

<b>Dr. H. Swint Friday, PhD. CFP.</b>	
<b>TR 12:30- 1:45 PM</b>	<b>Office: OCNR-316</b>
<b>SPRING 2015</b>	<b>Office Hours: TR 1:00-2:00 PM</b>
<b>E-Mail: Swint.Friday@tamucc.edu</b>	<b>TR 3:15 – 4:00 PM</b>
<b>Office Telephone: 361-825-2498</b>	<b>T: 6:00-7:00 P.M. &amp; 9:30-10:00 P.M.</b>
<b>Assistant: TBA</b>	<b>W: 6:00-7:00 P.M. &amp; 9:30-10:00 P.M.</b>
<b>Website: <a href="http://faculty.tamucc.edu/sfriday">http://faculty.tamucc.edu/sfriday</a></b>	<b>Online Appointments</b>

## MULTINATIONAL FINANCE FINA-5335

### Course Description:

A study of multinational financial management as viewed and practiced by the multinational firm. Emphasis will be placed on gaining an understanding of key concepts and decision areas of the multinational firm and their relationship with exchange markets. Prerequisites: FINA 5320.

### Required Materials:

1. International Financial Management, Current Edition, Eun & Resnick, Current Edition
2. Financial Calculator

**Prerequisites:** FINA 5320 or approval of Professor

### Relationship to Other Coursework:

This course emphasizes the problems and opportunities specific to corporations with international operations, and presumes a working knowledge of the principles of finance as discussed in FINA 5311 as well as the underlying principles covered in ACCT 5312 & ECON 5311.

### Learning Objectives:

1. Understand the international financial environment and the role of the currency markets.
2. Understand and explain currency exchange rate behavior.
3. Understand the functions of the markets and institutions that facilitate international trade and the flow of currencies around the globe.
4. Know methodologies for managing exchange rate risk.
5. Perform long-term asset and liability management analysis.
6. Perform short-term asset and liability management analysis.

### Major Course Requirements:

FINA 5320

### Recommended or Supplemental Reading:

Students are responsible for checking updated materials and reading articles posted on the faculty website at <http://faculty.tamucc.edu/sfriday/wordpress/>

**Websites:**

Black Board: <https://bb9.tamucc.edu/webapps/login/>

Supplemental Course Materials: <http://faculty.tamucc.edu/sfriday/wordpress/>

**List of Supplies:**

1. Financial Calculator
2. Notebook Computer
3. Access to Internet, word processing, and spreadsheet programs

**State Adopted Proficiencies/TEXES competencies (COE)**

**Course Policies**

**Academic Integrity/Plagiarism:**

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one's own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in FAILURE and Censure.

**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. **November 6<sup>th</sup>, 2015** is the last day to drop a class with an automatic grade of "W" this term.

**Preferred methods of scholarly citations- APA/MLA**

**Classroom/professional behavior:**

Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor's ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

**Statement of Civility (can be in place of classroom/professional behavior):**

Texas A&M University-Corpus Christi has a diverse student population that represents the population of the state. Our goal is to provide you with a high quality educational experience that is free from repression. You are responsible for following the rules of the University, city, state and federal government. We expect that you will behave in a manner that is dignified, respectful and courteous to all people, regardless of sex, ethnic/racial

origin, religious background, sexual orientation or disability. Behaviors that infringe on the rights of another individual will not be tolerated.

### **Grade Appeals\*:**

As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, 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 Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at [http://www.tamucc.edu/provost/university\\_rules/index.html](http://www.tamucc.edu/provost/university_rules/index.html). For assistance and/or guidance in the grade appeal process, students may contact the Dean's office in the college in which the course is taught or the Office of the Provost.

### **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 Corpus Christi Hall 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.

### **Statement of Academic Continuity:**

In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University–Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.

### **Relationship to Other Coursework:**

This course provides an introduction to investment management issues, which complement the broader financial management issues discussed in FINA 5320. An understanding of the investment concepts is also useful for understanding related finance concepts including corporate finance, international finance, financial statement analysis and life in general.

### **Instructional Methodologies:**

Instructional techniques include lectures, student presentations, invited lectures, videotape, computer applications, class discussion, real-time securities trading, and use of electronic databases.

**Performance Evaluation, Grading, and Course Policies:**

Student success in this course is a function of their willingness to work. Those students that take the initiative to attend class on a regular basis, do all required assignments, and study a reasonable length of time for exams will do very well.

Exam 1	20%
Exam 2	20%
Exam 3	20%
Cumulative Final Exam	Replaces missed exams
Project	25%
Class Participation and Quizzes	15%

The standard alphabetical grading scale is employed where:

A	90 – 100	D	60 – 69.9
B	80 – 89.9	F	0 – 59.9
C	70 – 79.9		

I expect everyone to follow all rules of common courtesy during classroom lecture and discussion. The usage 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:**

Students are required to prepare formal written projects and oral presentations for the semester. 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. Written presentations must be prepared with word processing software and the use of computer graphics and computer-based visuals is encouraged. The semester project requires that students use computer databases and online information services.

