

# SEATTLE UNIVERSITY - Albers School of Business and Economics

## Course Syllabus: FINC 4460-01, Summer 2018

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**Course:** International Corporate and Trade Finance  
**Term:** Summer Quarter 2018  
**Class time:** Mondays & Wednesdays: 9:30am – 12:10pm  
**Classroom:** Pigott 204  
**Instructor:** Jim Huie  
**Office hours:** Mondays & Wednesdays: 7:30am – 9:00am (or by appointment)  
**Office location:** Pigott 516  
**E-mail:** jim\_huie@hotmail.com  
**Course website:** <https://seattleu.instructure.com/courses/1579265>

### Course description:

This course investigates the economic theories, market structures, and analytical techniques commonly used in international finance. Upon completion, students should be able to discuss and apply these concepts in a variety of international business situations. Besides becoming familiar with the international financial environment, you will gain a solid understanding of exchange rates and the risk they present to international companies. You will become familiar with hedging strategies as well as different types of international financing strategies.

### Course prerequisites:

- FINC 3400

### Required and recommended reading:

- *Multinational Business Finance*, 13th Edition, Eiteman, Stonehill & Moffett; Pearson Publishing; 2013. (Required. Do not use other editions)
- Handouts and other reading material will be distributed or posted on the course website
- *Economist*, *Wall Street Journal* and *Financial Times* (Recommended)

### Required tools:

- Business/Financial calculator. (Texas Instruments BA-II Plus calculator is recommended, but others are acceptable.)
- Microsoft-Excel spreadsheet software
- Regular access to e-mail and the course website

### Course format:

- Combination of lecture, discussion, problem solving, case studies and examinations
- Regular attendance and active class participation is required.
- You are expected to have read the materials assigned for each class and come prepared for discussion.

### Classroom etiquette:

- Students are expected to attend class and arrive on time.
- Students are expected to remain in the classroom and stay engaged.
- Mobile phones and other devices should be silenced during class.
- Individual grades may be adversely affected, if etiquette rules are violated.

### Examinations:

There will be a mid-term examination and a final examination. You should show all work and completely explain your answers to earn full credit. The method used to solve a problem is as important as the solution. You will not be allowed access to the textbook or your notes during tests and examinations.

Make-ups for tests and examinations will be approved for medical or professional travel reasons only. You must provide advance notice before being approved for a make-up examination.

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### Grading:

Your grade will be based on examination results, homework, case studies and class participation. The weights are as follows:

- Midterm 25%
- Final 35%
- Chapter problems 10%
- Case Studies 10%
- Class participation 20% (includes attendance, in-class contributions)

As noted above, class participation will account for 20% of your course grade. Students may obtain full participation credit by following classroom etiquette rules. Missing class, arriving late and/or leaving early will adversely affect participation credit. Special circumstances and emergencies are taken into consideration and should be arranged in advance as situations may allow.

At the end of the course, a letter grade will be assigned (based on points earned as a percent of total points) in general accordance with these guidelines:

95 - 100	A	77 - 79.99	C+
90 - 94.99	A-	74 - 76.99	C
87 - 89.99	B+	67 - 73.99	C-
84 - 86.99	B	60 - 66.99	D
80 - 83.99	B-	< 59.99	F

### Audio or videotaping in class is prohibited without instructor's prior approval:

For protection of proprietary knowledge and other reasons, audio and videotaping of any class session is prohibited without prior approval of the instructor. Under extreme circumstances or for a pre-approved class absence, audio taping a class session will be allowed on a case by case basis and with the express permission of the instructor. The student will be responsible for making all necessary arrangements. Students will need to adhere to the appropriate agreed upon use of the content material of these tapes.

### Academic integrity & cheating:

Seattle University is committed to the principle that academic honesty and integrity are important values in the educational process. All students must comply with Seattle University policies for conduct and academic honesty at all times during this course. The Seattle University Academic Honesty Policy can be found at the following address: <http://www.seattleu.edu/registrar/page.aspx?ID=87>

Seattle University does not tolerate any cheating, including plagiarism, or other dishonesty. Any cases of cheating will be referred to the Dean for disciplinary action. There are no exceptions to this policy under any circumstances. If a student is found guilty of academic dishonesty by the School, the student will receive a failing grade for the course in addition to other negative consequences as determined by the School. Your work must be your own and original to this class. If you have any doubts about whether an action is acceptable according to the Academic Honesty Policy, you should check with your instructor before engaging in such activity.

### Disabilities:

Students with disabilities are encouraged to arrange support services and/or accommodations through Disabilities Services staff in the Learning Center, Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

### Tentative schedule:

Below is an outline of the course schedule with the various topics, readings, and assignments. This is a good guide to how the course will progress, however changes may be announced as necessary so please pay attention in class and on Canvas for announcements and adjustments.

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Week	Session	Date	Topic	Assignments	Textbook Reading
1	1	25-Jun	Introductions, Course Overview, Corp Ownership & Governance	Hermes mini-case (page 49, in class)	Chapter 1 & 2
	2	27-Jun	International Monetary System	Yuan mini-case (page 79, prepare for discussion) Individual company briefings, HW Chap 1 & 2	Chapter 3
2	3	2-Jul	Global Financial Crisis/Euro Crisis	Lehman Brothers mini-case (page 151, prepare for discussion) HW Chap 3	Chapter 5
	4	4-Jul	<b>NO CLASS (holiday)</b>		
3	5	9-Jul	The Balance of Payments	Global Remittances mini-case (page 113, prepare for discussion) Individual company briefings, HW Chap 5	Chapter 4
	6	11-Jul	The Foreign Exchange Market	Bolivar Case mini-case (page 178, prepare for discussion) HW Chap 4	Chapter 6
4	7	16-Jul	Capital Budgeting Review Trade Finance terms	Individual company briefings Individual company briefings, HW Chap 6	Capital Budgeting Handout Chapter 20 p.561-568
	8	18-Jul	International Parity Conditions	Emerging Market Carry Trades (page 205, prepare for discussion) <b>Mid-Term, Take Home Exam (Chapters 1-6)</b>	Chapter 7
5	9	23-Jul	International Parity Conditions (continued)	<b>Mid-Term, Take Home Exam (due at beginning of class)</b>	Chapter 7
	10	25-Jul	Foreign Currency Derivatives & Swaps	McDonald's Corp. mini-case (page 236, prepare for discussion) Individual company briefings, HW Chap 7	Chapter 8
6	11	30-Jul	Transaction Exposure	Banbury Impex mini-case (page 291, prepare for discussion) HW Chap 8	Chapter 10
	12	1-Aug	Transaction Exposure (continued)	Individual company briefings	Chapter 10
7	13	6-Aug	The Global Cost & Availability of Capital	Novo Industri mini-case (page 367, prepare for discussion) Individual company briefings, HW Chap 10	Chapter 13
	14	8-Aug	Multinational Capital budgeting and Cross Border Acquisitions	Yanzhou Bid mini-case (page 14, prepare for discussion) Individual company briefings, HW Chap 13	Chapter 18
8	15	13-Aug	Raising Equity and Debt Globally	Korres mini-case (page 401, prepare for discussion) HW Chap 18	Chapter 14
	16	15-Aug	<b>Final Exam</b>		