

SUBJECT TEACHING GUIDE

G914 - International Finance

Degree in Business Administration and Management

Academic year 2019-2020

1. IDENTIFYING DATA					
Degree	Degree in Business Administration and Management			Type and Year	Optional. Year 4
Faculty	Faculty of Economics and Business Studies				
Discipline	Subject Area: Applied Finance				
Course unit title and code	G914 - International Finance				
Number of ECTS credits allocated	6	Term	Semester based (1)		
Web					
Language of instruction	Spanish	English Friendly	Yes	Mode of delivery	Face-to-face

Department	DPTO. ADMINISTRACION DE EMPRESAS				
Name of lecturer	CARLOS LOPEZ GUTIERREZ				
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Other lecturers					

3.1 LEARNING OUTCOMES

- Being able to analyze the parity of the different currencies
 - To know the mechanisms of hedging and be able to apply them in practice
 - To know the implications of the existence of international financial markets
 - Implement asset pricing models internationally
 - To understand the effect the international activity has on investment and financing decisions

4. OBJECTIVES

The main goal of the course is to interpret the concepts and models of financial theory in the context of international relations and analyze practical situations in foreign exchange risk management. Specifically, we study the currency market, international parity conditions and interest rate and exchange risk and alternatives for hedging. Besides international capital markets and the influence of international environment exerts on investment and financing decisions.

6. COURSE ORGANIZATION

CONTENTS

1	<p>PART I: FOREIGN EXCHANGE MARKET AND EXCHANGE RATES</p> <p>1.- THE FOREX ORGANIZATION Forex main characteristics Alternative Exchange rates systems Exchange Rates Parity conditions in international finance</p> <p>2.- HEDGING AND RISK MANAGEMENT Interest rate risk management Exchange risk management</p>
2	<p>PART II: INTERNATIONAL CORPORATE FINANCIAL DECISIONS</p> <p>3.- INTERNATIONAL FINANCIAL MARKETS Financial globalization Listing in foreign stock exchanges International portfolio management Risk and return in financial international investments</p> <p>4.- FINANCING THE INTERNATIONAL BUSINESS Public funds for international investment projects International financing sources International cost of capital (WACC)</p> <p>5.- FOREIGN INVESTMENT ANALYSIS International firms Valuation of international investments Country risk</p>

7. ASSESSMENT METHODS AND CRITERIA

Description	Type	Final Eval.	Reassessn	%
Practical work in group	Work	No	Yes	30,00
Assessment activities in class	Work	No	No	10,00
Midterm exam (part I)	Written exam	No	Yes	30,00
Final exam	Written exam	Yes	Yes	30,00
TOTAL				100,00

Observations

The course is designed to follow an approach of continuous assessment throughout the semester, so that the continued attendance is necessary. Daily control assistance will be made, although the mere attendance is not part of the evaluation.

All partial qualifications, if successfully overcome, will form the final grade for the course, be necessary to obtain at least 5 points rating of 10.

The following conditions of evaluation are required

- You must submit all proposed group work, obtaining a minimum score of 5 out of 10. This part can only be recovered in the second call (in september). Attendance to class will be compulsory for those practices that take place in the computer classroom. The individual qualification of each student in this section will be obtained considering the co-evaluation carried out among all the members of the group at the end of the subject.
- You need to make at least 75% of activities to do in class to be rated in this section (this is a non-recoverable part).
- You need more than 4 out of 10 possible points in each of the individual exams.

To carry out the work throughout the semester students will form groups during the first two weeks of school .

The first day of class all the details related to the evaluation, the formation of groups and the necessary considerations to pass the subject will be explained. The students will have detailed instructions that will develop what is established in this teaching guide.

Students who fail the course in the first call will conduct a review in the second call (in september) to retrieve all unsurpassed parties (all that have not reached a mark of 5 points). The grades of practical work in groups, evaluation activities in class and partial exams saved for this second call in the same terms as in the first call.

Observations for part-time students

Part-time students should contact the teacher in the first two weeks of class to analyze their situation. If they wish, they can follow the continuous evaluation with the same requirements as the rest of the students. Otherwise, they will be able to pass the subject obtaining more than 5 in a specific theoretical-practical final exam on all the contents of the course.

8. BIBLIOGRAPHY AND TEACHING MATERIALS

BASIC

- MARTÍN MARÍN, J.L.; TÉLLEZ VALLE, C. (2014): Finanzas internacionales. Thomson.
- EITEMAN, D.; STONEHILL, A. Y MOFFET, M. (2011): Las finanzas en las empresas multinacionales. Pearson Educación. 12ª edición
- DURÁN HERRERA, J.J.; GALLARDO OLMEDO, F. (2013): Finanzas internacionales para la empresa. Pirámide.
- GARCÍA ESTÉVEZ, P.; DÍEZ DE CASTRO, L. (2009): Mercados financieros internacionales. Delta publicaciones.
- LOPEZ LUBIAN, F.J. (2006): Finanzas en mercados internacionales, McGrawHill.

