

## SUBJECT TEACHING GUIDE

G914 - International Finance

Degree in Business Administration and Management

Academic year 2020-2021

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

- Manage exchange rates in Foreign exchange markets
- 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 objective of the course is to provide the student with the necessary instruments to interpret the concepts and models of Financial Theory in the context of international relations and to analyze practical situations in exchange rate risk management .

Specifically, the student will be able to understand the Foreign Exchange Market, international parity relationships and interest rate and exchange rate risk, and the alternatives for hedging them. In addition, we will study the fundamental concepts of international capital markets and the influence that this environment has on the company's investment and financing decisions.

#### 6. COURSE ORGANIZATION

##### CONTENTS

#### 1 PART I: FOREIGN EXCHANGE MARKET AND EXCHANGE RATES

##### 1.- THE FOREX ORGANIZATION

Forex main characteristics

Alternative Exchange rates systems

Exchange Rates

Parity conditions in international finance

##### 2.- HEDGING AND RISK MANAGEMENT

Interest rate risk management

Exchange risk management

#### 2 PART II: INTERNATIONAL CORPORATE FINANCIAL DECISIONS

##### 3.- INTERNATIONAL FINANCIAL MARKETS

Financial globalization

Listing in foreign stock exchanges

International portfolio management

Risk and return in financial international investments

##### 4.- FINANCING THE INTERNATIONAL BUSINESS

Public funds for international investment projects

International financing sources

International cost of capital (WACC)

##### 5.- FOREIGN INVESTMENT ANALYSIS

International firms

Valuation of international investments

Country risk

## 7. ASSESSMENT METHODS AND CRITERIA

Description	Type	Final Eval.	Reassessn	%
Practical work in group	Work	No	Yes	30,00
Continuous assessment activities	Others	No	No	10,00
Midterm exam (Exam Part I)	Written exam	No	Yes	30,00
Final exam (Exam Part II)	Written exam	Yes	Yes	30,00
<b>TOTAL</b>				<b>100,00</b>

### Observations

The course is designed to follow an approach of continuous assessment throughout the semester, so that continued attendance and completing intermediate tasks are 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. 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 continuous assesment activities 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 to retrieve all unsurpassed parties (all that have not reached a mark of 5 points). The grades of practical work in groups, evaluation activities 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 assesment 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.

