COURSE NUMBER: IBUS 3301-11 (CRN: 76834)  SEMESTER: Spring 2016 (Mon/Wed: 3:45-5:00 p.m.)  Class Room: Duques 251

COURSE TITLE: International Business Finance

COURSE DESCRIPTION: Analysis of key international financial management issues and financial risks faced by businesses operating in global markets. Current developments in international monetary and financial environment, including global financial crisis of 2007-09 and the current eurozone crisis, and discussions of international financial operations of business firms as well as trade financing techniques.

PROFESSOR: Professor Y. S. Park, DBA & PhD.
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OFFICE HOURS: Wednesday 5-6:30 p.m., and also by appointment.


COURSE OBJECTIVES: The basic objective is to enhance the ability of students to understand the current international financial and monetary issues and to analyze the financial problems arising in international operations of a firm. The course deals with the theories and practices of international financial management relevant for 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:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percentage</th>
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<tr>
<td>Take-home test (answers due Monday, February 8)</td>
<td>20%</td>
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<tr>
<td>Mid-term exam (Wednesday, March 9)</td>
<td>30%</td>
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<tr>
<td>Final Exam (Monday, May 2)</td>
<td>50%</td>
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Meeting 1:
(1/11)
Introduction to the Course
Wall Street Journal and Financial Times, during the week of 1/4 through 1/8.

Meeting 2:
(1/13)
Key Functions of International Finance Managers
Chapter 1.

Meeting 3:
(1/20)
International Monetary System: Evolution and Current Issues
Chapter 2.

Meeting 4:
(1/25)
Role of Major International Financial Institutions: IMF, IBRD, BIS
Annual Reports of the IMF, BIS and the World Bank.

Meeting 5:
(1/27)
SDRs and Euro
Class handouts.

Meeting 6:
(2/1)
Global Financial Crisis of 2007-09 and Current Eurozone Crisis
Class handouts.

Meeting 7:
(2/3)
Balance of Payments: Definition and Business Implications
Chapter 3.
Take-home test questions made available.

Meeting 8:
(2/8)
Economic Importance of BOP; BOP Exercise
Class handout (US BOP Tables).
Take-home test answers due (only in hard copy, not electronic version)

Meeting 9:
(2/10)
Foreign Exchange Rates & Markets
Chapter 5.
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<tr>
<td>Meeting 11: (2/22)</td>
<td>Spot, Forward, Futures &amp; Options; Hedging Against Foreign Exchange Risks</td>
<td>Chapter 7.</td>
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<td>Meeting 12: (2/24)</td>
<td>Exchange Rate Determination</td>
<td>Chapter 9.</td>
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<td>Meeting 13: (2/29)</td>
<td>Regular vs. Synthetic Currency Futures and Their Uses</td>
<td>Chapter 7.</td>
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<td>Meeting 14: (3/2)</td>
<td>Straddles and Strangles</td>
<td>Case: The Collapse of Barings</td>
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<td>Meeting 15: (3/7)</td>
<td>Currency and Interest Rate Swaps: Definition and Evolution</td>
<td>Chapter 8.</td>
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<td>Meeting 16: (3/9)</td>
<td>Mid-term exam</td>
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<td>Meeting 17: (3/21)</td>
<td>Origin and Types of Currency Swaps</td>
<td>Class handouts</td>
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<td>Meeting 19: (3/28)</td>
<td>Foreign Exchange Exposure Management: Translation Exposure</td>
<td>Chapter 11.</td>
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Meeting 21:  International Syndicated Bank Loans: Eurocredits  
               (4/4)  
               Chapter 14.

Meeting 22:  International Bond Markets: Eurobonds; Foreign Bonds; Global Bonds  
               (4/6)  
               Class handouts.

Meeting 23:  Global Equities: ADRs, GDRs & IDR  
               (4/11)  
               Chapter 14.

Meeting 24:  Foreign Direct Investments; Country Risks  
               (4/13)  
               Chapter 17.

Meeting 25:  Multinational Capital Budgeting; Financial vs. Economic Rate of Returns  
               (4/18)  
               Chapter 18.

Meeting 26:  Trade Financing: L/C and BA  
               (4/20)  
               Chapter 16.

Meeting 27:  Trade Financing: Forfaiting and Factoring  
               (4/25)  
               Chapter 16.

Meeting 28:  Recent Developments in International Finance: AIIB & BRICS Develmpt Bank  
               (4/27)  
               Class handouts.

FINAL EXAM:  May 2 (To be confirmed later by GW Scheduling Office)