**FIN4801: Financial & Economic Analysis**

Coursework: Economics Report (ER) (30%)

“Managing during recession”

**Deadline for submission: 5 November 2023 at 5.00 pm**

Instructions:

* This Economics Report (ER) coursework carries 30% weighting in final assessment, is compulsory, and is individual coursework.
* This coursework will be 1,000 words.
* Title Page, Footnotes, References, Charts, Graphs, Calculations, Tables, Appendices DO NOT count towards the word count. A deviation of 10% in word count on either side is acceptable.
* Submit the coursework in A4 size pages electronic file in Word document.
* Students are advised to keep ‘Digital Receipt’ for their online coursework submission on MyUniHub.
* The students are expected to retain their own copy of the coursework for their future reference.
* Students are strongly recommended to take the help of CAS in order to write the coursework well
* In submitting the Coursework online on MyUniHub, students use Turnitin that measures in %, the similarity of the work with other work. There is no minimum or maximum % of plagiarism acceptable. There is no rule as to what % of plagiarism is allowed. The only way is not to undertake plagiarism.

The following are the criteria for marking the coursework:

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| Title page | 1% |
| Outline | 1% |
| Introduction | 3% |
| Thesis Statement | 1% |
| Analysis | 16% |
| Conclusion | 5% |
| Bibliography / References | 1% |
| Length requirements | 1% |
| Organizing paper | 1% |
| **Total marks** | **30%** |

**Contents & Structure of the Economics Individual Report:**

* You are part of the marketing team of product X at firm ABC, which aims to sells domestically and globally. You are preparing a market strategy for X in first half of 2024.
* Define properties of product & target markets by using micro and macroeconomic concepts in lectures.
* These will be used as an input for your marketing strategy. In particular, address the following issues:

1. What type of good or service is X? What is price & income elasticity of your product? What is the cross price elasticity with respect to complementary and substitute products?
2. What are alternatives regarding production costs (marginal costs like labour, raw materials, energy)? Consider macroeconomic expectations for first half of 2024 & different development scenarios & recession.
3. What is the market structure? What are the possible strategies of your competitors? What will be your strategy with respect to your competitors?
4. Which market segments and different pricing strategies can you imagine?
5. Think of developments in demand in different markets domestically and globally. How will demand develop in these markets? What is the effect of the recession on the demand for your product? How could government policies in different markets affect the demand for your product?
6. Prepare different scenarios about developments in FX markets & effect on price competitiveness.

Referencing details can be found on http://www.citethemrightonline.com.

**FIN 4801 (UNIT 1): GUIDANCE FOR WRITING THE COURSEWORK**

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| **SECTION** | **COVERAGE EXPECTED** |
| **TITLE PAGE** | |
| **OUTLINE** | |
| **INTRODUCTION** | * Product/service adequately described * Domestic market identified * Global market identified |
| **THESIS STATEMENT** | |
| **ANALYSIS (THIS SECTION WILL INVOLVE ANSWERING THE FOLLOWING QUESTIONS)**  **(It will be best write each of the following questions in separate sub-sections)** | |
| **Question** | **What must be covered** |
| What type of good or service is X? What is price & income elasticity of your product? What is the cross price elasticity with respect to complementary and substitute products? | * Type of good or service explained clearly * Price elasticity discussed and justified. This needs to be done for domestic and global markets * Income elasticity discussed and justified. This needs to be done for domestic and global markets * Cross price elasticity discussed and justified. This needs to be done for domestic and global markets |
| What are alternatives regarding production costs (marginal costs like labour, raw materials, energy)? Consider macroeconomic expectations for 1st half 2024 & different development scenarios & recession. | * Alternative macroeconomic scenarios to be presented and justified * Which are the items of cost that need to be considered? * Will labour costs, raw material costs increase/decrease/no change * Macroeconomic expectations for first half of 2024 to be described: growth rate, inflation, unemployment * Scenarios of macroeconomic developments to be presented: will recession persist? Will there be recovery from recession? You may mention COVID effects |
| What is the market structure? What are the possible strategies of your competitors? What will be your strategy with respect to your competitors? | * Market structure to be described adequately or justified. This needs to be done for domestic and global markets * Strategies of your competitors to be discussed * Strategy of your company to be discussed |
| Which market segments and different pricing strategies can you imagine? | * Market segments to be described in domestic and foreign markets * Pricing strategies to be presented |
| Think of developments in demand in different markets domestically and globally. How will demand develop in these markets? What is the effect of the recession on the demand for your product? How could government policies in different markets affect the demand for your product? | * Demand in global markets should be discussed * Effect of recession on the demand for your product should be discussed. This needs to be done for domestic and global markets * What fiscal policies have been employed? This needs to be done for domestic and global markets * What monetary policies have been employed? This needs to be done for domestic and global markets * Effect of government policies on demand for your product should be discussed |
| Prepare different scenarios about developments in FX markets & effect on price competitiveness. | * Scenarios in currency markets should be discussed. * Will the exchange rate of the home country appreciate/depreciate/no change? * Effect of changes in currency markets on the competitiveness of your company should be discussed. |
| **CONCLUSIONS** | |
| **REFERENCES** | |