Course Syllabus
FIR 4550 – International Finance
Spring 2016, January 19 – May 5, 2016
Mondays and Wednesdays 12:40 pm - 2.05 pm

(Last updated: 1/1/2016)

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Office Hours: Mondays and Wednesdays 2:30 – 5:00

Course Overview

Financing international trade and investments; foreign exchange markets and exchange rates; balance of payments; current developments in international financial cooperation.

Pre-Requisites/Co-Requisites:
FIR 3410, an open mind and the willingness to work hard

Required Text & Materials:
(Note: You can purchase the unabridged version as well)

2. Business/Financial Calculator: Texas Instruments BAII PLUS or BAII PLUS Professional.


Location of Course Materials:
All class assignments submissions, notes and other material will be available on the ecourseware website: https://elearn.memphis.edu/d2l/home/6299826
Course Objectives:
- To understand how the international exchange rates are determined and how the international financial markets operate including but not limited to the derivatives market.
- How interest rates are related to exchange rates
- How governments influence exchange rates, interest rates and international trade
- What are the impacts of exchange rate fluctuations
- How MNCs manage operations, value projects and minimize risks

Fogelman College: Learning Outcomes for Your Degree
BBA  http://www.fcbeassessment.net/LearningOutcomes/BBADegreeLearningOutcomes.pdf

Course Methodology
The class will be a mix of lectures on fundamentals, plenty of time playing with actual market data and lots of in class discussions on real life cases. In short we will work hard and have a lot of fun learning.

Assignments:
There will be a deliverable most weeks, which needs to be submitted to the dropbox on the ecourseware. Assignments will be given out on Wednesday and you will be expected to turn them in by Sunday night.

Class Participation:
There will be a lot of emphasis on class participation. 10 per cent of your overall grade will be based on class participation and this includes attendance and taking part in discussions. An important part of learning is to be able to articulate what you have learnt and I will ensure that there is a forum for you to practice at.

Exams:
All exams will be open notes open book. Electronic devices except calculators are not allowed during exams. The emphasis is on understanding the material, to be able to sieve through available information and understand what makes sense and what does not. There will be two exams in total. One mid-term exam and a comprehensive final. You will be able to use the score of your final to replace the grade of your mid-term exam.

Professor’s Expectations:
I expect you to participate in the discussions, read the material and be on top of your assignments. If you have any problems please do not hesitate to reach out. The class load will need you to spend at least an additional 3 to 5 hours a week.

We are on the honor system. During the exam or submission of an assignment, I expect you to submit your own work and not anything from the internet or someone else’s. You are allowed to reference other material, but make sure that you cite and give due credit to any source that you have used. In any assignment I want to hear your opinion and views on the question asked.

Student’s Expectations:
I aim to provide a structured and organized course which will challenge you, but at the same time will expand your horizons. You can expect a response to your email within two working days and feedback and grades on all submitted assignment within 5-7 calendar days.
Grading and Evaluation Criteria

The following will be the grading scheme:
2 exams = 60 points
Take home assignments = 30 points
In Class participation = 10 points

Final Course Grades

Your exam, attendance and bonus points, and their letter grade equivalent are:

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Letter Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>90 - 100</td>
<td>A</td>
</tr>
<tr>
<td>80 - 89</td>
<td>B</td>
</tr>
<tr>
<td>70 - 79</td>
<td>C</td>
</tr>
<tr>
<td>59 - 69</td>
<td>D</td>
</tr>
<tr>
<td>Below 58</td>
<td>F</td>
</tr>
</tbody>
</table>

(I do not use +/- grading.)

Certification and Project for bonus points: There will be an opportunity to get extra 6 bonus points by working on a project and completing the Bloomberg Training (BESS). The details of the project and the certification will be discussed in the class.

Course Topics and Schedule of Activities

The Course is divided into two parts. The Fundamentals and the Implications.
This is a tentative break down of the topics that we will try and cover. It is subject to change as and when needed. We will not be covering the full chapter many a times, but only parts that I deem fit.

