

SEATTLE UNIVERSITY - Albers School of Business and Economics

Course Syllabus: FINC 4460-01, Spring 2021

Course: International Corporate and Trade Finance
Term: Spring Quarter 2021
Class time: Tuesdays & Thursdays: 8am – 10:05am
Classroom: Online (synchronous)
Instructor: Jim Huie
Office hours: Tuesdays & Thursdays: 10:15am – 11am (or by appointment)
Office location: Pigott 516, Adjunct Faculty Offices
E-mail: huieji@seattleu.edu
Course website: [FINC 4460 01 21SQ Intrntl Crprte & Trade Finance \(instructure.com\)](https://www.seattleu.edu/academics/college_of_business/economics/undergraduate/financ/4460_01_21sq_intrntl_crprte_and_trade_finance/instructure.com)

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*, 15th Edition, Eiteman, Stonehill & Moffett; Pearson Publishing; 2019; ISBN 13: 978-0-13-479655-0. (Required. Do not use other editions.)
- Handouts and other reading material will be distributed or posted on the course website
- *Wall Street Journal* and *Financial Times* (Recommended)

Required tools:

- Business/Financial calculator. (The Texas Instruments BA-II Plus calculator is recommended, but other business calculators 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 should read the materials assigned for each class and come prepared for discussion.

Classroom etiquette:

- Students should attend class and arrive on time.
- Students should remain in the classroom and stay engaged.
- Students should silence mobile phones and other devices during class.
- Individual grades will be adversely affected, if etiquette rules are violated.

Examinations:

There will be 2 mid-term examinations and a final examination. You must 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. The textbook and other course materials are not allowed 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 a make-up test or examination is approved.

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Grading:

Final grades are based on examination results, homework, case studies and class participation. The weights are as follows:

- Midterm #1 18%
- Midterm #2 18%
- Final 25%
- Chapter problems 10%
- Team Presentations 14%
- Class participation 15% (includes attendance, in-class contributions)

As noted above, class participation will account for 15% 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 is available 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 are 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.

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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, as necessary, changes may be announced, so please pay attention in class and on Canvas for announcements and adjustments.

Session	Date	Topic	Assignments	Textbook Reading
1	30-Mar	Introductions, Course Overview, Multinational Financial Mgmt: Opportunities & Challenges	Mini-Case: Hermes (in class handout)	Chapter 1
2	1-Apr	International Monetary System	Mini-Case: The Internationalization (or not) of the Chinese RMB (page 49, prepare for discussion) HW Chap 1	Chapter 2
3	6-Apr	The Balance of Payments	Mini-Case: Global Remittances (page 79, prepare for discussion) HW Chap 2	Chapter 3
4	8-Apr	Financial Goals and Corporate Governance	Mini-Case: VW's Defeat Devices & Stakeholder Control (page 110, prepare for discussion) HW Chap 3	Chapter 4
5	13-Apr	Review for Exam 1	Case: The Internationalization (or not) of the Chinese RMB (Ch2) Case: Crowdfunding Kenya (Ch1) HW Chap 4	
6	15-Apr	Exam 1 (Chapters 1-4)		
7	20-Apr	The Foreign Exchange Market	Team Presentations #1	Chapter 5
8	22-Apr	International Parity Conditions	Mini-Case: Japanese Yen Carry Trade (page 172, prepare for discussion) HW Chapter 5	Chapter 6
9	27-Apr	Foreign Currency Derivatives: Futures and Options	Mini-Case: South Korean Won (page 205, prepare for discussion) HW Chapter 6	Chapter 7
10	29-Apr	Interest Rate Risk and Swaps	Mini-Case: Vulture Bonds (page 237, prepare for discussion)	Chapter 8

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Session	Date	Topic	Assignments	Textbook Reading
11	4-May	Review for Exam 2	HW Chapter 7 & 8	
12	6-May	Exam 2 (Chapters 5-8)		
13	11-May	Transaction Exposure	Ethics - Guest Speaker	Chapter 10
14	13-May		Team Presentation #2	
15	18-May	Transaction Exposure (continued)	Mini-Case: China Noah (page 301, prepare for discussion)	Chapter 10
16	20-May	Global Cost and Availability of Capital	HW Chapter 10	Chapter 13
17	25-May		Mini-Case: Ferrari (page 403, prepare for discussion)	
18	27-May	Multinational Capital budgeting and Cross Border Acquisitions	HW Chap 13	Chapter 18
19	1-Jun		Team Presentation #3	
20	3-Jun	Funding the Multinational Firm	HW Chapter 18	Chapter 14
	9-Jun	Final Exam	8am - 9:50am	