International Financial Management Web Links

A note on web links:

Pages are often moved around within websites. So if the original does not work, try shortening the reference from the right hand side e.g.

<http://www.imf.org/external/pubs/ft/weo/2005/01/>

shortens to

<http://www.imf.org/external/pubs/ft/weo/>

and to

<http://www.imf.org/external/pubs/ft>

or even

<http://www.imf.org>

An alternative strategy is to go to the homepage of the site and use its internal search engine.

Links may have to be cut and pasted into browsers. Alternatively you may right- click the link and select “follow link”.

Chapter 1

An outlook of **international trade conditions** for each of several industries is provided at <http://www.ita.doc.gov/td/industry/otea>.

Foreign Direct investment analysis and trends can be obtained at: <http://www.unctad.org/Templates/webflyer.asp?docid=5209&intItemID=3235&lang=1&mode=downloads> Or search under the keywords “UNCTAD World Investment report”. For a broader view see “IMF World Economic Outlook” to be found at: <http://www.imf.org/external/pubs/ft/weo/2005/01/> or by using the title as the keywords.

An update of **information on the euro** is provided at <http://www.ecb.int>. and also at <http://www.just-in-case.tmfweb.nl/eurosite.htm#EMU-Members>

Background material on the **Asian crisis** may be found at <http://www.asienhaus.org/links/crisis.htm>

Bureau of Economic Analysis is <http://www.bea.doc.gov>

For **UK data** see <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1140> or search for “Pink Book 2004”

Select a firm from the **top 10 firms from a European country** (exclude financial institutions, a list may be found at <http://www.forbes.com/lists/> choose the country option for selection).

Chapter 2

An **update of exports and imports of goods and services** is provided at: http://www.wto.org/english/res_e/statis_e/its2003_e/its03_toc_e.htm
The World Trade Organization site (<http://www.wto.org>) is a good source for trade information generally.

An update of **Foreign Direct investment (FDI)** is available at http://www.unctad.org/en/docs/wir2004overview_en.pdf the UNCTAD site (United Nations Conference on Trade and Development <http://www.unctad.org>) is a good source of information generally about FDI
Portfolio investment data can be found at: <http://www.imf.org/external/pubs/ft/weo/2005/01/pdf/chapter3.pdf> (the International Monetary Fund site, <http://www.imf.org> generally is a good source of financial data)

The UK government provides a detailed and well explained view of their investment and trade published as “The Pink Book” at http://www.statistics.gov.uk/downloads/theme_economy/PinkBook04.pdf

For further information on **EU trade agreements** consult: http://europa.eu.int/comm/trade/index_en.htm and the homepage of the World Trade

Organization at <http://www.wto.org/> Information about tariffs on imported products and anti dumping orders by the U.S. is provided at <http://www.dataweb.usitc.gov> . The European equivalent is at <http://www.eurunion.org/legislat/customs.htm#TARIFFSCHEDULE> (this is part of the US view of the EU which is rather clearer than the EU's own version). There is an excellent introduction to trade in Europe at http://europa.eu.int/comm/publications/booklets/move/19/txt_en.htm . As always, reduced versions of these links will normally lead to more general pages e.g. <http://europa.eu.int/comm/publications> . Tariff Rates: Detailed information about tariffs imposed by each country is provided at http://www.worldbank.org/data/wdi2000/pdfs/tab6_6.pdf .

UN charter for Multinational Companies:

<http://www.unhchr.ch/Huridocda/Huridoca.nsf/0/64155e7e8141b38cc1256d63002c55e8?Opendocument>

FDI by Multinationals including lists of major multinational companies listed by foreign investment can be found in the UN Commission on Trade and Development (UNCTAD) World Investment Report 2004. The download is currently available at: <http://www.unctad.org/Templates/webflyer.asp?docid=5209&intItemID=3235&lang=1&mode=downloads> more easily retrieved through using a search engine.

FDI Information Further information on foreign direct investment can be obtained from the World Bank website at

<http://rru.worldbank.org/Themes/ForeignDirectInvestment/>

The “Investment Policy Review” and “The World Investment Directory” are useful further links from this page. The OECD offers a developed country viewpoint at <http://www.oecd.org/home/> choose the “By Topic” option. Finally, the search engine at <http://www.corporatewatch.org.uk/> offers a decidedly alternative (dissent) view of investment.

Information on capital flows and international portfolio transactions is provided at <http://www.worldbank.org> and at the website for the Bank for International Settlements <http://www.bis.org/> follow the “statistics” link.