**Ethical Perspectives:**

Securities analysis and trading may present ethical problems for both dealers and investors. While this course does not deal with securities law in depth, we will discuss such topics as insider trading securities manipulation and fiduciary responsibilities.

**Global Perspectives:**

Securities analysis and trading is a global activity. This course considers international diversification, foreign equity and debt and derivative securities markets, foreign currency trading, and international risk management.

**Diversity:**

Career opportunities for students of all ethnic backgrounds and genders are explored.



Dr. SWINT FRIDAY  
Professor of Finance  
College of Business

6300 OCEAN DRIVE, UNIT 5808  
CORPUS CHRISTI, TEXAS 78412  
OCNR-316- Phone: 361.825.2498

**Political, Social, Legal, Regulatory, and Environmental Perspectives:**

The course will consider the structure and regulation of securities markets to include the SEC, CFTC, and NASD.

**Attendance Policy:**

Class attendance is mandatory and will be recorded. Students will be rewarded through their class participation score. Every absence over 2 absences for night courses will result in a 3 point reduction in the final grade.

**Order of Topic Presentation:**

The course packet contains the readings to be reviewed for course presentation. The class may move at a faster or slower pace depending on how the presentations and discussion progress.

**Academic Honesty:**

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, forgery, or plagiarism (the presentation of the work of another as one's own work). The University policy of scholastic dishonesty will be strictly followed with no exceptions.

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at [www.cob.tamucc.edu](http://www.cob.tamucc.edu)). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

\*Required by SACS or HB2504

### FINA 5335 Assignment Schedule - Spring 2016 (Tentative)

Chapter	Topics	Lecture Time	Class Exercises****	Date
<b>PART I</b>	<b>Foundations of International Financial Management</b>			
	Course Syllabus			Thursday, January 21, 2016
1	Globalization and the Multinational Firm	1.50	APPENDIX 1A - ?'s 1 & 2	Thursday, January 21, 2016
4	Corporate Governance Around the World	1.50		Thursday, January 21, 2016
<b>PART II</b>	<b>The Foreign Exchange market, Exchange Rate Determination, and Currency Derivatives</b>			
5	The Market for Foreign Exchange	3.00	Probs. 1-10	Thursday, January 28, 2016
6	International Parity Relationships and Forecasting FX Rates	3.00	Probs. 1-11	Thursday, February 04, 2016
7	Futures and Options on Foreign Exchange	3.00	Probs. 1-12	Thursday, February 11, 2016
<b>**** EXAM 1 ****</b>		<b>3.00</b>	<b>Chapters 1,4,5,6,7</b>	<b>Thursday, February 18, 2016</b>
<b>PART III</b>	<b>Foreign Exchange Exposure and Management</b>			
8	Management of Transactions Exposure	1.00	Probs. 1-8	Thursday, February 25, 2016
9	Management of Economic Exposure	1.00	Probs. 1-3	Thursday, February 25, 2016
10	Management of Translation Exposure	1.00	Probs. 1-3	Thursday, February 25, 2016
<b>PART IV</b>	<b>World Financial Markets</b>			
11	International Banking and Money Market	1.50	Probs. 1-8	Thursday, March 03, 2016
12	International Bond Market	1.50	Probs. 1-3	Thursday, March 03, 2016
13	International Equity Markets	3.00	Probs. 1-2	Thursday, March 10, 2016
<b>SPRING BREAK</b>				<b>Thursday, March 17, 2016</b>
<b>**** EXAM 2 ****</b>		<b>3.00</b>	<b>Chapters 8,9,10,11,12,13</b>	<b>Thursday, March 24, 2016</b>
14	Interest Rate and Currency Swaps	3.00	Probs. 1-2	Thursday, March 31, 2016
15	International Portfolio Investment	1.50	Probs. 1-10	Thursday, April 07, 2016
<b>PART V</b>	<b>Financial Management of the Multinational Firm</b>			
16	Foreign Direct Investment and Cross-Border Acquisitions	1.50	?'s 5,6,10,13	Thursday, April 07, 2016
17	International Capital Structure and the Cost of Capital	1.50	Probs. 1-3	Thursday, April 14, 2016
18	International Capital Budgeting	3.00	Probs. 1-7	Thursday, April 14, 2016
21	International Tax Environment and Transfer Pricing	1.50	Probs. 1-5	Thursday, April 21, 2016
<b>**** EXAM 3 ****</b>		<b>3.00</b>	<b>Chapters 14,15,16,17,18,21</b>	<b>Thursday, April 28, 2016</b>
<b>Final Exam to replace any missed exams</b>		<b>3.00</b>		<b>See Final Exam Schedule</b>
<b>****Final Project Due****</b>				<b>TBA</b>
<b>Total Contact Hours</b>		<b>45.00</b>		
<b>Total Expected Outside Effort</b>		<b>90.00</b>		
<b>Total Expected Time Spent on Course</b>		<b>135.00</b>		