

FIN 4325 International Finance

Fall 2022

Instructor: Md Asif ul alam

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Office hours: Wednesday 1:30 pm – 3:00 pm, or by appointment

Class hours: Monday and Wednesday 3:00pm - 4:20pm

Classroom: COBA 323

Course Description:

The aim of this course is to introduce students to global financial markets and operations of multinational firms. Emphasizing broad concepts and real-world practices, the course will offer an appropriate introduction of international finance and provide a clear, conceptual framework for analyzing key financial decisions of multinational firms. The flow of the course is to consider international financial management as a natural and logical extension of the principles learned in other finance courses.

Course Objectives:

The key objectives of this course are as follows:

- Provide students with a basic knowledge of how international financial markets work.
- Provide students with an understanding of exchange rates and why currency values fluctuate.
- Understand the various stages of expansion overseas that multinational corporations utilize to benefit from globalization.
- Describe the international monetary system and the foreign exchange markets.
- Examine the Balance of Payments (BOP) data and determine its implications for international competition.
- Identify the basic philosophies that govern corporate behavior throughout the world.

- Forecast exchange rates based on the parity conditions that should apply between spot rates, forward rates, inflation rates, and interest rates.
- Describe translation, transaction, and economic exposure to exchange rate changes.
- Identify the processes and instruments used in the financing of international trade.
- Define methods used to manage risk in the global markets.
- Provide an in-depth understanding of the process and techniques used to make international investment decisions.

Texts and Course Materials:

Multinational Business Finance (15th Edition)

David K. EITEMAN . Arthur L. STONEHILL . Michael H. MOFFETT

Grade components

Course grade will be based on the following components:

Quizzes	20%
Exam 1	20%
Exam 2	20%
Exam 3	20%
Case Study	20%

Grading is on a straight scale 90 – A, 80 – B, 70 – C, ...

Quizzes: There will be total 3 quizzes. Each quiz will be worth 10 marks. The marks of the best 2 quizzes will be counted. Mostly multiple-choice questions and short descriptive questions will be asked in the quizzes.

Exams: There will be total 3 exams. Each exam will be worth 20 marks. Each exam will be composed of 2 parts.

In the 1st part, multiple choice, descriptive and quantitative problem-solving questions will be asked. The 1st part of the exam will be conducted in the regular class time from 3:00 PM to 4:20 PM.

In the 2nd part, an assignment/take home task will be provided to complete. It can consist of a mini case, quantitative problem-solving and/or descriptive questions. I will upload the task in Blackboard. The submission deadline of the 2nd part will be 1 week from the uploading date.

Case Studies: 2 case studies will be given. 1st case study will be based on chapter 1,2,3,4,5,6 and 2nd case study will be based on chapter 10,11,13,14,16. I will provide you the 1st case study after completing the chapter 6 and the 2nd case study after completing chapter 16, so that you could get enough time to complete those. The deadline to submit both case studies will be 7th December.

Students with Disabilities

If you have a disability and need classroom accommodations, please contact The Center for Accommodations and Support Services (CASS) at 747-5148, or by email to cass@utep.edu, or visit their office located in UTEP Union East, Room 106. For additional information, please visit the CASS website at www.sa.utep.edu/cass.

Academic Integrity

The University of Texas at El Paso prides itself on its standards of academic excellence. In all matters of intellectual pursuit, UTEP faculty and students must strive to achieve based on the quality of the work produced by the individual. In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any form of scholastic dishonesty is an affront to the pursuit of knowledge and jeopardizes the quality of the degree awarded to all graduates of UTEP. Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, any act designed to give unfair advantage to a student or the attempt to commit such acts. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP) and available in the office of the Dean of Students, may result in

sanctions ranging from disciplinary probation, to failing grades on the work in question, to failing grades in the course, to suspension or dismissal, among others.

Tentative Schedule

Date	Topic	
Week 1 Aug 22 & Aug 24	Chapter 1 Multinational Financial Management: Opportunities and Challenges	Regular class time
Week 2 Aug 29 & Aug 31	Chapter 2 The International Monetary System	Regular class time
Week 3 Sep 7	Quiz 1 (Covering Chapter 1 & 2)	Regular class time
Week 4 Sep 12 & Sep 14	Chapter 3 The Balance of Payments	Regular class time
Week 5 Sep 19 & Sep 21	Chapter 4 Financial Goals and Corporate Governance	Regular class time
Week 6 Sep 26	Exam 1 Part 1 (Written section covering Chapter 1, 2, 3 & 4)	3:00 pm – 4:20 pm
Week 6 - 7 Sep 28 & Oct 3	Chapter 5 The Foreign Exchange Market	Regular class time
Oct 3	Exam 1 Part 2 (Assignment submission covering Chapter 1, 2, 3 & 4)	
Week 7 - 8 Oct 5 & Oct 10	Chapter 6 International Parity Conditions	Regular class time
Week 8 Oct 12	Quiz 2 (Covering Chapter 5 & 6)	Regular class time
Week 9 Oct 17 Oct 19	Chapter 10 Transaction Exposure	Regular class time
Week 10 Oct 24 & Oct 26	Chapter 11 Translation Exposure	Regular class time
Week 11 Oct 31	Exam 2 Part 1 (Written section covering Chapter 5, 6, 10 & 11)	3:00 pm – 4:20 pm
Week 11 - 12 Nov 2 & Nov 7	Chapter 13 Global Cost and Availability of Capital	Regular class time
Nov 7	Exam 2 Part 2 (Assignment submission covering Chapter 5, 6, 10 & 11)	
Week 12 Nov 9	Chapter 14 Funding the Multinational Firm	Regular class time
Week 13 Nov 14	Quiz 3 (Covering Chapter 13 & 14)	Regular class time
Week 13 -14 Nov 16 & Nov 21	Chapter 16 International Trade Finance	Regular class time

Nov 21	Exam 3 Part 2 (Assignment submission covering Chapter 13 & 14)	
Week 15 Nov 28 & Nov 30	Chapter 17 Foreign Direct Investment and Political Risk	Regular class time
Week 16 Dec 5	Exam 3 Part 1 (Written section covering Chapter 13, 14, 16 & 17)	3:00 pm – 4:20 pm
Week 16 Dec 7	Submission of case studies Case Study 1 (Covering Chapter 1, 2, 3, 4, 5, & 6) Case Study 2 (Covering Chapter 10, 11,13, 14 &16)	