A. **TITLE:** Global Finance

B. **COURSE NUMBER:** FSMA 415

C. **CREDIT HOURS:** (3)

D. **WRITING INTENSIVE COURSE:** No

E. **COURSE LENGTH:** (15 weeks)

F. **SEMESTER(S) OFFERED:** Both

G. **HOURS OF LECTURE, LABORATORY, RECITATION, TUTORIAL, AND ACTIVITY:** 3 lecture hours per week

H. **CATALOGUE DESCRIPTION:** This course covers issues related to both international financial markets and the financial operations of a firm within the international environment. Major topics include the international monetary systems, foreign exchange regime, and management of foreign exchange exposure, international financial management, taxation of international income, and international merger and acquisitions.

I. **PRE-REQUISITES/CO-COURSES:** FSMA 315 or with permission of the instructor.

J. **STUDENT LEARNING OUTCOMES:** By the end of this course, students are able to:

<table>
<thead>
<tr>
<th>Course Objective</th>
<th>Institutional SLO</th>
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<tbody>
<tr>
<td>a. Assess appropriate managerial aspects and responsibilities required in the conduct of global financial business activities</td>
<td>2. Crit. Thinking 3. Prof. Competence</td>
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<tr>
<td>b. Analyze major financial markets in international business and trade</td>
<td>2. Crit. Thinking</td>
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<tr>
<td>c. Analyze the risks inherent in international financial management</td>
<td>2. Crit. Thinking</td>
</tr>
<tr>
<td>d. Construct appropriate financial strategies and instruments to manage and evaluate various risk exposures in international trade and business</td>
<td>2. Crit. Thinking 3. Prof. Competence</td>
</tr>
<tr>
<td>e. Examine the financial decisions facing multinational corporations</td>
<td>2. Crit. Thinking 3. Prof. Competence</td>
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</tbody>
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K. **TEXTS:**

L. **REFERENCES:**

M. **EQUIPMENT:** Technology enhanced classroom, access to company financial statements, yahoo finance, and computer internet access.
N. **GRADING METHOD:** A-F

O. **MEASUREMENT CRITERIA:**

- Exams
- Quizzes
- Homework
- Project
- Participation

P. **DETAILED OUTLINE:**

Part I: THE INTERNATIONAL FINANCIAL ENVIRONMENT.
   A. Multinational Financial Management: An Overview.
   B. International Flow of Funds.
   C. International Financial Markets.
   D. Exchange Rate Determination.
   E. Currency Derivatives.

Part II: EXCHANGE RATE BEHAVIOR.
   A. Government Influence on Exchange Rates.
   B. International Arbitrage and Interest Rate Parity.

Part III: EXCHANGE RATE RISK MANAGEMENT.
   A. Forecasting Exchange Rates.
   B. Measuring Exposure to Exchange Rate Fluctuations.
   C. Managing Transaction Exposure.
   D. Managing Economic Exposure and Translation Exposure.

Part IV: LONG-TERM ASSET AND LIABILITY MANAGEMENT.
   A. Direct Foreign Investment.
   B. Multinational Capital Budgeting.
   C. International Corporate Governance and Control.
   D. Country Risk Analysis.
   E. Multinational Cost of Capital and Capital Structure.
   F. Long-Term Debt Financing.

Part V: SHORT-TERM ASSET AND LIABILITY MANAGEMENT.
   A. Financing International Trade.
   B. Short-Term Financing.
   C. International Cash Management.

Q. **LABORATORY OUTLINE:** None