COLUMBIA COLLEGE

MASTER SYLLABUS
(Generic Outline)

Administrative Unit: Business Administration Department

Course Prefix and Number: FINC 495

Course Title: International Finance

Number of: Credit Hours: 3 Lecture Hours: 3 Laboratory Hours: 0

Catalog Description: Understanding and application of the concepts of corporate finance, financial markets, and investment in an international context. Specific topics include an overview of the international monetary system, international financial markets (currency, equity, and bond markets), the “parity conditions” of international finance, foreign exchange risk management, global investing, international capital budgeting, and global working capital management. Prerequisite: FINC 350. Offered Odd Fall.

Prerequisite(s)/Corequisite(s): FINC 350.

Text(s): Most current editions of the following:


Click and Coval. The Theory and Practice of International Financial Management. Prentice Hall.

Course Objectives:

- To understand the international monetary system and the operation of financial markets within this system.
- To apply the concepts of corporate finance, financial markets, and investments in an international context.

Measurable Learning Outcomes:

- Identify the various organizations and institutions that make up the international financial system.
- Explain the evolution of the international monetary system.
- Calculate the balance of payments and describe the components of the current account balance and the capital account balance.
- Explain how currency values are determined.
- Explain the currency exchange rate regimes used in the international markets.
- Calculate cross-currency exchange rates.
• Explain the concepts of Interest Rate Parity and Purchasing Power Parity and their relationship to forward exchange rates and inflation.
• Explain the types of international banking operations.
• Explain the operation of international bond markets, international equity markets, and the basics of international portfolio investment.

Topical Outline (major areas of coverage):
• International Monetary System
• Balance of Payments
• Market for Foreign Exchange
• Interest Rate Parity and Purchasing Power Parity
• International Banking
• Futures, Options, and Swaps
• International Portfolio Selection
• Foreign Exchange Exposure
• Financial Management of Multinational Firms

All Business Administration courses include a written and oral presentation component.

Material from this course may be tested on the Major Field Test (MFT) administered during the Culminating Experience course for the degree.

Recommended maximum class size for this course: 20

Library Resources: Online databases are available at http://www.ccis.edu/offices/library/resources.asp. You may access them from off-campus using your eServices login and password when prompted.

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Signature
Date: September 21, 2005

NOTE: The intention of the master syllabus is to provide an outline of the contents of this course, as specified by the faculty of Columbia College, regardless of who teaches the course, when it is taught or where it is taught. Faculty members teaching this course for Columbia College are expected to facilitate learning pursuant to the course objectives and cover the subjects listed in the topical outline. However, instructors are also encouraged to cover additional topics of interest so long as those topics are relevant to the course’s subject. The master syllabus is, therefore, prescriptive in nature but also allows for a diversity of individual approaches to course material.