



FIN 41313: International Finance

Level: 4000

Number of Credits : 03

Course Description

International finance focuses on the theory of international finance and its applications. Managing businesses either directly or indirectly exposed to global competition requires knowledge of international financial markets. This course provides conceptual and practical insights about the international finance to manage the complexities of the international business activities and its impact on overall business environment.

Intended Learning Outcomes

At the end of the course, the student will be able to;

- Explain the concepts and theories in international finance,
- Identify the factors that contribute to global and regional financial stability, financial opportunities and prosperity,
- Assess the financial risks associated with globally active firms,
- Develop international financing strategies in the global markets.

Teaching/Learning Methods

Lectures, Group discussions, Workshops and Seminars

Methods of Assessment

In-course Assessments	: 30%
End Semester Examination	: 70%

Course Contents

1. Introduction to International Finance
Unique dimensions of International Finance, the benefit of studying International Finance, the growing importance of international finance, how firms engage in International Business
2. The international monetary systems
Market participants and market functions, exchange rate quotations,
3. International Financial Markets and Environment
International Credit and Money Markets, International Bond Market, International Equity Markets
4. Foreign Exchange Market
Balance of payments, Market players, Spot rates, forward rates and foreign exchange swaps, models of foreign exchange market, interest rate parity, real monetary assets, interest rates and exchange rates
5. Foreign Exchange Exposure
Transaction Exposure, Translation Exposure and Economic Exposure, Measuring Exposure to Exchange Rate Fluctuations, Foreign currency
6. International Investment and Financing

Cash Management, Portfolio Investment, International Dimensions of Capital Budgeting

7. Instruments and Institutions of International trade
Extra dimensions of international trade, the financing of international trade, the institutions regulating international trade

Recommended Readings

1. Levi, M.D.(2010) International Finance(6th Edition): Taylor & Francis Group.
2. Madura, J.(2016) International Financial Management (11th Edition) Florida Atlantic University