

# Syllabus for course INTERNATIONAL FINANCE

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| <b>Course code:</b>                      | 2IBQ20   |
| <b>Course title:</b>                     | International Finance  |
| <b>Number of ECTS credits allocated:</b> | 6 (1 ECTS credit = 26 hours of workload)   |
| <b>Mode of delivery:</b>                 | full-time; 2/2 (hours of lectures per week / hours of seminars per week) as semestral course |
| <b>Mode of completion:</b>               | graded course  |
| <b>Semester:</b>                         | Spring 2023  |
| <b>Name of lecturer(s):</b>              | doc. Ing. Josef Taušer, Ph.D.<br>(supervisor)  |
| <b>Prerequisites and co-requisites:</b>  | none   |

## **Aims of the course:**

The objective of this course is to make students familiar with contemporary trends in international business finance, and with different possibilities in forming financial strategies in this field. The theoretical approach will be complemented by case studies covering basic decision making processes in international business finance, in order to develop knowledge and skills of students in the area of financial management.

## **Learning outcomes and competences:**

Upon successful completion of this course, students will be able to determine the factors that influence the international business finance, will gain the basic orientation in the financial markets instruments and methods of financing international business activities of enterprises with regard to their economic and financial strength, area of activities and risk sensibility.

## **Course contents:**

### **Foreign Exchange Markets** (allowance 4/4)

- a. Exchange Rate Quotations
- b. Cross Rates
- c. Locational Arbitrage, Triangular Arbitrage
- d. Currency Speculations

### **Currency Derivatives** (allowance 6/6)

- a. FX forwards
- b. Currency Futures
- c. FX Swaps and Currency Swaps
- d. Currency Options

### **Exchange Rate Exposure** (allowance 4/4)

- a. Transaction, Economic and Translation Exposure

- b. Exchange Rate Risk Measurement
- c. FX Exposures Management

**International Investment Decisions** (allowance 10/10)

- a. Stock Valuation
- b. Interest Rates and Bond Valuation
- c. Security Market Line
- d. Investment Criteria

**Learning activities, teaching methods and workload (hours):**

| <b>Type of teaching method</b>               | <b>Daily attendance</b> |
|--|-------------------------|
| Participation in lectures                    | 26 h                    |
| Preparation for lectures                     | 13 h                    |
| Attendance at seminars/workshops/tutorials   | 26 h                    |
| Preparation for seminars/workshops/tutorials | 13 h                    |
| Preparation of presentation                  | 26 h                    |
| Preparation for mid-term test(s)             | 26 h                    |
| Preparation for final test                   | 26 h                    |
| <b>Total</b>                                 | <b>156 h</b>            |

**Assessment methods and criteria:**

| <b>Requirement type</b>                                | <b>Daily attendance</b> |
|--|-------------------------|
| Active lecture/seminar/workshop/tutorial participation | 20 %                    |
| Presentation   | 30 %                    |
| Mid-term test(s)                                       | 25 %                    |
| Final test   | 25 %                    |
| <b>Total</b>   | <b>100 %</b>            |

**Assessment:**

| <b>Graded courses</b> |                        |
|-----------------------|------------------------|
| 1=A                   | Excellent (90 - 100%)  |
| 2=B                   | Very good (75 - 89%)   |
| 3=C                   | Good (60 - 74%)        |
| 4=F                   | Insufficient (0 - 59%) |

**Special requirements and details:**

Participation in seminars is mandatory. Students may miss maximum 3 sessions.

**Reading:**

| Type | Author   | Title                                | Published in | Publisher             | Year | ISBN              |
|------|--|--------------------------------------|--------------|-----------------------|------|-------------------|
| RQ   | EITEMAN, D<br>K. -- MOFFETT, M<br>H. -- STONEHILL,<br>A I. | Multinational<br>business finance    | Harlow       | Pearson               | 2021 | 978-1-292-27008-1 |
| RQ   | JORDAN, B<br>D. -- ROSS, S<br>A. -- WESTERFIEL<br>D, R.    | Fundamentals of<br>corporate finance | New York     | McGraw-Hill/<br>Irwin | 2010 | 978-0-07-338239-5 |

RQ            required

RE            recommended