

Liverpool John Moores University

Title: International Finance
Status: Definitive
Code: **6007LBSAF** (121703)
Version Start Date: 01-08-2021

Owning School/Faculty: Business and Management
Teaching School/Faculty: Business and Management

Team	Leader
Fan Zhang	Y

Academic Level: FHEQ6
Credit Value: 20
Total Delivered Hours: 46
Total Learning Hours: 200
Private Study: 154

Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	22
Online	11
Seminar	11

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Essay	AS1	Individual Essay 2000 words	40	
Exam	AS2	Closed Book Examination	60	2

Aims

1. To provide an international perspective to corporate finance.
2. To provide the student with an understanding of the nature and role of the exchange rate in finance and economics.
3. To increase awareness of market risk and the mechanisms available to mitigate this risk.

Learning Outcomes

After completing the module the student should be able to:

- 1 Appreciate the position of a corporation in the international markets.
- 2 Use published market data in 'real-world' financial problems, especially focusing on FX markets in terms of risk taking as well as hedging risk exposures using appropriate strategies and instruments.
- 3 Appreciate the country risks and their influence to Multinational Capital Structure decisions.
- 4 Recognise the impact of the exchange rate on international portfolio analysis and international asset pricing. Incorporate the international risk into capital budgeting decisions

Learning Outcomes of Assessments

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

Individual 2000 words	2		
Closed Book Examination	1	3	4

Outline Syllabus

An introduction to multinational finance
World trade and the international monetary system
Foreign exchange and Eurocurrency markets
Basics of foreign exchange rates
International parity conditions
Multinational treasury management
Managing transaction exposure to currency risk
Managing operating exposure to currency risk
Foreign market entry and country risk management
Multinational capital structure and cost of capital
International portfolio diversification
International asset pricing
Multinational capital budgeting

Learning Activities

The module delivery mainly is through a combination of the lectures and seminars, with the purpose of equipping students with a blend of theories and applications in the area of International Finance.

The module contents builds upon students' existing knowledge foundations on Corporate Finance, and attempts to expand and advance all the basic aspects of corporate finance into the international level.

Each topic will require students' active engagement in receiving lectures and practicing in various ways, such as case studies, group discussions, and solving numerical problems. A trader simulation game in FX market will also open to students. It offers an opportunity and healthy competitive environment for a 'hands-on' experience in the international finance world.

Notes

The module is concerned with the topic of international finance and provides students with a sound understanding of how international finance impacts on the organisation.