

International Finance (EM1F5M2AA1)

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| Program | PGE |
| Course set (UE) / Credits (ECTS) / Track / Specialization | Module :Principles of International Management : 18 ECTS. <ul style="list-style-type: none">• PGE 3A - International and European Business (IEB) |
| Discipline | Finance |
| Year | 2020 |
| Semester | A |
| Open for visitors | yes (4 ECTS) |
| Available spots | 45 |

Coordinator

Jean-Loup SOULA

Lecturers

| Instructor | Population | Email |
|-----------------|------------|--------------------|
| Jean-Loup SOULA | Population | jlsoula@unistra.fr |

Course format

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| Working language : | English |
| Volume of contact hours : | 20 h |
| Workload to be expected by the student : | 60 h |

Course track

Track : Attendance

Attendance track :

Attendance at lectures/tutorials and intermediate/final assessments is mandatory. As in-class work constitutes an essential element of evaluation, any unjustified absence will be penalized (*see Study and Examination Regulations*) and factored into the final grade (*see Assessment*).

Autonomous track :

Attendance at intermediate/final assessments is mandatory, but students have the option of attending lectures/tutorials.

Attendance at lectures/tutorials and intermediate/final assessments is mandatory for all degrees making up the Master's Program and all degrees involving co-op (*apprentissage*). Attendance track must therefore be selected.

Contribution of the course to the educational objectives of the program

How the course contributes to the program :

LEARNING GOAL 1 : Students will master state-of-the-art knowledge and tools in management fields in general, as well as in areas specific to the specialized field of management.

Students will identify a business organization's operational and managerial challenges in a complex and evolving environment.

Students will understand state-of-the-art management concepts and tools and use them appropriately.

LEARNING GOAL 2 : Students will develop advanced-level managerial skills.

Students will work collaboratively in a team.

LEARNING GOAL 4: Students will study and work effectively in a multicultural and international environment.

Students will analyze business organizations and problems in a multicultural and international environment

Description

- The course is concerned with matters of international financial management. It aims at equipping future leaders with the analytical tools they need to manage finance in the international business environment faced with by multinational corporations. It blends theory, practical illustrations and case studies to prepare future MNC managers to make sound international financial decisions and manage the risk of business in a competitive global environment.
- In an introduction the course covers the environment of international financial management and the context and principles surrounding the financing of global firms. It then lists the reasons & determinants for direct foreign investments. It describes the analytical tools required to perform multinational capital budgeting, including country risk assessment. The last part is devoted to the management of short term issues in a global context such as the

management of net working capital, the management of transfer prices, and currency risk management.

Educational organisation

In class

Lectures

In groups

Exercises

Projects

Learning outcomes

Upon completion of this course, students should be able to :

- **Recognize** the specific needs of multinational corporations in terms of financial management
- **Describe** the tools multinational corporations can use
- **Operate** appropriate solutions to management problems
- **Examine** the pro and cons of given financial decisions
- **Synthesize** the opportunities and risks faced by a multinational corporation
- **Evaluate** the orientation a multinational should take in terms of financial management

Outline

- Environment of international Financial Management: Country risk analysis
- Financing the multinational corporation: International financing and national capital markets, cost of capital for foreign investments
- Foreign investment analysis: Capital budgeting for the multinational corporation
- Multinational working capital management
- Managing currency risk (foreign exchange market, forward markets and transaction exchange risk)

Prerequisites

Key concepts to understand :

Net Present Value
Net Working Capital
Cost of Capital

Knowledge of :

- Basic mathematical skills
- Vocabulary of corporate finance

Teaching material

Documents in all formats

- Syllabus
- Transparencies in paper format
- Worksheets

Software

- Office Pack (Word, Excel, PowerPoint, Access)

Recommended reading

Major works :

Reference manual: A. C. Shapiro, 2013, Multinational Financial Management, Wiley
<http://unistra.scholarvox.com.scd-rproxy.u-strasbg.fr/catalog/book/docid/88834221>

Further reading :

Various publications from international organizations indicated as possible sources of information to write the essay.

Research works by EM Strasbourg :

Assessment

Intermediate evaluation / continuous assessment 1 :

written / in group / English / weighting : 25%
additional information : Essay writing in groups of 3-4 students
This evaluation serves to measure LO1.1, LO1.2, LO2.1, LO4.2

Intermediate evaluation / continuous assessment 2 :

written / individual / English / weighting : 25%
additional information : Moodle quizzes with time constraint
This evaluation serves to measure LO1.1, LO1.2, LO4.2

Final assessment : exam week

written (120 min) / individual / English / weighting : 50%

Grounds for expulsion from classes

Behaviors such as

arriving late, leaving early, or exiting the classroom at inopportune moments during class

ostentatiously eating or drinking in class

using smartphones or laptops for non-class-related purposes

reading texts unrelated to the course

discussing topics unrelated to the course

disrespecting the lecturer

may lead to expulsion from the class/course.