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25-Jan-16</td>
<td>Chap 2: Flow of Funds</td>
</tr>
<tr>
<td>2</td>
<td>1-Feb-16</td>
<td>Chap 4: Exchange Rate Determination</td>
</tr>
<tr>
<td>3</td>
<td>8-Feb-16</td>
<td>Chap 5: Currency Derivatives</td>
</tr>
<tr>
<td>4</td>
<td>15-Feb-16</td>
<td>Chap 6: Government Influence on Exchange Rates</td>
</tr>
<tr>
<td>5</td>
<td>22-Feb-16</td>
<td>Chap 7: International Arbitrage and IRP</td>
</tr>
<tr>
<td>6</td>
<td>29-Feb-16</td>
<td>Chap 8: Relationships among Inflation, Interest Rates, and Exchange Rates</td>
</tr>
<tr>
<td>7</td>
<td>7-Mar-16</td>
<td>Spring Break</td>
</tr>
<tr>
<td>8</td>
<td>14-Mar-16</td>
<td>Revision + Mid -Term</td>
</tr>
<tr>
<td>9</td>
<td>21-Mar-16</td>
<td>Chap 1 and 3</td>
</tr>
<tr>
<td>10</td>
<td>28-Mar-16</td>
<td>Chap 11: Managing Transaction Exposure</td>
</tr>
<tr>
<td>11</td>
<td>4-Apr-16</td>
<td>Chap 12: Managing Economic and Translation Exposure</td>
</tr>
<tr>
<td>12</td>
<td>11-Apr-16</td>
<td>Chap 14 &amp; 15: MNC Capital Budgeting &amp; Acquisitions</td>
</tr>
<tr>
<td>13</td>
<td>18-Apr-16</td>
<td>Chap 15 &amp; 17: MNC Capital Structure and Cost of Capital</td>
</tr>
<tr>
<td>14</td>
<td>25-Apr-16</td>
<td>Chap 18: Long Term Debt Financing &amp; Revision</td>
</tr>
</tbody>
</table>
List of Formal Assessed Activities

There will be 8 assignments and your scores on the best 6 will be considered. Each assignment carries 5 points. They will open each week on Wednesday and close on Sunday night.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Term Exam</td>
<td>16-Mar-16 during class hours</td>
</tr>
<tr>
<td>Final Exam</td>
<td>4-May-16 10:00 am to 12:00 noon</td>
</tr>
<tr>
<td>Bloomberg Certification (3 bonus points)</td>
<td>19-Jan-2016 to 20-Mar-16</td>
</tr>
<tr>
<td>Optional Project (3 bonus points)</td>
<td>28-Mar-2016 to 17-Apr-16</td>
</tr>
</tbody>
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Final Exam Schedule

The final exam for this class will be scheduled according to the Registrar’s academic calendar website.

Course Policies

E-MAIL:

Emails will be sent only to those addresses that I retrieve digitally from University Records Office. Notifications about changes in the syllabus or assignments will be done via these email addresses. Any inability to receive incoming mail in a timely fashion (e.g., not regularly checking your email, having a “full mailbox” condition, etc.) is the student’s responsibility.

Attendance:

Attendance is required. A total of 10 sample rolls, including occasional two sample rolls on the same day, will be taken throughout the semester, and your attendance points are assigned as follows:

- 8 or more attendance: 3 points
- 7 attendance: 2 points
- 6 attendance: 1 point
- 5 or less attendance: 0 point

Adding/Dropping:

Please refer to the following page if you have any questions about adding or dropping classes. Registrar’s website.

Academic Integrity:

We are on the honor system. During the exam or submission of an assignment, I expect you to submit your own work and not anything from the internet or someone else’s.

Note that using a “Solutions Manual” is considered cheating. Should your professor have evidence that using a “Solutions Manual” has occurred, he/she may take steps as described on the campus’ Office of Student Conduct website.

Also review the Fogelman College's Website on Academic Integrity.
Participation:

Learning is incomplete without being able to communicate the ideas that you have learnt in a clear and concise manner. Also communication also helps to iron out any inconsistencies that you have in understanding of any of the fundamental concepts. Please do not think about asking a silly question. NO QUESTION IS SILLY. Actively participate in the class discussions and try to help out your fellow student and you will realize that in the process you have helped yourself. There are 7 points to be earned via class participation.

Classroom or Online Behavior:

Be collegial in the classroom and with the members of your group for the group projects that you decide to undertake. “It is okay to disagree as long as you are agreeable.” I expect all students to be sensitive to their fellow classmates and no disrespect of any nature will be tolerated.

Late Assignments:

Assignment must be submitted before the deadline. I encourage early submissions. Late turn-in will not be graded and no credit will be given.

Extra Credit:

There will be an opportunity to get extra 6 bonus points by working on a project and completing the Bloomberg Training (BESS). The details of the project and the certification will be discussed in the class.

Reporting Illness or Absence:

I suggest that you try and submit your assignments as early as possible and not wait till the last day for submission. I will not accept any request for extension due to any emergency or illness 12 hours before deadline.

Inclement Weather:

In the event that inclement weather requires the cancellation of classes at The University of Memphis, local radio and television media will be immediately notified. Additionally, The University of Memphis has established an Inclement Weather Hotline at 678-0888 as well as TigerText, an emergency alert text messaging service to students, faculty and staff. This optional service is used in the event of an on-campus emergency, an unscheduled university closing, or a delay or cancellation of classes due to, for instance, inclement weather. Click Here for information on TigerText.

Syllabus Changes:

I reserve the right to make any changes to the syllabus and you will be notified of the same via email and notification on the ecourse webpage.

Student Services:

Please access the FCBE Student Services page for information about:

- Students with Disabilities
- Tutoring and other Academic Assistance
- Advising Services for Fogelman Students
- Technical Assistance