

Course Last Updated 03/06/2024



International Finance: Context and Practice

Section I: Course Overview

Course Code: FIN373/BUS373LHR

Subject Area(s): Finance, Business

Prerequisites: One 200-level or two 100-level courses in finance or equivalent

Language of Instruction: English

Total Contact Hours: 45

Credits: 3

Course Fees: None

Course Description

The International Finance module provides an understanding of finance in the international context. In a globally integrated world, it has become imperative to trade, invest and conduct business operations internationally. The course exposes the students to the opportunities and risks associated with international finance. As the world has become more integrated due to deregulation of financial markets, product innovation and technology, capital markets have kept pace with this integration. The study of international finance has therefore become essential and builds upon the understanding of theoretical concepts of finance and their adaptation to the international context. The course coverage includes historical perspectives and foundations of international finance, the foreign exchange markets and exchange rate determination, exposure management, financial management of a multinational firm. Students will examine the current economic landscape through topical discussions of current economic and political development and their impact on international finance.

Learning Objectives

Upon successful completion of this course, students are able to:

- Describe the political and economic contexts within which international finance operates

- Synthesize aspects of the principles of finance in an international context
- Explain the operations and key issues surrounding global financial processes and institutions
- Articulate how the financial management of a multinational firm functions

Section II: Instructor & Course Details

Instructor Details

Name: TBC

Contact Information: TBC

Term: TBC

Course Day and Time: TBC

Office Hours: By appointment

Grading & Assessment

The instructor assesses students' mastery of course learning objectives by using the forms of assessment below. Each of these assessments is weighted toward the final grade. The Assessment Overview section provides further details for each.

Engagement - 20%

Midterm Exam – 20%

Group Presentation – 20%

Individual Research Paper – 20%

Final Exam – 20%

Assessment Overview

This section provides a brief description of each form of assessment listed above. Forms of assessment may be slightly modified in the term syllabus.

Engagement (20%): Students are expected to be engaged in class, to have read the CEA CAPA Engagement Policy, and to understand the [Class Engagement Rubric](#) that outlines how engagement is graded.

Class Presentation Assessment Guidelines (20%)

Students will be assigned into groups, and given a case to research and present to the class. Groups are responsible for meeting independently to prepare their presentation on their assigned date. The presentation should include an outline, relevant theoretical background, data, and conclusions for the case study. Each presentation is limited to 10 slides and 15 minutes, after which the presenting group will facilitate a question and answer session with the class. Students will be given feedback on their presentations and will be expected to incorporate this feedback into their final research paper submissions.

Research Paper (20%)

Using the course topics as a basis, students will identify a case and write a research paper that includes: (1) theoretical discussion; (2) overview of the selected case; and (3) a thorough analysis.

For example, students may choose current or recent economic/financial events or alternatively examine an event/s from a historical perspective. Through the paper, students will analyze:

- How does the chosen case or evidence fit into the theoretical discussion?
- Are the facts consistent with the theory?
- Explain why (or why not).
- What lessons did you learn from this project?

Papers should be written in the style and citation format appropriate for their chosen discipline, including headers and subheadings, and citing references where appropriate to all sources. There are 2 opportunities to provide status updates and receive faculty feedback on the research paper (Weeks 6 and 11). These updates can either be an oral or a written brief report which will enable the Instructor to provide you with the necessary guidance and feedback. In addition, students may also request faculty feedback via Canvas or through office hours.

Midterm Exam (20%): Students will be tested on all topics covered in the first half of the course. The midterm exam will contain a short answer section (5%) and an essay (15%).

Final Exam (20%): Students will be tested on all topics covered in the entirety of the course. The final exam will contain a short answer section (10%) and an essay (10%).

Active Learning

Experiential learning is an essential component of education abroad, and participation in field studies is a required part of coursework. In this course, students explore the city in which they are studying using a variety of methods. This provides the opportunity to gain nuance and perspective on the host context and course content, as well as to collect information and resources for assigned papers, projects, and presentations.

- Field study to local stock exchange or bank
- Co-curricular activity such as guided walking tour with themes relevant to the course

Readings and Resources

The below readings and resources are representative of what will be assigned as required in this course, but may vary slightly in the term syllabus.

