

**CHAMINADE UNIVERSITY**  
**International Finance and Banking (MBA 780)**  
**Spring 2010**

**INSTRUCTOR:** Dr. Gholam Khaleghi  
**OFFICE HOURS:** By Appointment

Email: gkhaleghi@gmail.com

**COURSE DESCRIPTION**

The central theme of this course is the study of advanced surveying topics in international trade and finance. Topics include: international trade theories; foreign exchange markets; managing foreign exchange exposure, international bond market; financing from a global perspective, foreign investment decisions, balance of payments; international monetary arrangements such as international lending and debt scheduling. The overriding focus is on key contributing factors to the global economic settings and how these elements change the financial environment in which global financial firms function.

The analysis will be extended to examine the role and impacts of national and foreign government policies on international finance, foreign investment and trade. Attempts will be made to discuss the theory and examine the contributing factors to exchange rate fluctuations. Later, the lectures will be on global financial strategies. Emphasis will be placed on writing, problem-solving, critical thinking, and abstract reasoning.

**Prerequisites: MBA 611**

**COURSE OBJECTIVES**

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

1. Examine the nature and scope of the world financial environment in which global enterprises operate.
2. Demonstrate knowledge of international financial organizations and monetary systems.
3. Discuss the international financial operations, functions, and usefulness in a global business setting.
4. Distinguish between the similarities and contrasts of national and foreign financial environments and examine the endogenous and exogenous factors surrounding global financial enterprises with which their management must cope.
5. Identify a number of management responses and solutions to problems caused by foreign environments.
6. Use basic statistical techniques to assess markets in general and international financial markets in particular.
7. Have a thorough understanding of the global dimensions of financial resources management.

**THE LEARNING SYSTEM**

- I. TEXTBOOK: International Fundamentals of Multinational Finance, 3/E, by Michael H. Moffett, Arthur I. Stonehill, and David K. Eiteman, Publisher: Pearson (Prentice Hall), 2009.
- II. Economist Intelligence Unit: Country Report; The Wall Street Journal; The Economist; Asian Wall Street Journal; Far Eastern Economic Review; and World Bank Data Base.
- III. Handouts and reading assignments from other books, magazines, and journals.
- IV. Written assignment.

## **eCollge**

The textbook will be used as the foundation learning source. There will be many handout reading materials related to various investment topics. The eCollge sell will be available to all registered students to have access to a variety of reading materials and information, including outlines of lecture notes, assignments, and announcements. Your Chaminade student ID number is your eCollege ID and your password is the last four digits of your social security number. Please visit the eCollege course site: make sure that you can access it, look at the materials posted there and check whether you can view and/or download them.

The eCollege link is <http://www.chaminade.ecollege.com>. If you experience any difficulty with eCollege or have technical questions, please contact the Chaminade eCollege helpdesk at: [helpdesk@chaminade.ecollege.com](mailto:helpdesk@chaminade.ecollege.com), or call toll free at: (866) 647-0654. For account questions, please contact the Chaminade eCollege system administrator Mr. Jon Nakasone at: [jnakason@chaminade.edu](mailto:jnakason@chaminade.edu).

## **COURSE OUTLINE\***

Week 01	Apr. 08	Review Markets, Price System, & Various Market Structures
Week 02	Apr. 15	One Handouts – Interest Rate
Week 03	Apr. 22	Three Handouts – Comparative advantage, Foreign Payments, Exchange Rate Markets

### **Exam I (Apr. 29, 2010)**

Week 04	Apr. 29	Three Handouts – International Markets and Barriers Chapter 01 – Globalization and the Multinational Enterprise
---------	---------	--

Week 05	May 05	Chapter 02 – Financial Goals and Corporate Governance
---------	--------	---

Week 06    May 13

### **Exam II (May 13, 2010)**

		Chapter 03 – Balance of Payments Handout and Chapter 05 – The Market for Foreign Exchange
Week 07	May 20	Chapter 06 – International Parity Relationships & Forecasting Exchange Rates

## **PART III: Foreign Exchange Exposure and Management**

Chapter 09 – Management of Economic Exposure

## **PART IV: World Financial Markets and Institutions**

Chapter 11 – International Banking and Money Market

Week 08 May 27

**Exam III (Jun. 03, 2010)**

Chapter 12 – International Bond Market  
Chapter 13 – International Equity Market  
Chapter 16 – International Portfolio Investment

Week 09 Jun. 03

**Final Exam (Jun. 10, 2010)**

Week 10 Jun 10

**Research Paper**

**\*Subject to change**

**GRADING**

**GRADING PROGRESS RECORD**

	Total Possible Points	Your Points	Your Total Points
Discussion	20	_____	
Research Paper	20	_____	
Exam	60	_____	
Total	100		=====

**Final grades will be based on the total points accumulated.**

**100-90=A; 89-80=B; 79-70=C; 69-60=D; Less than 60=F.**

There will be no makeup exams or report. Grades of incomplete will not be given. Late homework assignments will be subject to penalty. Exams will be case studies and/or multiple choice and problems. Final exam will be cumulative.

Final exam will be retained by the instructor, but may be reviewed in my office.

**Term Paper:**

Students are required to write (2500 – 7000 words) term paper about a country of their choice. The country study project should provide a guide for those who are interested in doing any type of business within the country under investigation---political and economic structure. The term paper should include the following:

- I) A brief description of government, political and cultural developments

- II) Detailed reviews of country's of economic policies affecting the major contributing economic/business/financial factors such as:
- GDP growth rate
  - Prices and inflation
  - Exchange rates
  - Interest rate
  - Imports and exports
  - Foreign direct investment
- III) Detailed outlooks for business opportunities and potentials and possibilities for investment.
- IV) Summary of the country's outlook, economic policy: the domestic economy and foreign trade, exchange rate, and business/investment opportunities.

Note: Please provide data to put the issue in context and to support your recommendation.  
References should appear on the last page.

### **Term Paper Guideline:**

- a. Each student is given the opportunity to select a country. Students should post the country of their choice on the **eCollege from May 06** . No duplication of any country is permitted. If two or more students express interest in one country, the country will be assigned to the student who has the first posting within the specified period. No posting before May 06 is valid.
- b. For your term paper to be graded, it must be posted on time not less than the number of minimum words assigned. Late posting will receive no credit because students have about 2 months to complete their project.
- c. Emphasis is on your thought processes and your ability to convey these thoughts with lucidity and coherence. Remember that polished writing is most often achieved only after a great deal of rewriting, editing, and revision. Grades reflect the quality of both the content and the presentation of your writing.
- d. Students are expected to concentrate not only on the content of the paper, but also major features of writing such as focus, logic, organization, and support and development of ideas. Students should proofread for any grammatical, punctuation, and spelling errors.
- e. I have access to Turnitin program which scan for plagiarism. Proof of plagiarism will earn students an "F" for the course. If you cannot resist including some of the author's words because of his/her clarity of expression, then put the passage in quotation marks, and include appropriate citations.

**Term Paper eCollege Doc Sharing Posting Deadline :=> Jun. 07, 2010**