Texas A&M University-Corpus Christi
College of Business
Course Syllabus

Course Number: FINA 4315
Course Number: International Finance
Instructor: Dr. Swint Friday–OCNR-316
Dr. Eugene Bland–OCNR-326
Dr. Armand Picou – OCNR-374
Phone: Dr. Swint Friday (361) 825-2498
Dr. Eugene Bland (361) 825-2829
Dr. Armand Picou (361) 825-3927
Office Hours: TR: 11:00am-12:30pm & 3:15-3:30pm; W: 3:50-4:20pm & 6:50-7:50pm or by appointment

Required Materials:
2. Financial Calculator

Course Description:
A study of the institutions and relationships of the international financial system as it relates to the balance of payments, foreign exchange risk, arbitrage and the Eurocurrency market. The emphasis is on methods of arbitrage, forecasting exchange rates, and hedging against foreign exchange risk.

Prerequisites: ECON 2301, ECON 2302, FINA 3310, and Junior Standing or above.

Relationship to Other Coursework:
This course is a Finance requirement. It emphasizes the problems and opportunities specific to corporations with international operations, and presumes a working knowledge of the principles of corporate finance as discussed in FINA 3310 as well as the underlying economic principles covered in ECON 2301 and 2302.

Learning Objectives:
By the end of this course, student will be able to:
- Understand the international financial environment and the role of the currency markets.
- Understand and explain currency exchange rate behavior.
- Know methodologies for managing exchange rate risk.
- Perform long-term asset and liability management analysis.
- Perform short-term asset and liability management analysis.

Instructional Methodology:
Lectures are supplemented by class discussion, handouts, questions and answer sessions, computer presentations and videos combined with group projects.

Performance Evaluation, Grading and Course Policies:
Test materials come from lecture notes, the text, assigned readings, homework, and class discussion. Test format is multiple choice, multi-part problem solving, and discussion. Questions emphasize understanding and application of concepts and topics covered. Exams are closed book. To protect the integrity of test banks,
exams are not returned. However, exams are available for review in my office during scheduled office hours for two weeks after the exam.

Grades will be assigned based on the following weights:

- Exam 1: 25%
- Exam 2: 25%
- Exam 3: 25%
- Final Exam: Replaces missed exam grade
- Project: 10%
- Exercises: 15%

The standard alphabetical grading scale is employed:

- A: 90 – 100
- B: 80 – 89.9
- C: 70 – 79.9
- D: 60 - 69.9
- F: 0 - 59.59

Test dates are announced one week prior to the exam date. No early or make-up exams are administered. If you miss an exam, notify me in advance and provide comprehensive documentation from the appropriate entity within one week of the exam that the absence was an excused University activity, severe illness, or emergency. If these conditions are met, you will take a cumulative final exam to replace the exam you missed. Otherwise, you receive a zero for the exam.

Assignments are due at the beginning of the class on their due. Late assignments are penalized 20 percentage points for each day that they are late.

I expect everyone to follow all rules of common courtesy during classroom lecture and discussion. The presence of cell phones and pagers along with disruptive items or actions are prohibited in the classroom. If a pattern of disruptive behavior persists, action will be taken to have the disruptive party removed from the course.

Oral and Written Communication Requirements:
Effective written communication is also necessary for exams. Students are expected to participate actively in class discussion of the topics and issues covered in the course, and will be rewarded through their class participation grade for doing so.

Technological Applications:
Students are required to use computer applications, computer databases, and online information services for this course.

Ethical Perspectives:
Ethics in the context of international finance and business is addressed. Significant discussion is directed towards the similarities and differences in ethical belief systems across cultures and international boundaries. Students will be asked to question why they hold the specific set of ethical beliefs they do and if economic advantages exist for certain ethical beliefs.

Global Perspectives and Diversity:
By description, this course is a global course dealing with diversity in its broadest sense. As even small to mid-size firms are now involved in multinational trade and operations, corporate finance is a global activity. The primary focus of this course is on the international aspects of corporate financial management.
Political, Social, Legal, Regulatory, and Environmental Perspectives:
The course will consider the structure, laws and regulation of financial markets and economic systems.

Attendance Policy:
Attendance is required and is reflected in the student’s participation grade. Every student is responsible for their homework assignments, lecture notes, handouts, and exams. Excuses are not accepted unless a student gains prior permission for missing a class, assignment, or exam. Gaining class notes for missed classes from other students is encouraged. The student is responsible for collecting all handouts and assignments from the professor for all classes that are missed. Excessive absences will result in lower grades.

Grade Appeals
As stated in University Rule 13.02.99.C2, Student Grade Appeals, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Rule 13.02.99.C2, Student Grade Appeals, and University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible at http://www.tamucc.edu/provost/university_rules/index.html. For assistance and/or guidance in the grade appeal process, students may contact the Office of Student Affairs.