All students are given access to the online library of the University of New Haven (UNH), accessible [here](#), and are expected to comply with [UNH Policies](#) regarding library usage.

Wherever possible, required readings are made accessible through the online library or Canvas. Students are responsible for obtaining all required readings.

Each course utilizes Canvas as its LMS. Students are expected to check Canvas regularly for updates and deadlines. Canvas is also the primary platform for contacting your instructor in case of questions or concerns about the course.

Required

Eun, C., Resnick B, & Chuluun, T. (2024) - International Financial Management (McGraw Hill, 10th Edition)

Course Calendar

Session 1	
Topics	Introduction to International Finance
Activity	Introductions, student interests, relevant prior coursework & experience Course map, format, required work and assessments Review of research paper guidelines – detailed guidelines posted in this syllabus
Readings & Assignments	Chapter 1

Session 2	
Topics	International Monetary System & Balance of Payments
Activity	Historical perspectives of the International Monetary System Gold standard Exchange rate regimes – pegs, fixed, floating, currency boards, etc. The Euro and European Monetary System Review of historical currency crises Overview of Balance of Payments
Readings & Assignments	Chapter 2,3

Session 3	
Topics	Foreign Exchange Markets, Exchange Rate Determination & Currency Derivatives – part 1
Activity	Function & structure of the foreign exchange market International finance in practice – market mechanics Spot & forward rate determination Interest Rate parity
Readings & Assignments	Chapter 5,6

Session 4	
Topics	Foreign Exchange Markets, Exchange Rate Determination & Currency Derivatives – part 2
Activity	Interest rate parity (contd.) Purchasing Power Parity & International Fisher Effect Forecasting foreign exchange rates

	Foreign exchange futures & options Other hedging strategies – Money Market Hedge Carry trades
Readings & Assignments	Chapter 7

Session 5
Midterm Exam

Session 6	
Topics	World Financial Markets & Institutions – part 1
Activity	International Banking & Money Markets International Bond Markets International Equity Markets Research paper 1 st status update
Readings & Assignments	Chapter 11,12,13 Research Paper 1 st Status Update

Session 7	
Topics	Guest Lecture

Session 8	
Topics	Field Study
Activity	
Readings & Assignments	Students may be given readings associated with the selected active learning activity.

Session 9	
Topics	World Financial Markets & Institutions – part 2
Activity	Interest Rate & Currency Swaps International Portfolio Investment
Readings & Assignments	Chapter 14,15

Session 10	
Topics	Foreign Exchange Exposure & Management
Activity	Management of Economic, Transaction & Translation exposure
Readings & Assignments	Chapter 8, 9, 10

Session 11	
Topics	Financial Management of the Multinational Firm – part 1
Activity	Foreign Direct Investment & Cross Border Acquisitions

	International Capital Structure & the Cost of Capital Research paper 2 nd status update
Readings & Assignments	Chapter 16, 17 Research Paper 2nd Status Update

Session 12	
Topics	Financial Management of the Multinational Firm – part 2
Activity	International Capital Budgeting Multinational Cash Management Group presentation limited to 10 slides & 15 minutes (max)
Readings & Assignments	Chapter 18, 19 Group Presentations

Session 13	
Topics	Financial Management of the Multinational Firm – part 3
Activity	International Trade Finance International Tax Environment and Transfer Pricing Course review – what have we learned?
Readings & Assignments	Chapter 20, 21 Individual Research Paper Submission deadline

Session 14	
Final Exam Review	

Session 15	
Final Exam	

Section III: Academic Policies and Standards

Academic Policies

Students are expected to review and understand all CEA CAPA student policies, including our [Academic Policies](#) and [Engagement Policy](#). CEA CAPA reserves the right to change, update, revise, or amend existing policies and/or procedures at any time. Additional requirements that may be associated with a specific course or program are addressed in the term syllabus.

Student Learning & Development Objectives

CEA CAPA has identified [Student Learning and Development Objectives \(SLDOs\)](#) for all programs in all locations: content in context, navigating differences, power and equity, critical thinking and intellectual curiosity, career and professional development, and sustainability and migration.

These are meta-level learning objectives that transcend coursework and are infused across all elements of program delivery, beyond specifics of course offerings, addressing student learning holistically and framing it a larger learning context.