

Department: Business Administration		Program: MBA	
Course Name	International Finance	Course Code	FIN 622
Pre-requisite	Not Applicable	Credit Hours	3

Brief Description

- The course provides students with a thorough understanding of Financial Management in an international setting, with an emphasis both on micro and macro aspects of financial management. This is achieved through comprehensive coverage of topics including current multinational financial challenges, ownership and governance of the corporation, the international monetary system, the balance of payments, recent international financial and sovereign debt crises, the foreign exchange market, international parity conditions, currency derivatives, exchange rate determination and forecasting, foreign exchange risk exposures and management, the global cost of capital, international debt and equity financing, international working capital management and capital budgeting, international portfolio theory and foreign direct investment.

Course Objectives

After completion of this course the student will be able to:

- Demonstrate an understanding of both the macro and micro aspects of international financial management
- Apply tools of international financial management to solve and manage issues facing the corporation and an open economy
- Demonstrate analytical and computational skills necessary to face the challenges in the world of international financial management
- Demonstrate critical thinking skills in evaluating finance cases and interpreting the findings of empirical studies conducted in the areas of international finance
- Access and analyze the international monetary system and issues arising from exchange rates
- Discuss the challenges in managing an international portfolio

Course Learning Outcomes

- Distinguish between concepts, principles, and theories of International Finance
- Apply the concepts, principles, and theories in different International Finance situations
- Demonstrate written communication skills in International Finance
- Have oral communication skills in International Finance
- Have skills of using computer applications in International Finance
- Have scientific research skills in the field of International Finance
- Have the skills of critical thinking and analysis in the fields of International Finance

<ul style="list-style-type: none"> ➤ Have the skills in strategic thinking and finding solutions in International Finance ➤ Believe, and practice sustainability in International Finance ➤ Have the skills of leadership, teamwork, and decision making in International Finance ➤ Have the ability to distinguish between ethical issues in International Finance ➤ Have the competence of social responsibility in the fields of International Finance ➤ Have the competence to deal with cultural diversity in International Finance situations
Course Topics
<ul style="list-style-type: none"> ➤ Current multinational financial challenges ➤ Ownership and governance of multinational corporations ➤ The international monetary system ➤ The balance of payments and international economic linkages ➤ Spot and forward foreign exchange markets ➤ Currency futures and options ➤ Currency and interest rate swaps ➤ International parity conditions ➤ Exchange rate determination and forecasting ➤ Foreign exchange risk management ➤ The global cost of capital and international capital budgeting ➤ International financing ➤ International portfolio management and foreign direct investment
Text Book
<ul style="list-style-type: none"> ➤ Eiteman, D., Stonehill, A., & Moffet, M. (2019). Multinational business finance, Tenth edition. Reading, MA: Addison-Wesley, Pearson.
Additional References
<ul style="list-style-type: none"> ➤ Moosa, I. A. (2010). <i>International Finance: An Analytical Approach</i>. 3rd edition. Sydney McGraw Hill. ➤ Shapiro, A. C. (2019). Multinational financial management (seventh edition). New York John Wiley & Sons ➤ Moosa, I.A., Bhatti, R.H., 2010. The Theory and Empirics of Exchange Rates. World Scientific, Hackensack (New Jersey) ➤ Moosa, I. A. and Bhatti, R. H. (1997) International Parity Conditions: Theory Econometric Testing and Empirical Evidence, St. Martin's Press, New York.
Online Resources
<ul style="list-style-type: none"> ➤ Journal Articles on international parity conditions and exchange rate determination. ➤ https://hbsp.harvard.edu/product/4194-PDF-ENG?itemFindingMethod=Collections ➤ https://www.hbs.edu/faculty/Pages/item.aspx?num=36697 ➤ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2974474

📌 Bloomberg Data Terminal.

Course Outline

Week	Hours	Topics	Remarks
1	3	Current multinational financial challenges	
2	3	Ownership and governance of the corporation	
3	3	The international monetary system	
4	3	The balance of payments and international economic linkages	
5	3	The foreign exchange market	
6	3	International parity conditions	
7	3	International parity conditions	
8	3	Midterm exam	
9	3	Exchange rate determination and forecasting	
10	3	Currency futures and options	
11	3	Foreign exchange risk management	
12	3	The global cost of capital and international capital budgeting	
13	3	International financing	
14	3	International portfolio management and foreign direct investment	
15	3	Project Presentations	

Measurement and Assessment Tools

Assessment Tools	Grades	Week	Knowledge	Skills						Values				
			Identify and apply	Written	Oral	Information Technology	Research	Critical thinking	Strategic thinking	Sustainability	Leadership	Ethics	Corporate Social responsibility	Cultural diversity
Midterm Exam	20	9	X											
Case Study	10	12		X				X	X	X	X	X	X	X
Project	20	15		X		X	X	X	X	X	X	X	X	X
Presentation	10	15			X	X								
Final Exam	40	TBD	X											
Total	100													

Submission of solution for two finance cases on cost of capital estimation and economic value added: as Group Ariel S.A.: Parity Conditions and Cross-border valuation (4914, April 19, 2010)

Approved by Department Chair	Date of Approval

Additional Information: Updated every Semester by Course Instructor	
Course Instructor	
Department	
Phone No.	
Extension No	
Email	