Consult the Pink Book 2004 at:

<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1140>

UNCTAD World Investment Report 2004 or the **Forbes lists** at <http://www.forbes.com/lists/>

Chapter 3

Historical Exchange Rates Historical exchange rate movements are provided at <http://www.oanda.com> . Data are available on a daily basis for most currencies.

The following is the **online quote** given by the Financial Times at:

<http://news.ft.com/markets/spotpound>

Cross Exchange Rates Cross exchange rates for several currencies are provided at <http://www.bloomberg.com> .

Stock Market Trading Information. Information about the market capitalization, share trading volume, and turnover for each stock market is provided at <http://www.worldbank.org/data> .

Market Information on the Internet Use your own institution's currency database or visit <http://www.oanda.com/convert/fxhistory> to obtain exchange rate data

Stock Exchange Information It is best to use Google for the homepage of the Stock Exchange. For example the London Stock Exchange can be found at <http://www.londonstockexchange.com/en-gb> go to the bottom of the page and jump to statistics. Or choose the NYSE at <http://www.nyse.com> and search the index on the left. In both cases pdf or Excel files offer the best quality data.

Stock Market Performance Charts showing recent stock market performance for each market can be found at <http://finance.yahoo.com/intlindices?u> . The prevailing share index level is shown for each country, as well as the performance of each market during the previous day. For some markets, you can assess the performance over the last year by clicking on Chart next to the country's name.

ADR Performance The performance of ADRs is provided at <http://www.adr.com> . Click on Industry to review the share performance of ADRs within each industry. The website provides a table that shows information about the industry, including the number of ADRs in that industry, and the 6-month and 12-month returns. Click on any particular industry of interest to review the performance of individual ADRs in that industry.

Chapter 4

You may download **exchange rates** either from your institution or from <http://www.oanda.com> .

Chapter 5

Forward Rates Forward rates of the Canadian dollar, British pound, euro, and Japanese yen are provided for various periods at <http://www.bmo.com/economic/regular/fxrates.html> . The website shows the forward rate of the Canadian dollar for many time horizons. It also shows the forward rate of the British pound, the euro, and the Japanese yen against the Canadian dollar and against the U.S. dollar.

The *Futures magazine* website is at <http://www.futuresmag.com/library/contents.html> .

Visit the Chicago Mercantile Exchange site at <http://www.cme.com> for a time series on financial futures and option prices (see below). The site allows for the generation of historic price charts.

See <http://www.cme.com/prd/fx/crossrate2625.html> for more information about futures on cross exchange rates.

See <http://www.euronext.com> for further details on **derivatives**.

Options Prices Information on currency options can be obtained on the website of the Philadelphia Stock Exchange. In particular, the link <http://www.phlx.com/products/currency/currency.html> provides contract specifications and volume information for the currency options contracts that are traded on that exchange.

Currency Futures Online. The website of the Chicago Mercantile Exchange provides information about currency futures and options. Its address is <http://www.cme.com>.

Chapter 6

Visit the European Union site at http://europa.eu.int/index_en.htm for access to the server of the **European Union's Parliament, Council, Commission, Court of Justice, and other bodies**. It includes basic information on all related political and economic issues.

Central Bank Website Links The Bank for International Settlements website <http://www.bis.org/cbanks.htm> provides links to websites of central banks around the world.

The website <http://www.ecb.int/home/html/index.en.html> provides **information on the euro and monetary policy conducted by the European Central Bank**.

Bank of Japan. The website for Japan's central bank, the Bank of Japan, provides information about its mission and its policy actions. Its address is <http://www.boj.or.jp/en/index.htm> .

Chapter 7

Forward Rates Forward rates of the Canadian dollar, British pound, euro, and Japanese yen are provided for various periods at <http://www.marketprices.ft.com/markets/currencies/ab>

Forward rates Using interest rates (preferably LIBOR) from the newspaper or other source, and forward rates from the website: <http://www.bmo.com/economic/regular/fxrates.html> or <http://www.ft.com>

Chapter 8

Country Inflation Rates Information about inflation for each country is provided at <http://www.imf.org/external/pubind.htm> in the statistical appendix of the World Economic Outlook Report.

Inflation and Exchange Rate Forecasts Information about anticipated inflation and exchange rates is available at <http://www.worldbank.org> click on “data and Research” “prospects” and “prospects for the Global Economy” for a US and Euro prediction of inflation and other economic factors.