Dropping a Class
I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. April 11, 2014 is the last day to drop a class with an automatic grade of “W” this term.

Assurance of Academic Integrity
Students may be asked to redo any portion of the class assignments and exams in a proctored environment which may employ the use of a webcam. Should the grade be more than one letter grade lower than the original grade, no credit will be given for the work and the grade for the audited work will be replaced with the score of the comprehensive final exam, which will then be given in a proctored location. Should the final exam be audited, the lower grade will count in calculating the course grade.

Disabilities Accommodations
The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in CCH 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

Major Field Test
The Major Field Test (MFT) is required for all students pursuing the Bachelor of Business Administration degree and will be administered in the MGMT 4388 course, “Administrative Policy and Strategy.” To prepare for this test, business majors are advised to retain their class notes, textbooks, and other relevant materials from this class and the other business core courses. Students will enroll in BUSI 0088 “MFT Review” (concurrently with MGMT 4388) during their final semester; this online course should fine-tune their readiness for the MFT
by encouraging them to complete the online MFT review materials and required quizzes available on the course Blackboard learning modules.

FINA 4315 Preliminary Schedule Spring 2014

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>COVERAGE</th>
<th>FROM</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>PART 1  The International Financial Environment</td>
<td>1.50</td>
<td>Thursday, January 23, 2014</td>
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<tr>
<td>2. International Flow of Funds.</td>
<td>2.50</td>
<td>Tuesday, January 28, 2014</td>
<td>Thursday, January 30, 2014</td>
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<tr>
<td>3. International Financial Markets.</td>
<td>2.50</td>
<td>Tuesday, February 04, 2014</td>
<td>Thursday, February 06, 2014</td>
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<td>Appendix 3. Investing in International Financial Markets.</td>
<td>2.00</td>
<td>Tuesday, February 11, 2014</td>
<td>Thursday, February 13, 2014</td>
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<td>4. Exchange Rate Determination.</td>
<td>2.50</td>
<td>Tuesday, February 18, 2014</td>
<td>Thursday, February 20, 2014</td>
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<td>5. Currency Derivatives.</td>
<td>2.50</td>
<td>Tuesday, February 25, 2014</td>
<td>Thursday, February 27, 2014</td>
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<td>PART 1I Exchange Rate Behavior</td>
<td>1.50</td>
<td>Tuesday, March 04, 2014</td>
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<td><em><strong><strong>Exam 1</strong></strong></em> (Chapters 1 - 5)</td>
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<td>Thursday, March 06, 2014</td>
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<td>PART 1I I Exchange Rate Behavior</td>
<td>7. International Arbitrage and Interest Rate Parity.</td>
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<td>Tuesday, March 11, 2014</td>
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<td>PART 1I I I Exchange Rate Risk Management</td>
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<td>Thursday, March 27, 2014</td>
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<td>9. Forecasting Exchange Rates.</td>
<td>2.50</td>
<td>Tuesday, April 01, 2014</td>
<td>Thursday, April 03, 2014</td>
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<td>10. Measuring Exposure to Exchange Rate Fluctuations.</td>
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<td>Tuesday, April 08, 2014</td>
<td>Thursday, April 10, 2014</td>
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<td>PART 1IV Long-Term Asset and Liability Management</td>
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<td>Tuesday, April 15, 2014</td>
<td>Thursday, April 17, 2014</td>
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<td>13. Direct Foreign Investment.</td>
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<td>Tuesday, April 15, 2014</td>
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<td>16. Country Risk Analysis.</td>
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<td><em><strong><strong>EXAM 2</strong></strong></em> (Chapters 6 - 10)</td>
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<td>PART V Short Term Asset and Liability Management</td>
<td>17. Capital Budgeting</td>
<td>2.50</td>
<td>Thursday, April 24, 2014</td>
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<td>19. Financing International Trade.</td>
<td>2.50</td>
<td>Tuesday, April 29, 2014</td>
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<td>21. Appendix - Investing in a Portfolio of currencies.</td>
<td>1.50</td>
<td>Thursday, May 01, 2014</td>
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<td>Project Presentations</td>
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<td>Thursday, May 01, 2014</td>
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<td><em><strong><strong>EXAM 3</strong></strong></em> (Chapters 13 - 21)</td>
<td>1.50</td>
<td>Tuesday, May 06, 2014</td>
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<td><em><strong><strong>FINAL EXAM</strong></strong></em></td>
<td>2.50</td>
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***Subject to change

Spring Semester 2014

January 20, Monday Martin Luther King, Jr. Holiday
January 22, Wednesday Classes begin
January 29, Wednesday Last day to register or add a class
March 10-14, Monday-Friday Spring Break
April 11, Friday Last day to drop a class
May 5, Monday Last day to withdraw from the University
May 6, Tuesday Last day of classes