

# INTERNATIONAL FINANCE

## INTRODUCTION

Given the current concept of a globalized world, this course is addressed to students keen on financial issues and, in particular, international finance. The main purpose of this course is to understand the financial system and to include an international perspective. In its duration of 45 hours, the course examines the determination of exchange rates and operation of exchange markets as well as firm's management of foreign exchange exposure, cash management, and capital budgeting. The development of International banking and political risk management will also be studied. Emphasis is also placed on the effects of globalization on financial crashes, financial regulation & market efficiency. An updated look to the dynamics of international entrepreneurship is also provided, focusing especially on developed countries and the role of female entrepreneurship. Students will acquire knowledge on the former topics by means of dynamic and practical examples, work projects and group discussions (i.e., essays, role playing, video, surveys, economic experiments; *Financial Times* press cuttings on selected controversial issues).

## LECTURERS (in alphabetical order):

Esther del Brio (PhD)

<http://diarium.usal.es/edelbrio/>

Arjola Mecaj

Associate Professor of Accounting and Finance.

## OBJECTIVES

By the end of this course, students will be able to

- 1- Develop an international perspective, which is necessary in today's global markets.
- 2- Develop a level of understanding and working with financial models.
- 3- Acquire the ability to comprehend the concepts of globalization and financial crisis.
- 4- Develop an understanding of risk management, necessary to understand the workings of the modern financial market.
- 5- Understand the procedures of international banking, entrepreneurship and regulation.

## SYLLABUS

1. Introductory financial issues and the international monetary system
2. Foreign Exchange and exposure measurement
  - Risk Management
3. Multinational Capital Budgeting and Foreign investment
4. International Financial Regulation.
5. Globalization and Financial crisis
6. International Banking
7. International Entrepreneurship

## BIBLIOGRAPHY

- BUCKLEY, A. (2012). International Finance; A practical perspective. Pearson.
- BUCKLEY, A. (2012). Financial Crisis. Causes, context and consequences. Pearson.
- FINANCIAL TIMES* (2007-2013). Press cuttings.
- GEM 2012 Global Report.
- GRATH, A. (2008). The Handbook of International Trade and Finance: The Complete Guide to Risk Management, International Payments and Currency Management, Bonds and Guarantees, Credit Insurance and Trade Finance
- HUGHES, J. & MacDONALD (2001). International Banking. Pearson
- PHYLAKTIS, K. & M. PRADHA (1990). International finance and the less developed countries. London : Macmillan.
- PILBEAM, K. (2006). International Finance: Third Edition

## EVALUATION PROCEDURE

Course evaluation will be based upon the following scheme:

Class participation, debates, case discussions, etc.	40%
Group assignments (written and oral presentation)	20%
Final exam	40%
Total	100%

Additionally, at the end of the course, an attendance certificate will be issued upon a minimum attendance of 90% of the sessions.