

# American College Dublin

2 Merrion Square, Dublin 2  
T: +353 1 676 89 39  
F: +353 1 676 89 41  
admissions@iamu.edu  
www.iamu.edu | www.acd.ie

## IB401 INTERNATIONAL FINANCE

<b>Credits:</b>	3 US credits / 6 ECTS credits
<b>Credit level:</b>	Stage award
<b>Prerequisites:</b>	IB202, IB207, IB303
<b>Mandatory:</b>	Yes
<b>Contact hours:</b>	40
<b>Academic Year:</b>	2016 - 2017
<b>Semester:</b>	1
<b>Lecturer:</b>	Seán Ó Raghallaigh

### MODULE DESCRIPTION

Study of related aspects of the international monetary system, foreign exchange markets and international banking. Various financial operations of the multinational firm including sources of funds, foreign investment decisions and international transactions and taxation are included.

### MODULE LEARNING OUTCOMES

At the end of this course students will have:

1. Developed a comprehension of the kind of knowledge pertaining to international finance.
2. Acquired a working understanding of the different theories, concepts and methods of finance pertaining to international organisations.
3. The capacity to recognise and develop new skills pertaining to financing and investing options.
4. The ability to select the appropriate skills required to manage economic exposure.
5. To determine the appropriate financial strategy for multinational firm.
6. Interpreted and implemented complex management options for exposure to foreign markets.

### TEACHING METHODS

Lectures, tutorials and group discussions based on current articles from the business press, case studies, videos, etc.

## LEARNING OUTCOMES MAP

Learning Outcomes	Content	Delivery	Assessment
1	All sections	Lectures, readings, class exercises and discussions.	Class exercises, assignments, exam and participation.
2	Sections 2 - 4	Lectures, class exercises and discussions.	Class exercises, assignments and participation.
3	Sections 5, 7, 9, 11	Lectures, readings, class exercises and discussions.	Class exercises, assignments, exam and participation.
4	Sections 5, 11	Lectures, readings, class exercises and discussions.	Class exercises, exam assignments, and participation.
5	Sections 2	Lectures, readings and class exercises.	Class exercises, exam and assignments.
6	Sections 4, 7 - 10	Lectures, readings, class exercises and discussions.	Class exercises, assignments and exam.

## COURSE OUTLINE

1. Introduction to Multinational Financial Management  
Chapter 1, Shapiro, *Multinational Financial Management*
2. Corporate Strategy and Foreign Direct Investment  
Chapter 16, Shapiro, *Multinational Financial Management*
3. The Determination of Exchange Rates  
Chapter 2, Shapiro, *Multinational Financial Management*
4. The Foreign Exchange Market  
Chapter 7, Shapiro, *Multinational Financial Management*
5. Currency Futures and Options Markets  
Chapter 8, Shapiro, *Multinational Financial Management*
6. Political Risk  
Chapter 6, Shapiro, *Multinational Financial Management*
7. Measuring and Managing Foreign Currency Exposure  
Chapter 10 & 11, Shapiro, *Multinational Financial Management*
8. Managing the Multinational Financial System  
Chapter 20, Shapiro, *Multinational Financial Management*
9. Capital Budgeting for the Multinational Corporation  
Chapter 17, Shapiro, *Multinational Financial Management*
10. International Financing and International Financial Markets  
Chapter 12 & 13, Shapiro, *Multinational Financial Management*  
*NB: the BBC dvd series "The love of money" is highly relevant here.*
11. Swaps and Interest Rate Derivatives  
Chapter 9, Shapiro, *Multinational Financial Management*

## REQUIRED TEXT

Shapiro, Alan C. (2011) *Multinational Financial Management*, 9<sup>th</sup> Revised Edition, Wiley.

**Required Viewing:** “The Love of Money” [BBC 2009], also presentations by Peter Schiff 2005 to date [see Youtube]. Also “Inside Job” movie documentary.

## SUPPLEMENTARY READING LIST

Ball, D.A., McCulloch, W.H., Jr., Geringer, M. & Minor, M.S. (2012) *International Business, The Challenge of Global Competition*, 12<sup>th</sup> edition, Irwin McGraw-Hill, Boston.

## NEWSPAPERS, PUBLICATIONS & LIBRARY FACILITIES

Business & Finance	Fortune
Business Week	Irish Independent
The Economist	Irish Times
Finance Magazine	Sunday Business Post
Financial Times	Wall Street Journal

## INTERNET WEBSITES

<a href="http://www.unison.ie/irishindependent/">http://www.unison.ie/irishindependent/</a>	<a href="http://www.ireland.com/newspaper/">http://www.ireland.com/newspaper/</a>
<a href="http://www.sbpost.ie">http://www.sbpost.ie</a>	<a href="http://www.economist.com/">http://www.economist.com/</a>
<a href="http://www.ft.com/">http://www.ft.com/</a>	<a href="http://www.guardian.co.uk/">http://www.guardian.co.uk/</a>
<a href="http://www.ida.ie/">http://www.ida.ie/</a>	<a href="http://www.nybot.com/">http://www.nybot.com/</a>
<a href="http://www.finance-magazine.com">http://www.finance-magazine.com</a>	<a href="http://www.actualidad.com/">http://www.actualidad.com/</a>

## ASSESSMENT/GRADING

Student’s progress will be assessed by one group assignment and an exam. Any late assignments will be subject to losing 1% of the *overall grade per day*.

**Exam** The exam paper is of 3 hours’ duration and will consist of five questions (all carrying equal marks) of which three must be answered.

### Assessment will take the form of:

Group assignment	30%
Final exam	<u>70%</u>
<b>Total</b>	<b>100%</b>

### Grading

Each component of the course will be assessed separately. Students will be graded according to the attached grading system as outlined in the HETAC Marks and Standards 2009, available at: [http://www.hetac.ie/docs/Assessment\\_and\\_Standards\\_2009.pdf](http://www.hetac.ie/docs/Assessment_and_Standards_2009.pdf) (page 23).

**ATTENDANCE**

Full attendance is crucial and is monitored. It is the student's responsibility to call the College office to notify the lecturer of an illness. See Academic Policies and Procedures in the ACD Catalogue. Late arrivers may be refused admission to class.

**ACADEMIC DISCIPLINE**

Refer to the subsection on Academic Discipline in the current ACD Catalogue.