Currency Interest Rates The “Market” section of the Bloomberg website provides interest rate quotations for numerous currencies. Its address is <http://www.bloomberg.com>.

To get a flavour of such approaches it is instructive to consult the **UK Government’s Debt and Reserve Management report 2004 – 5** currently at http://www.hm-treasury.gov.uk/media/92B/27/debt_res.pdf . The report records issues of government debt

Chapter 9

<http://www.ny.frb.org/markets/foreignex.html> and <http://www.oanda.com> provide **historical exchange rate data** that may be used to create technical forecasts of exchange rates.

Forward Rates as Forecasts Forward rates are available for the euro, British pound, Canadian dollar, and Japanese yen for 1-month, 3-month, 6-month, and 12-month maturities at <http://www.bmo.com/economic/regular/fxrates.html> . These forward rates may serve as forecasts of future spot rates.

Exchange rate forecasts A portal for foreign exchange predictions by a range of world banks can be found at: <http://www.fxstreet.com/nou/continguts/forecasts.asp?publicitat1=cmesky> the home site being <http://www.fxstreet.com>

Implied Volatilities Implied volatilities of major currencies are provided at <http://www.fednewyork.org/markets/impliedvolatility.html> . The implied volatility can be used to measure the market’s expectations of a specific currency’s volatility in the future. Implied volatilities are shown for different expiration dates, which allows for forecasts of volatility over periods up to those expiration dates.

CME Exchange Rates The website of the Chicago Mercantile Exchange (CME) provides information about the exchange and the futures contracts offered on the exchange. Its address is <http://www.cme.com>.

Chapter 10

Daily Exchange Rates and Annual Reports The following website provides daily exchange rate data for several currencies over the last few months:

<http://www.oanda.com>

The following website contains lists of the **worlds top 2000 companies**

<http://www.forbes.com> . Select lists and then Forbes 2000, then select “Sort list by” country.

Chapter 11

Forward Rates for Hedging Forward rates are available for the euro, US dollar, and Japanese yen for 1-month, 3-month, and 12-month maturities at

<http://www.marketprices.ft.com/markets/currencies/ab> . These forward rates indicate the exchange rates at which positions in these currencies can be hedged for specific time periods.

In practice the other party to swap may well be a bank and is likely to be a member of the **International Swaps and Derivatives Association** (<http://www.isda.org/>).

Evaluating Exchange Rate Movement Find the homepage of a large multinational by referring to the lists on the site <http://www.forbes.com> and find the latest annual report – including all the accounting policies.

The following website provides **exchange rates**: <http://www.oanda.com> , select the FXhistory option.

Chapter 12

See <http://www.renault.com> as an example of a **MNC’s website and a wealth of good quality financial information in the annual report**. The websites of various MNCs make available financial statements such as annual reports that describe the use of financial derivatives to hedge interest rate risk and exchange rate risk.

The following website provides **annual reports of numerous MNCs**:

<http://reportgallery.com> . You may also access annual reports via the FT website at <http://www.ft.com> and international reports via <http://www.forbes.com> choosing lists.

The following website provides **exchange rate movements** between currencies over time: <http://www.oanda.com>

Chapter 13

FDI Indicators Visit Morgan Stanley’s Global Economic Forum at <http://www.morganstanley.com/GEFdata/digests/latest-digest.html> for analyses, discussions, statistics, and forecasts related to non-US economies.

Also, visit <http://www.imf.org> and click on “country info”
<http://www.worldbank.org> and click on “countries”

FDI Information for a Particular Country Foreign Direct Investment in specific countries can be assessed by reviewing websites focused on those countries. For example, conditions in China are described at <http://www.business-china.com> .

The Price Waterhouse Coopers site at <http://www.pwcglobal.com> provides access to **country-specific information** such as general business rules and regulations, tax environments, and some other useful statistics and surveys.

Child Labour Review sites such as <http://www.corporatewatch.org> and contrast <http://www.cleanclothes.org/companies/adidas00-05-05.htm> with http://www.adidas-group.com/en/overview/corporate_governance/sea/default.asp also see http://cbae.nmsu.edu/~dboje/AA/academics_reebok.html for a more sympathetic view of MNCs see <http://www.fdimagazine.com/> (keywords being “Corporatewatch”, “Adidas”, “Cleanclothes”, “Standards of Engagement”, “academics studying” and “FDI”)

Review sites such as <http://www.corporatewatch.org> and contrast <http://www.cleanclothes.org/companies/adidas00-05-05.htm> with http://www.adidas-group.com/en/overview/corporate_governance/sea/default.asp also see http://cbae.nmsu.edu/~dboje/AA/academics_reebok.html for a more sympathetic **view of MNCs** see <http://www.fdimagazine.com/> (keywords being “Corporatewatch”, “Adidas”, “Cleanclothes”, “Standards of Engagement”, “academics studying” and “FDI”)

Chapter 14

The website <http://quote.yahoo.com/m2?u> provides information on the recent **performance of country stock indexes** (the location of this page may move within the Yahoo site). This is sometimes used as a general indication of economic conditions in various countries and may be considered by MNCs that assess the feasibility of foreign projects.

