

Course description

International Finance

1. Degree: BA International Marketing and Relationship Management
2. Course: International Finance
3. Term: 3rd
4. ECTS: 10
5. Convenor: Associate Professor Ivar Bredesen
6. Teaching hours: 60
7. Prerequisite: Introduction to management accounting
8. Course content: All companies involved in international business are heavily influenced by international economic conditions. Especially important are problems related to exchange rate uncertainty. A major part of the course will therefore deal with management of exchange rate risk.
9. Objective: Students should be able to identify areas of exchange rate risk and use instruments to hedge against such risk.
10. Topics:
 - International Finance as a subject
 - The International Monetary System
 - Balance of Payments
 - International Financial Markets
 - Theories of Exchange Rate Determination
 - International Parity Conditions
 - Currency Options
 - Transaction Exposure
 - Operating Exposure
 - International Capital Budgeting
11. Delivery: Lectures and seminars
12. Examination: Continuous assessment (30 %) and closed book exam (70 %)
13. Required reading: Moffet, Stonehill and Eiteman: *Fundamentals of Multinational Finance* 2nd edition, 2006
14. Other readings: It will be assumed that students keep abreast with recent exchange rate behaviour
15. Recommended readings: Relevant articles will be posted on the course web