

FIN 4420

**INTERNATIONAL FINANCIAL MANAGEMENT**

Haworth College of Business  
Western Michigan University

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**Office Hours:**

Tue 1-2:30

Thu 1-2:30

[or by appointment]

**ORGANIZATION OF CLASS:** The class will be based upon *extensive readings*, *extensive classroom discussions* and homework problems. Lectures will often expand upon topics in the text, but at other times will cover *topics not included in the readings, including current events*.

**REQUIRED:**

**Fundamentals of Multinational Finance** by Moffett, Stonehill & Eiteman (3d)

**Financial calculator** [Recommended: HP 10B or TI Business Analyst]

**RECOMMENDED:**

**Study Guide**

Also, since *current events* will play an important role in the class, you are strongly encouraged to read current publications such as the *WSJ*, *NYT*, *Financial Times*, *Business Week*, *Economist*, etc. Several of you may choose to share a single subscription.

**EVALUATION:**

**Grading standards:**

Class participation and homework	15	A	= 90+	C	= 70+
Exam I [5/27/10]	25	BA	= 85+	DC	= 65+
II [6/15/10]	30	B	= 80+	D	= 60+
Final [6/29/10]	30	CB	= 75+	E	= <60

**COURSE OBJECTIVES:** Upon successful completion of FIN 4420, you should be:

- \* Familiar with and able *to understand the economic and financial environments of international business*;
- \* Able to *apply an understanding of international finance to appropriate business issues*; and
- \* *Up-to-date on major current issues which affect international financial management.*

**ATTENDANCE:** You are expected to attend all classes. There will be *extensive discussion in class*, based upon readings and current events. *Absence from class will adversely affect your class participation grade.*

**OFFICE HOURS:** You are encouraged to meet with me during my office hours to discuss class materials. *Do NOT fall behind in class!* See me as soon as you encounter difficulties. *Do not wait until just before the exam.* If you cannot come during office hours, email or call me so we can try to set up a different time to meet.

**ACADEMIC INTEGRITY:** You are responsible for making yourself aware of and understanding the policies and procedures in the Undergraduate Catalog that pertain to *Academic Honesty*. These policies include cheating, fabrication, falsification and forgery, complicity or the misuse of computer, calculator or other electronic devices. [The policies can be found at [www.wmich.edu/catalog](http://www.wmich.edu/catalog) under Academic Policies, Student Rights and Responsibilities.] If there is reason to believe you have been involved in academic dishonesty, you will be referred to the Office of Student Conduct. You will be given the opportunity to review the charge(s). If you believe you are not responsible, you will have the opportunity for a hearing. You should consult with me if you are uncertain about an issue of academic honesty *prior to the submission* of an assignment or test. Also, please let me know if you are aware of anyone else cheating.

**ASSIGNMENTS:** Assignments (readings, problems, questions & cases) are to be done *in advance*. *Questions* will *not* be collected, although you are encouraged to write them out to prepare you for class and to help when you prepare for exams. *Problems* will be collected and *must be typed*. [Make sure that you have the phone numbers and/or email addresses of at least 2 of your classmates in case you have any questions about the class.]

	<b>Topic</b>	<b>Questions</b>	<b>Problems</b>
1.	Ch. 1: Globalization	1, 4, (p. 24)	
2.	Ch. 3: International Monetary System	2-3, 8, 10-11, 14 (p. 87)	2, 5, 10 (p. 87-8)
3.	Ch. 5: Foreign Exchange Market: I [+ supplement—on line]	2-3, 5-6, 9 (p. 148)	13-4 (p.88) 1-2, 15 (pp. 148, 151)
4.	Ch. 5: Foreign Exchange Market: II [+ exam preview]		4, 7, 11 (pp.149-50)
5.	Ch. 8: Foreign-Currency Derivatives	1, 3-10 (p. 245)	3, 8 (pp. 246-7)
6.	<b>Exam I</b> [Ch. 1, 3, 5; 2 hours]		
7.	Ch. 9: FX Transaction Exposure [+ supplement—on line]	1-3, 5, 10-11 (p. 276)	1, 6-7, 10 (p. 276-9)
8.	Ch. 10: FX Operating Exposure	2, 4, 7-8 (p. 308)	[Read to discuss: 1, 4]
9.	a. Ch. 13: International Equity Markets	2-5, 8, 12-13 (p.397)	7-8 (p. 399) [refer to p. 341]
	b. Ch. 14: International Debt Markets: I	1-5 (p. 422)	1-3 (p. 423-4)
10.	Ch. 14 International Debt Markets: II [also read pp. 39-42, 57-59] [+ exam preview]	8-14 (p.423)	7-8 (p. 425)
11.	<b>Exam II</b> [Chapters 1, 3, 5, 8-10, 13-4; 2 hours]		
12.	Ch. 15: Swaps	2-3, 6, 9, 11 (p. 448)	2, 7 (p. 448-450) [+ supplement]

13. Ch. 22: Funds Management 1-2, 8, 16-7, 20-21, 25 (p. 639-41) 1-2, 4 (p. 641-2)
14. Ch. 20: Exporting & Importing 1-2, 4, 6-7, 13 (p. 584-5) 1-2 (p. 585-6)  
[+ exam preview]
15. **Final exam** [Chapters 1, 3, 5, 8-10, 13-4; 15, 20, 22]