

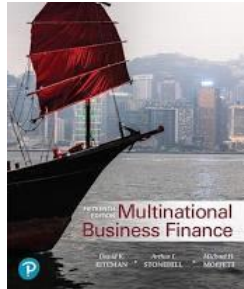
**THE UNIVERSITY OF TEXAS AT EL PASO**  
Department of Economics and Finance

Instructor: Dr. Eddie Wei, CFA  
 Contacts: zwei@utep.edu (preferred) or 915-747-5381  
 Class time: 3:00 – 4:20 pm, Mondays & Wednesdays  
 Office hour: 2:00 – 3:00 pm, Mondays & Wednesdays; and by appointments; in person or via Zoom

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FIN 4325-International Finance  
 Syllabus - In-Person Edition  
**Fall 2021**

Required textbook: Multinational Business Finance, 15<sup>th</sup> edition, by Eiteman, Stonehill and Moffett.  
 ISBN 13: 978-0-13-479655-0 (Pearson, 2019)



**COURSE DESCRIPTION**

This course examines the financial operations of the firm from an international point of view. It draws upon topics such as exchange rate determination, foreign exchange exposures (risks) for the multinational firm and techniques to hedge such exposures, international bond, equity and currency markets, trade documentation, and international capital budgeting.

**PREREQUISITE:** ECON3320, or Departmental approval.

**LEARNINGS OBJECTIVES:**

Upon successful completion of the course, students are able to

- Compare and contrast the operations of pure domestic vs. multinational firms.
- Understand the basic history and facts about the international financial system.
- Understand the basics of balance of payment (BOP).
- Understand the fundamentals and functions of foreign exchange markets.
- Apply international parity conditions in foreign exchange rate forecasting.
- Employ foreign exchange derivatives to hedge foreign exchange exposures.
- Understand the basics of global equity and debt markets.
- Understand the basics of international trade finance.

**REQUIREMENTS**

The final course grade will be based on your performance on homework assignments, and the exams, using the weights shown below:

	Weight (%)
Attendance & participations	5%
Homework	15%
4 exams @20% each	80%

A: 90% or up
B: 80 – 89%
C: 70 – 79%
D: 60 – 69%
F: below 60%

- **Attendance & Participation:** Attendance will be taken randomly throughout the semester through either roll calls or impromptu quizzes.
- **Exams:** Exams will be non-comprehensive. Details regarding formats and types of questions will be discussed in class.
- **Homework assignments:**
  - Up to ten (10) assignments will be given.
  - All assignments are to be submitted online at Bb Assessments/Assignments portal.
  - Typed assignments are preferred, but scanned handwritten assignments are acceptable. However, handwriting must be neat and legible.
  - Late assignments are accepted with 50% credit. Late assignments must be **handwritten**. The reason is that solutions to all problems will be posted on Bb prior to each exam.
  - See Course Calendar/Outline for due dates and other details.

**MAKE-UP POLICY:** Make-up exams will only be considered on a case-by-case basis.

## **DROP POLICY**

To drop this class, please contact the Registrar's Office to initiate the drop process. If you cannot complete this course for whatever reason, please contact me. If you do not, you are at risk of receiving an "F" for the course. Drop/Withdrawal deadline is **Friday, Oct. 29, 2021**.

## **ACCOMMODATIONS POLICY**

The University is committed to providing reasonable accommodations and auxiliary services to students, staff, faculty, job applicants, applicants for admissions, and other beneficiaries of University programs, services and activities with documented disabilities in order to provide them with equal opportunities to participate in programs, services, and activities in compliance with sections 503 and 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA) of 1990 and the Americans with Disabilities Act Amendments Act (ADAAA) of 2008. Reasonable accommodations will be made unless it is determined that doing so would cause undue hardship on the University. Students requesting an accommodation based on a disability must register with the [UTEP Center for Accommodations and Support Services](#).

## **SCHOLASTIC INTEGRITY**

Academic dishonesty is prohibited and is considered a violation of the UTEP Handbook of Operating Procedures. It includes, but is not limited to, cheating, plagiarism, and collusion. Cheating may involve

copying from or providing information to another student, possessing unauthorized materials during a test, or falsifying research data on laboratory reports. Plagiarism occurs when someone intentionally or knowingly represents the words or ideas of another as ones' own. Collusion involves collaborating with another person to commit any academically dishonest act. Any act of academic dishonesty attempted by a UTEP student is unacceptable and will not be tolerated. All suspected violations of academic integrity at The University of Texas at El Paso must be reported to the Office of Student Conduct and Conflict Resolution (OSCCR) for possible disciplinary action. To learn more HOOP: Student Conduct and Discipline.

