



Khwaja Fareed University of Engineering & Information Technology, RYK

Institute of Business Administration

Course Outline

International Finance MSCI - 4135 (3 Credit Hours)

Pre-Requisite:	None
Course Type:	International Finance
Theory/Lab:	Theory
Program:	BBA, BS-Accounting and Finance
Total Lectures:	32

Course Objectives

As the world has become more integrated due to deregulation of financial markets, product innovation and technology, capital markets have kept pace with this integration. The study of international nance has therefore become essential and builds upon the understanding of theoretical concepts of nance and their adaptation to the international context. The course also helps students examine the current economic landscape through topical discussions of current economic and political development and their impact on international nance.

Overall Grading Policy

Assessment Items	Percentage
Quizzes	5%
Assignments	20%
Midterm Exam	25%
Final Exam	50%

Reference books:

- Stevens G (2013), 'The Australian Dollar: Thirty Years of Floating', Speech to the Australian Business Economists' Annual Dinner, 21 November
- "Exchange Rates and International Finance" by Laurence Copeland, Pearson, Current (6th) Edition (Note: Edition after 4th is perfectly fine)

Administrative Instructions

- According to institute policy, 75% attendance is mandatory to appear in the final examination.
- In any case, there will be no retake of (scheduled/surprise) quizzes.
- For queries, kindly follow the office hours in order to avoid an

LMS Usage

Students are required to visit LMS Course portal regularly for latest course information, important notifications regarding lectures, Quizzes, homework/assignments etc.

Lecture Breakdown		
Week	Topics	Activity
Week 1	Introduction to International Finance • Introductions, student interests, relevant prior coursework & experience • Course map, format, required work and assessments • Review of research paper guidelines – detailed guidelines posted in this syllabus • Required Reading: Globalization and the Multinational Firm.	
Week 2, 3	International Monetary System & Balance of Payments • Historical perspectives of the International Monetary System • Gold standard • Exchange rate regimes – pegs, xed, oating, currency boards, etc. • The Euro and European Monetary System • Historical currency crises Balance of Payments	Assignment 1
Week 4	Foreign Exchange Markets & Exchange Rate Determination • Function & structure of the foreign exchange market • Spot & forward rate determination • Interest rate parity • Foreign exchange futures & options	Quiz 1
Week 5	Foreign Exchange Exposure and Management • Management of Transaction Exposure • Management of Economic Exposure • Management of Translation Exposure	Quiz 2
Week 6,7	World Financial Markets & Institutions - Part 1 • International Banking and Money Market • International Bond Market • Research paper 1st status updates	
Week 8	World Financial Markets & Institutions - Part 2 • International equity markets • Interest Rate and Currency Swaps	Assignment 2
Mid Term Examination		
Week 9, 10	International Portfolio Investment • International diversification & portfolio risk reduction • Evaluation of risks & opportunities • Effects of Changes in the Exchange Rate • Home Bias	
Week 11, 12	Financial Management of a Multinational Firm - Part 1 • Foreign Direct Investment and Cross-Border Acquisitions • International Capital Structure and the Cost of Capital • Research paper 2nd status updates	Assignment 3
Week 13	Financial Management of a Multinational Firm - Part 2 • International Capital Budgeting • Multinational cash management	Quiz 3
Week 14	International Trade & Taxation • International Trade Finance • International tax environment and transfer pricing • International corporate governance	

Week 15	International Monetary Fund • IMF • Funding and Sources in International Environment Strategies for International Business	
Week 16	Research Paper Presentations Research Paper Presentation	