COURSE NUMBER: IBUS 6301-10 (CRN: 62671)  SEMESTER: Fall 2015  
(Wednesday 7:10-9:40 p.m.)  Class Room: Duques 255

COURSE TITLE: International Business Finance

COURSE DESCRIPTION: Analysis of major international financial management issues and financial risks faced by businesses operating in global markets. Current developments in international monetary and financial environment, and discussions of multinational financial operations of business firms as well as key foreign investment and trade financing techniques.

PROFESSOR: Professor Y. S. Park, DBA & PhD.  
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OFFICE HOURS: Wednesday 4 - 6 p.m. and also by appointment.


COURSE OBJECTIVES: The basic objective is to enhance the ability of students to understand the current global financial and monetary environment and to analyze various financial problems arising in multinational operations of a firm. The course deals with the theories and practices of international financial management relevant to future practitioners in this field.

ASSIGNMENTS: Prior to each class session, students are expected to complete the required readings for the assigned session as well as thorough preparation of any case to be discussed.

METHOD FOR GRADING: 
- Take-home test (answers due on Wednesday, September 30) 20%
- Mid-term exam (Wednesday, October 21) 30%
- Final Exam (Wednesday, December 16) 50%
Meeting 1:  Introduction to the Course & Key Functions of International Financial Managers  
(9/2)  
Major topics to be covered in the course; key functions of international finance managers.  
Chapter 1.  

Meeting 2:  International Monetary and Financial Environment  
(9/9)  
Exchange Rate Regimes; European Monetary Union; SDR and Euro  
Role of the IMF and its evolution; other international financial institutions-IBRD & BIS.  
Chapter 2.  

Meeting 3:  Global Financial Crisis of 2008-09 & Current Eurozone Crisis  
(9/16)  
Class handouts.  

Meeting 4:  Balance of Payments: Its Meaning and Uses  
(9/23)  
Chapter 3.  
BOP Exercise (Class handout)  

Meeting 5:  Foreign Exchange: Exchange Rates & Markets; Covered Interest Rate Parity; Purchasing Power Parity; and International Fisher Effect  
(9/30)  
Chapters 5 and 6.  
*Take-home test answers due (only in hard copy; no electronic copy)*  

Meeting 6:  Spot, Forward, Futures & Options; Hedging Against Foreign Exchange Risks; Exchange Rate Determination  
(10/7)  
Chapters 7 and 9.  

Meeting 7:  Synthetic Currency Futures; Straddles and Strangles  
(10/14)
Case: The Collapse of Barings
Class handouts.

Meeting 8:  Mid-term exam
(10/21)

Meeting 9:  Currency & Interest Rate Swaps; Overview of Financial Swaps
(10/28)
Chapter 8.
Class handouts.

Meeting 10: Foreign Exchange Exposure Management; Translation Methods
(11/4)
Chapters 10, 11 and 12.

Meeting 11: Overview of International Financial Markets; Eurodollars & Eurocurrencies
(11/11)
Chapters 13.

Meeting 12: Eurocredits; Eurobonds; Global bonds; Foreign bonds; ADRs, GDRs and IDR
(11/18)
Chapter 14.

Meeting 13: International Portfolio Theory; Foreign Direct Investments; Financial and
Economic IRRs; Country Risks
(12/2)
Chapters 17 and 18.

Meeting 14: Trade Financing: L/Cs, BAs, Forfaiting and Factoring; Multinational Tax Issues
(12/9)
Chapters 15 and 16.