## **UTEP COVID STATEMENT**

*If you have tested positive for COVID-19, you are encouraged to report your results to [covidaction@utep.edu](mailto:covidaction@utep.edu) , so that the Dean of Students Office can provide you with support and help with communication with your professors. It is important to follow all instructions that you receive as part of the diagnosis, including isolation and staying at home until a negative test is produced.*

*If you experience COVID-19 symptoms, please follow the isolation protocol by staying at home and getting tested as soon as possible. If the test is negative but you are still seeking accommodations, please contact the Dean of Students Office for guidance in a timely manner. Your instructor will work with the Dean of Students Office to determine the extent of any such accommodations.*

*We strongly encourage you to think and act proactively in all matters related to COVID-19 and your academic endeavors. The Center for Disease Control and Prevention recommends that people in areas of substantial or high COVID-19 transmission wear face masks when indoors in groups of people. The best way that Miners can take care of miners is to get the vaccine. If you still need the vaccine, it is widely available in the El Paso area, and will be available at no charge on campus during the first week of classes. For more information about the current rates, testing, and vaccinations, please visit [epstrong.org](http://epstrong.org).*

## **CAMPUS CARRY**

Persons who hold a Concealed Handgun License can lawfully carry their gun into a UTEP classroom as long as it remains concealed. Open carry remains prohibited on campus. Should you feel someone is intentionally displaying a gun (or any other weapon for that matter), do not hesitate to call Campus Police (X 5611) or 9-1-1. For more information on campus carry, see <http://sa.utep.edu/campuscarry/>; for more information on overall campus safety, see <http://admin.utep.edu/emergency>.

**FIN 4325 INTERNATIONAL FINANCE**  
**Course Calendar and Outline**  
 (Tentative and subject to change by the professor)

**Important dates**

- Friday, 10/29/2021: drop/withdrawal deadline.
- Exams: 9/08, 10/04, 10/27, 12/06.
- All homework assignments are due at or before 11:59 pm on the due dates. See below for the specific due dates.
- Submit all homework assignments via Blackboard. Late homework is accepted at 50% of max scores.

Week	Date/Day	Topics/Activities	Assignments
Week 1	8/23 M	Ch1 Intro to international finance	Read the chapters in details. No homework assignments need to be turned in
Week 2	8/25 W	Ch2: The international monetary system	
	8/30 M	Ch3: Balance of payments	
Week 3	9/01 W	Ch4: Financial goals & corporate governance	
	9/06 M	<b>Labor Day – no class</b>	
	9/08 W	<b>Exam 1:</b> ch1-4	
Week 4	9/13 M	Ch5: The Forex market	Ch5: #3,4,7,9,10,19,20 (p.147-150) <b>due</b> 9/19, 11:59pm
Week 5	9/15 W	Ch6: International parity conditions	Ch6: # 2-11 (p.176-178); <b>due</b> 9/26, 11:59 pm
	9/20 M		
Week 6	9/22 W	Ch7: Forex derivatives: futures & options	Ch7: # 1-8 (p.209-210); <b>due</b> 10/03, 11:59 pm
	9/27 M		
	9/29 W		
Week 7	10/04 M	<b>Exam 2:</b> ch5-7	Ch5-7 late homework due 8:00am, 10/04
Week 8	10/06 W	Ch8: Interest rate risk & swaps	Ch8: # 5,6,14,15,16 (243-246); <b>due</b> 10/12, 11:59pm
	10/11 M	Ch9: Forex rate determination & intervention	Ch9: (handout); <b>due</b> 10/19, 11:59 pm
Week 9	10/13 W		
Week 10	10/18 M	Ch10: Transaction exposure	Ch10: #7,10,12,15,16,18 (p.309-313); <b>due</b> 10/31, 11:59pm
	10/20 W		
	10/25 M		
	10/27 W		
Week 11	11/01 M	<b>Exam 3:</b> ch8-10	Ch8-10 late homework due 8:00am, 11/01
Week 12	11/03 W	Ch12: Operating exposure	Ch12: # 5, 8 (p.375) <b>due</b> 11/09, 11:59pm
	11/08 M	Ch13: Global cost & availability of capital	Ch13: # 1,2,6,8,9 (p.411-414) <b>due</b> 11/16, 11:59pm
Week 13	11/10 W		
Week 14	11/15 M	Ch14: Funding the multinational firms	Ch14: # 1,4,6,8 (447-448) <b>due</b> 12/23, 11:59pm
	11/17 W		
Week 15	11/22 M	<b>Day before Thanksgivings</b> Ch16: International trade finance	Ch16: # 2,3,4,5,7,8 (508-509) <b>due</b> 12/05, 11:59pm
	11/24 W		
	11/29 M	Last day of class	
	12/01 W		
	12/06 M	<b>Exam 4: 1:00 – 2:20 pm;</b> ch12-14 & ch16	Ch12-14, 16 late homework due 8:00am, 12/06