George Washington University

School of Business

Course Syllabus

COURSE NUMBER: IBUS 6301-10 (CRN: 12388)  SEMESTER: Fall 2016
(Wed: 7:10-9:40 p.m.)  Class Room: Government 104

COURSE TITLE: International Business Finance

COURSE DESCRIPTION: Analysis of critical 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 eurozone crisis as well as other international financial crises and their implications, and discussions of various international 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 critical 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:  Take-home test (answers due Wednesday, September 28) 20%
Mid-term exam (Wednesday, October 26) 30%
Final Exam (Wednesday, December 14) 50%

ACADEMIC INTEGRITY:  The code of academic integrity applies to all courses in the George Washington School of Business. Please become familiar with the code. All students are expected to maintain the highest level of academic integrity throughout the course of the semester. Please note that acts of academic dishonesty during the course will be prosecuted and harsh penalties may be sought for such acts. Students are responsible for knowing what acts constitute academic dishonesty. The code may be found at: http://www.gwu.edu/~ntegrity/code.html

UNIVERSITY POLICIES:  Religious Accommodation

Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

Disability Support Services (DSS)

Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Rome Hall, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information please refer to: gwired.gwu.edu/dss/

Mental Health Services 202-994-5300

The University’s Mental Health Services offers 24/7 assistance and referral to address students’ personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations confidential assessment, counseling services (individual and small group), and referrals. Counselingcenter.gwu.edu/
Meeting 1: Introduction to the Course & Key Functions of International Financial Managers
(8/31)

Major topics to be covered in the course; key functions of international finance managers.

Chapter 1.

Meeting 2: International Monetary and Financial Environment
(9/7)

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
(9/14)

Class handouts.

Meeting 4: Balance of Payments: Its Meaning and Uses
(9/21)

Chapter 3.
BOP Exercise (Class handout)

Meeting 5: Foreign Exchange: Exchange Rates & Markets; Covered Interest Rate Parity;
Purchasing Power Parity; and International Fisher Effect
(9/28)

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
(10/5)

Chapters 7 and 9.

Meeting 7: Synthetic Currency Futures; Straddles and Strangles
(10/12)
**Case: The Collapse of Barings**
Class handouts.

**Meeting 8:** *Currency & Interest Rate Swaps; Overview of Financial Swaps*
(10/19)
Chapter 8.
Class handouts.

**Meeting 9:** *Mid-term exam*
(10/26)

**Meeting 10:** *Foreign Exchange Exposure Management; Translation Methods; Overview of International Financial Markets*
(11/2)
Chapters 10, 11 and 12.

**Meeting 11:** *Eurodollars & Eurocurrencies; Eurocredits*
(11/9)
Chapters 13.

**Meeting 12:** *Eurobonds, Global Bonds, Foreign Bonds; Islamic Finance; ADRs, GDRs and IDR*
(11/16)
Chapter 14.

**Meeting 13:** *International Portfolio Theory; Foreign Direct Investments; Financial and Economic IRRs; Country Risks*
(11/30)
Chapters 17 and 18.

**Meeting 14:** *Trade Financing: L/Cs, BAs, Forfaiting and Factoring; Multinational Tax Issues*
(12/7)
Chapters 15 and 16.

**Wednesday, December 14:** **FINAL EXAM**  (To be confirmed later by GW Scheduling Office)
In accordance with university policy, the final exam will be given during the final exam period and not the last week of the semester.