



**Course Number: XCPD-504-01**

**Course Title: International Finance**

**Meeting Time: Fridays, 6:15p.m. – 9:15p.m.**

**Saturdays, 9:00a.m. – 4:00p.m.**

**Meeting Room: Main Campus, Maguire 102**

## **COURSE SYLLABUS**

**Professor:** Vlad Babin  
**Office:** Room 200, Clarendon Campus, 3101 Wilson Blvd., Arlington, Virginia  
**Phone:** +1 (202) 415-4841  
**Email:** vb223@georgetown.edu  
**Office Hours:** Friday 5:00p.m. – 6:00p.m., Saturday 4p.m. – 5:00p.m., or by appointment

**Required Texts:** International Money and Finance, by Michael Melvin. 7<sup>th</sup> Edition, Addison Wesley, 2004, ISBN-13 9780201770285.

**Supplemental Texts/Readings:** Wall Street Journal, Financial Times, The Economist, etc.

Note: Please feel free to bring and use financial calculator (Hewlett-Packard or Texas Instruments).

### **Course Description:**

This course focuses on the international aspects of financial management. Particular emphasis is placed on the control of exchange rate risk and financing multinational corporations. Students will gain a working knowledge of the practical applications that integrate the theory, methods, and practice of international finance. Students will study capital flows, international financial environment, institutions and instruments, and foreign exchange operations. Also students will review the major aspects of investment decision making performed by multinational corporations, debt management, and the basics of exchange rate risk management.

### **Course Goals:**

Upon completion of this course, the successful student should be able to:

- Understand the environment of international financial management
- Understand how the foreign exchange markets operate
- Understand the importance of foreign exchange risk management
- Understand basics of hedging using derivative securities (futures, options, swaps)
- Distinguish between accounting and economic exposures
- Understand how foreign operations are being financed
- Understand foreign investment analysis, including portfolio management and foreign direct investments

### **Course Requirements:**

All students are expected to come to class and actively participate in discussions and other activities. One quiz and one test will be administered in this course. They will emphasize your understanding of concepts and tools presented in the course. Quiz/test material will come from assigned readings, class lectures, discussions, and homework assignments. They will be the following format – key definitions, key concepts, and simple numerical problems.

**Cell phones and other electronic devices:** Cell phones and other electronic devices should be turned off or placed on vibrate prior to the start of class.

**Lateness/Absentee Policy:**

1. Classes will begin promptly at the announced times. You must make every attempt to arrive to class on time to benefit fully from this class. Please arrive on time. Attendance will be taken and it is a part of your grade.
2. Past experience indicates that a strong correlation exists between class attendance and passing grades. All students are responsible for the material covered in each lecture. Absence from a lecture does not alter this responsibility. Students who are absent from class should obtain information regarding assignments and course material covered during their absence from classmates. Students who for medical or other reasons believe that they may find it necessary to leave the classroom during a class or test, must inform the faculty of this possibility in advance. Also students must inform the faculty in advance if they will not be able to take a scheduled quiz or test.

**Grading:**

A. Grading will be based on the following criteria:

- Quiz	20%
- Test	40%
- Homework	25%
- Attendance	10%
- Class Participation	5%
<b>Total</b>	<b>100%</b>

**Academic Standards and Grades:**

All Center for Continuing and Professional Education (CCPE) courses are evaluated on Georgetown University's non-credit grading schema (unless otherwise noted), which is detailed below.

**Non-Credit Grading Schema:**

***(SC) Successfully Completed***

Successful completion requires completion of all course requirements and satisfactory attendance as defined by the faculty member. Students must receive at least 70% to get a "SC".

***(AT) Attendance Verified***

A grade of (AT) indicates that a student was in attendance for a majority of the course, but did not satisfactorily complete all course requirements.

***(RE) Registered but Never Attended***

A grade of (RE) indicates that a student was enrolled in a course, but failed to physically attend.

***(W) Withdrawal***

A grade of (W) indicates that a student formally withdrew from a course prior to the start of the course.

CCPE faculty members have the privilege of making final judgment as to a student's grade. Disputes or inconsistencies will be resolved by the Associate Dean or Dean of the School of Continuing Studies.

**Religious Observances and Test Policy:**

Students who anticipate being absent due to their religious observances must notify the faculty in advance. This will allow the faculty to take these observances into consideration in light of their course tests and assignment schedules. If necessary, students must contact the faculty to work out suitable arrangements for make-ups or other satisfaction of academic requirements.

## COURSE OUTLINE

*Note: This course outline is tentative and is subject to change by the faculty. Any changes will be announced in class. It is student's responsibility to be aware of any changes.*

Week	Dates	Topic	Assignments	Notes
1	04/20	Environment of International Financial Management. Hedging Foreign Exchange Risk with Derivative Securities.	Chapters 3, 4, 10.	
1	04/21	Exchange Risk Management – Measuring and Managing Accounting Exposure. Measuring and Managing Economic Exposure.	Chapters 2, 6, 8, 13, plus handouts. Homework Handout.	Pizza! <b>Quiz</b> at the end
2	04/27	Foreign Investment Analysis – International Portfolios and Foreign Direct Investments.	Chapters 7, 12. Case Handout.	
2	04/28	Working Capital Management for Multinational Corporations – Foreign Trade, Current Asset management and Short-Term Financing.	Chapter 11, plus handouts. <b>Homework is due.</b>	<b>Test</b> at the end

**BEST WISHES AND GOOD LUCK!**