



Course Name: International Finance

Course Number: BFN* 235

Credits: 3

Catalog description: : The international dimensions of finance; Topics include the international monetary system, foreign exchange markets, management of foreign exchange exposure and political risk, the financing of international trade, international financial markets, and capital budgeting techniques. This course builds upon the valuation methods developed in the prerequisite course in Finance.

Prerequisite, Corequisite, or Parallel: BFN*201

General Education Competencies Satisfied:

HCC General Education Requirement Designated Competency Attribute Code(s):

None

Additional CSCU General Education Requirements for CSCU Transfer Degree Programs:

None

Embedded Competency(ies):

None

Discipline-Specific Attribute Code(s):

BUS Business elective

Course objectives:

General Education Goals and Outcomes:

None

Course Specific Objectives:

1. Identify the advantages of being multinational, including the benefits of international diversification
2. Describe the organization of the foreign exchange market, identify the basic factors affecting exchange rates, and calculate the amount of currency appreciation or depreciation associated with a given exchange rate change
3. Discuss the various risks and exposures associated with international business, and explain how those risks and exposures can be mitigated



4. Describe the principle sources of financing and the methods used to finance international business activity
5. Solve capital budgeting problems (accept/reject) utilizing net present value and adjusted net present value approaches
6. Distinguish between a nation's current account, capital account and official reserves account, and calculate a nation's balance of payments from data in its international transactions

Course Content:

INTERNATIONAL FINANCIAL ENVIRONMENT

- A. Introduction to International Finance
- B. Foreign Exchange Markets and International Institutions
- C. Exchange Rate Analysis
- D. Foreign Direct Investment

INTERNATIONAL ANALYSIS AND SECURITIES

- A. Risk and Return
- B. Financial Statement Analysis
- C. Bonds and Bond Markets
- D. Stocks and Stock Markets

INTERNATIONAL CORPORATE FINANCE

- A. Cost of Capital
- B. Capital Budgeting: The Basics
- C. Capital Budgeting: Risk Analysis and Real Options
- D. Capital Structure and Distribution Policy
- E. Working Capital Management

INTERNATIONAL CORPORATE STRATEGY

- A. Derivatives and Risk Management
- B. Multinational Tax Management

Date Course Created:

Date of Last Revision: 04/03/2017