

INTERNATIONAL FINANCE – FINA 4315

FINA-4315.001	H. Swint Friday, Ph.D., CFP
TR 2:00-3:15 P.M.	Office: OCNR-316
FALL 2014	Office Hours: M 5:30-7:00 P.M.
E-Mail: Swint.Friday@tamucc.edu	M 7:00- 9:30 P.M.
Office Telephone: 361-825-2498	TR 1:00-2:00 P.M.
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Website: http://faculty.tamucc.edu/sfriday	Online Appointments

Course Description

FINA 4315, International Finance is a study of the major markets of international finance with focus on corporate financial planning and decision making in a multinational environment. Topics covered include measurement and management of exchange rate risk, financing international trade, short- and long-term asset and liability management, direct foreign investment, cost of capital, capital structure, and country risk analysis.

Learning Objectives

Students will be able to understand and apply findings from selected research on:

1. Understand the international financial environment and the role of the currency markets.
2. Understand and explain currency exchange rate behavior.
3. Know methodologies for managing exchange rate risk.
4. Perform long-term asset and liability management analysis.
5. Perform short-term asset and liability management analysis.

Major Course Requirements

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

Required or Recommended Readings

Textbook: International Financial Management, 12th 2015 Edition, Madura (ISBN: 9781133947837)

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 7th, 2014 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

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.

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.

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. 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.

Grades will be assigned based on the following weights:

Exam 1	25%
Exam 2	25%
Exam 3	25%
Final Exam –	Replaces missed exam grade
Semester Project	10%
Participation and Assignments	15%

The standard alphabetical grading scale is employed:

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

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.

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.

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 5 will result in a 5 point reduction in the final grade for MWF and TR classes.
- Every absence over 2 will result in a 5 point reduction in the final grade for classes that meet once a week.

Order of Topic Presentation:

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). 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 4315 Preliminary Schedule***

CHAPTER	COVERAGE	FROM	TO
PART 1 The International Financial Environment			
1. Multinational Financial Management: An Overview.	1.50	Thursday, August 28, 2014	Tuesday, September 2, 2014
2. International Flow of Funds.	2.50	Tuesday, September 2, 2014	Thursday, September 4, 2014
3. International Financial Markets.	2.50	Tuesday, September 9, 2014	Thursday, September 11, 2014
Appendix 3. Investing in International Financial Markets.	2.00	Tuesday, September 16, 2014	Thursday, September 18, 2014
4. Exchange Rate Determination.	2.50	Tuesday, September 23, 2014	Thursday, September 25, 2014
5. Currency Derivatives.	2.50	Tuesday, September 30, 2014	Thursday, October 2, 2014
PART 11 Exchange Rate Behavior			
6. Government Influence on Exchange Rates.	1.50	Thursday, October 2, 2014	
*****Exam 1***** (Chapters 1 - 5)	1.50	Tuesday, October 7, 2014	
PART 11 Exchange Rate Behavior			
7. International Arbitrage and Interest Rate Parity.	2.50	Thursday, October 9, 2014	Tuesday, October 14, 2014
8. Relationships between Inflation, Interest Rates, and Exchange Rates.	2.50	Thursday, October 16, 2014	Tuesday, October 21, 2014
PART 111 Exchange Rate Risk Management			
9. Forecasting Exchange Rates.	2.50	Thursday, October 23, 2014	Tuesday, October 28, 2014
10. Measuring Exposure to Exchange Rate Fluctuations.	2.50	Thursday, October 23, 2014	Tuesday, October 28, 2014
PART 1V Long-Term Asset and Liability Management			
13. Direct Foreign Investment.	2.50	Thursday, October 30, 2014	Tuesday, November 4, 2014
16. Country Risk Analysis.	2.50	Thursday, November 6, 2014	
*****EXAM 2***** (Chapters 6 - 10)	1.50	Tuesday, November 11, 2014	
PART V Short_Term Asset and Liability Management			
17. Capital Budgeting	2.50	Thursday, November 13, 2014	Tuesday, November 18, 2014
19. Financing International Trade.	2.50	Tuesday, November 18, 2014	Thursday, November 20, 2014
21. Appendix - Investing in a Portfolio of currencies.	1.50	Thursday, November 27, 2014	
Project Presentations	1.50		
*****EXAM 3***** (Chapters 13 - 21)	1.50	Tuesday, December 2, 2014	
*****FINAL EXAM*****	2.50	TBA	
***Subject to change	45.00		

FALL 2014 Calendar

Wednesday, August 20, 2014	Classes begin
Monday, September 1, 2014	Labor day Holiday
Wednesday, September 3, 2014	Last day to late register or add a class
Friday, November 7, 2014	Last day to drop a class
Thursday- Friday 11/27-11/28	Thanksgiving Holidays
Monday, December 1, 2014	Last day to withdraw from the University
Tuesday, December 2, 2014	Last day of classes
Wednesday, September 3, 2014	Wednesday Reading Day
Thursday- Friday 12/4-12/5	Final examinations
Tuesday, December 9, 2014	Last day to apply for December 2014 graduation
Saturday, December 13, 2014	Fall Commencement