

## Liverpool John Moores University

Title: INTERNATIONAL TRADE FINANCE  
Status: Definitive  
Code: **5030BUSAE** (108137)  
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School  
Teaching School/Faculty: Liverpool Business School

Team	Leader
Karl Harper	Y

**Academic Level:** FHEQ5  
**Credit Value:** 12.00  
**Total Delivered Hours:** 28.00  
**Total Learning Hours:** 120  
**Private Study:** 92

### Delivery Options

Course typically offered: Semester 1

Component	Contact Hours
Lecture	13.000
Tutorial	13.000

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS2	Based on a Case Study presented to students prior to the examination, requiring students to answer ANY THREE questions out of six	75.0	2.00
Report	AS1	An individual written report of 2000 words, evaluating alternative methods of payment, and the volatility and impact of exchange rate fluctuations on trade.	25.0	

### Aims

*To provide students with:*

- the tools necessary for addressing the needs of an increasingly international marketplace
- an understanding of the major issues facing companies involved in international trade
- the methods of trading internationally
- the risks involved in doing so
- the instruments and techniques which can be used to eliminate and/or reduce the risks
- the methods of finance available

## Learning Outcomes

After completing the module the student should be able to:

- 1 identify and evaluate the risks of international trade
- 2 provide supported recommendations to eliminate/reduce the risks of international trade
- 3 explain the terminology used in international trade and the documentary requirements and evaluate the implications of adopting various incoterms
- 4 explain the international payments systems including the international regulations governing Collections and Letters of Credit and evaluate the risks involved
- 5 evaluate the various finance options available to importers and exporters
- 6 evaluate the various Bonds & Guarantees used to support international trade
- 7 recommend appropriate services provided by banks and other bodies to support and develop international trade
- 8 demonstrate transferable skills - management of learning, problem solving, communication etc.

## Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3	4	5	6	7	8
Report	1	2	3	4	6	8		

## Outline Syllabus

*1. The Risks of International Trade Finance*

*2. Methods of Trading Internationally*

*3. International Terms of Trade (Incoterms)*

*4. Export/Import Documentation*

*5. Securing Payment*

- Collections including International Rules for collection, URC 522

- Letters of Credit including Documentary Letters of Credit Uniform Customs &

Practice UCP 600

6. Exchange Rate Risk & Risk Management

7. Protection against Credit; Political and Economic risks

8. Finance for Exporters and Importers

9. Guarantees & Bonds as a means of facilitating trade

10. Trade Promotions; assistance/Advice from Banks and other bodies

## Learning Activities

Lectures & Tutorials

## References

<b>Course Material</b>	Book
<b>Author</b>	Collyer, G
<b>Publishing Year</b>	2008
<b>Title</b>	Finance of International Trade
<b>Subtitle</b>	
<b>Edition</b>	9th
<b>Publisher</b>	ifs School of Finance
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Anders, G
<b>Publishing Year</b>	2008
<b>Title</b>	Handbook of International Trade
<b>Subtitle</b>	the Complete Guide to Risk Management, International Payments and Currency Management, Bonds and Guarantees, Credit Insurance and Trade Finance
<b>Edition</b>	
<b>Publisher</b>	E Book
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Cowdell, P & Hyde, D
<b>Publishing Year</b>	2003
<b>Title</b>	International Trade Finance
<b>Subtitle</b>	
<b>Edition</b>	8th
<b>Publisher</b>	ifs School of Finance

<b>ISBN</b>	0-85297-721-2
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<b>Course Material</b>	Book
<b>Author</b>	Bishop, E.
<b>Publishing Year</b>	2003
<b>Title</b>	Finance of International Trade
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	Butterworth-Heinemann
<b>ISBN</b>	0-75065-908-6

<b>Course Material</b>	Book
<b>Author</b>	Journal
<b>Publishing Year</b>	0
<b>Title</b>	Exporting World
<b>Subtitle</b>	The Official magazine of the Institute of Export
<b>Edition</b>	
<b>Publisher</b>	
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Journal
<b>Publishing Year</b>	0
<b>Title</b>	Overseas Trade Partners
<b>Subtitle</b>	UK magazine for Trade Promotion and Development
<b>Edition</b>	
<b>Publisher</b>	
<b>ISBN</b>	

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## Notes

This module is designed to provide students with the tools necessary for addressing the needs of increasingly international workplace and on understanding of the major issues facing companies involved in international trade.

**COURSEWORK:-** This will provide an opportunity for formative developmental feedback on application of knowledge and development of skills.

**EXAMINATION:-** The examination is the terminal summative assessment which will allow students to demonstrate and apply the knowledge they have gained throughout the course.

The module is fully supported by Blackboard which includes, lecture notes, tutorial questions & answers, past examination papers & marking schemes and appropriate internet links and readings