Investment Magazine at <http://www.fdimagazine.com/> and register to use the search option. Selecting articles from this site, compare the **investment conditions for foreign companies wishing to invest in the European Union** with the conditions for Brazil. Use the search words: “Brazil investment regulations” to make the first search and “European investment regulations” for a second search.

The Price Waterhouse Coopers site at <http://www.pwcglobal.com> provides access to **country-specific information** such as general business rules and regulations and tax environments.

Chapter 15

For information and **surveys on political and country risk** visit the portal site:
<http://www.countryrisk.com/>

A **corruption index** is derived for major countries by Transparency International (see <http://www.transparency.org>).

Country Risk Ratings If an MNC wants to consider a country risk assessment by outside evaluators, it can obtain a country risk rating for any country at <http://www.oecd.org> and search for “Country Risk Classification” within the site.

Visit <http://www.duke.edu/~charvey> for the results of **Campbell R. Harvey’s political, economic, and financial country risk analysis**.

Chapter 16

Visit <http://www.worldbank.org> for **country profiles, analyses, and sectoral surveys**. The Bloomberg website provides interest rate data for many countries and various maturities. Its address is <http://www.bloomberg.com> . Go to the “Market data” section and then to “Rates and Bonds.”

Chapter 17

Further details on the **London Stock Exchange** are available at Main Market Factsheet <http://www.londonstockexchange.com>

Consequently, the **ISDA Master Agreement** has contributed greatly to the standardization of the derivatives market (see <http://www.isda.org>).

Long-Term Foreign Interest Rates Long-term interest rates for major currencies such as the Canadian dollar, Japanese yen, and British pound for various maturities are provided at <http://www.bloomberg.com> . You can develop a yield curve from this information.

The **Bloomberg website provides interest rate data** for many countries and various maturities. Its address is <http://www.bloomberg.com> . Go to the “Market Data” section of the website and then to “Rates and Bonds”.

Chapter 18

Firstly, **IMF debt relief programmes** are seen by some as intrusive, unaccountable and ineffective (visit the IMF website – <http://www.imf.org> – and search under the term “ineffective” for example see: <http://www.imf.org/external/pubs/ft/scr/2005/cr05433.pdf>)

There is a campaign for **European Credit Agencies (ECAs)** to improve their practices (see <http://www.fern.org/pages/eca/eucamp.html>). Undoubtedly, financing international trade has a political dimension. Similar issues can be found in examining “soft loans” policies, for more information see <http://www.bankwatch.org> and search for “EIB”. MNCs need to be aware that requesting government help requires an ethical as well as a financial justification.

Chapter 19

Forecasts of Interest Rates When an MNC borrows funds in a specific currency, its choice of a maturity is partially based on expectations of future interest rates in that country. Forecasts of interest rates in the near future for each country are provided by a number of websites that can be accessed by search engines, try:

<http://www.investica.co.uk/rateforecasts.htm> .

Short-Term Foreign Interest Rates Short-term interest rates for major currencies such as the Canadian dollar, Japanese yen, and British pound for various maturities are provided at <http://www.bloomberg.com> . The short-term interest rates provided at this site reflect the government cost of borrowing; an MNC would have to pay a slightly higher interest rate than the rate shown. A review of the data illustrates how short-term interest rates can vary among currencies at a given point in time.

Chapter 20

Foreign Currency Yields. The Bloomberg website provides interest rate data for many different foreign currencies over various maturities. Its address is <http://www.bloomberg.com>

Additional Reading 1

Visit the **World Bank's** website at <http://www.worldbank.org> for data on socioeconomic development and performance indicators as well as links to statistical and project-oriented publications and analyses.

Go to the web page of the United **Nations Conference on Trade and Development** <http://www.unctad.org> and enter on the search box: "OFDI" and the name country e.g. Argentina or Russia. Look for a pdf report on outward foreign investment from that country. From the report summarize the motives for FDI and the examples given.