

IP_335 INTERNATIONAL FINANCE

Number of credits: 7 ECTS credits/ 3 U.S. credits

Type of course: Daily attendance 2/2
(Hours of lectures per week/hours of seminars per week)

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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:

1. Foreign Exchange Markets (allowance 4/4)

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

2. Currency Derivatives (allowance 6/6)

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

3. Exchange Rate Exposure (allowance 4/4)

- a. Transaction, Economic and Translation Exposure
- b. Exchange Rate Risk Measurement
- c. FX Exposures Management

4. International Investment Decisions (allowance 10/10)

- a. Time Value of Money
- b. Stock Valuation
- c. Interest Rates and Bond Valuation
- d. Security Market Line
- e. Investment Criteria

Teaching methods and workload (hours of workload):

Type of teaching method	Hours of workload
	daily attendance
Participation in lectures	26
Preparation for lectures	26
Attendance at seminars/workshops/tutorials	26
Preparation for seminars/workshops/tutorials	39
Preparation of presentation	26
Preparation for final test	39
Total	182

Assessment methods (weighing):

REQUIREMENT TYPE	DAILY ATTENDANCE
Active lecture/seminar/workshop/tutorial participation	20 %
Presentation	30 %
Mid-term test(s)	25 %
Final test	25 %
Total	100 %

Recommended reading:

Type*	Author	Title	Published in	Publisher	Year	ISBN
R	EITEMAN, D. K. – STONEHILL, A. I. – MOFFETT, M. H.	Multinational business finance	Boston	Pearson Education	2010	978-0-13-612156-5
R	ROSS, S. A. – WESTERFIELD, R. – JORDAN, B. D.	Fundamentals of corporate finance	Boston	McGraw-Hill Irwin	2010	978-0-07-338239-5
R	MADURA, J.	International corporate finance	Mason	Thomson/South Western	2006	0-324-32382-4