Instructor: Hao-Chen Liu, Ph.D.
E-mail: liuh@cofc.edu

Course Goal
This course introduces the operation of international financial markets and financial management in the global environment. It builds an understanding of international finance management in the global environment. It builds an understanding of international finance through both theoretical and practical approaches. Topics covered will include history and development of currency markets, currency derivatives and their applications, types of foreign exchange risk exposure and hedging strategies, market microstructure, and trade finance.

Required Textbook

Required Technology
The entire course will be delivered online through OAKS (lms.cofc.edu). Therefore, you need to have a computer to access internet and be able to play both audio and video files. Using mobile devise to access the course materials is not recommended. If you experience any technology issues, please contact Student Computer Support at 953-8000 or studentcomputingsupport@cofc.edu.
(https://it.cofc.edu/help/studentcomputing.php)
IMPORTANT: Computer failure/unavailability does not constitute an excuse for not completing assignments by the due date.
Prerequisites
Junior or senior standing; ECON 200, 201; FINC 303

Course Objectives
The objectives of this course are for you to understand international financial markets and manage financial risk in an international business environment. You will possess the quantitative skills, communication skills, be aware of important ethical issues in finance, and know the following when you finish this course:

• The history, development, and mechanism of currency market
• The instruments in the foreign exchange market including currency derivatives and their uses
• Foreign exchange exposure and management: types of risk exposure and hedging strategies
• International financial markets and institutions
• Others: currency trading, trade finance

Course Delivery and Learning Expectations
This course will be delivered completely online. Even though we do not meet in person, our goal is to have a bounded learning community. In this community, we help out each other by having online interactions through different communication tools (see “Communication” in the “Other issues” section). In the following few weeks, we all live in this community. To achieve the highest level of learning for everyone, we should be good citizens in this community. Good citizens help out each other. Good citizens communicate in good and acceptable manners. Good citizens contribute to the community. Good citizens care and listen to each other. Good citizens can be trusted by each other.

Because we do not meet in person, it is very important that you participate regularly in our virtual community to stay on the top of the course. In each module, there will be lecture videos, reading assignments, homework assignments, and discussion questions. There will also be 3 assessment tests and a final exam which are required to be completed independently. All other components can be worked together in this virtual community. You can share your ideas, questions, and help out each other to improve your writing on reports and assignments. There will be different posts available on the discussion board on OAKS for you to ask and answer questions. Please feel free to post any course related questions on OAKS. REMEMBER, ALL QUESTIONS ARE GOOD QUESTIONS. Please do not feel frustrated or uneasy to ask questions. Other students might have the same questions as you but are afraid to ask.
However, if you still feel uncomfortable to post questions in public, feel free to email me or use other communication tools.

Last but not the least, even though this is an online course, you should expect to have the same level of rigorousness as a face-to-face course. This course is not self-paced. Instead, it is very fast paced. A new module will be posted on OAKS on every other day. You are required to complete all online assignments within a given time window which include assigned readings, homework assignments, reports, participations in discussion board, tests, etc. Failing to complete any of these components will have adverse effects on your learning and grade. If this is your first time taking an online course and a summer course, I understand your anxiety of possibly missing anything because there is not an assigned meeting time like in a regular classroom. Please do not worry. As long as you log in OAKS regularly, you should not miss any new posts.

Grade Determination

Final grade will be determined as follows:

- 3 assessment tests 45% (i.e., 15% each)
- Final Exam (Comprehensive) 20%
- Homework assignments 20%
- Discussions 10%
- Wildcard for best all-around performance 5%

Total 100%

The Overall Performance Score computes with this letter grade distribution:

- 92.0 ≤ average ⇒ A
- 72.0 ≤ average < 77.0 ⇒ C
- 89.5 ≤ average < 92.0 ⇒ A-
- 69.5 ≤ average < 72.0 ⇒ C-
- 87.0 ≤ average < 89.5 ⇒ B+
- 67.0 ≤ average < 69.5 ⇒ D+
- 82.0 ≤ average < 87.0 ⇒ B
- 62.0 ≤ average < 67.0 ⇒ D
- 79.5 ≤ average < 82.0 ⇒ B-
- 59.5 ≤ average < 62.0 ⇒ D-
- 77.0 ≤ average < 79.5 ⇒ C+
- average < 59.5 ⇒ F
Homework Assignments

A homework assignment will be posted on OAKS on the same day with a new module. It will be due on the next day. Here are the rules for submitting your assignment:

- All assignments need to show **complete work** to receive credit.
- All assignments are required to be **typed**.
- All assignments are submitted in **MS Word** file.
- All assignments need to be turned in to the Dropbox on **OAKS**. Only the files submitted to Dropbox will be graded. No email submission is accepted.
- All assignments will be due by **11:30 p.m.** (U.S. Eastern Time) on the due date. Please plan to turn in your homework assignment early. Your computer might have a different time from school’s system. The due time, 11:30 p.m., is based on school’s computer system, not your computer’s time. No late homework will be accepted.

Module, Assessment Tests, Discussions, and Final Exam Policies:

1. **Module**
   - A new module will be posted on OAKS at 8 a.m. **on every other day**

2. **Assessment tests**
   - There will be total 3 assessment tests before a comprehensive final exam.
   - It will be posted on OAKS at 8 a.m. on the test day. The test will be timed. You will need to complete the test by 11:30 p.m. on the test day.
   - Students missing an assessment test for any reason whatsoever receive a zero on that test. There are **no excused absences** because we employ a no-fault attendance policy. **No make-up tests will be given.**

3. **Discussions**
   - To receive credit from discussion, you need to participate on the Professor’s Discussion Board (PDB). Within each module, I will post some discussion questions on PDB. You are required to join the discussion at least one time **within 2 days** after the question is posted to receive the grade.

4. **Final Exam**
   - At the end of the term, a final exam will be posted on OAKS. The date of the final will be scheduled according to the Registrar office’s calendar on **May 29 (Friday), 2020.**
Final exam is comprehensive. It will be served for 2 purposes. First, it accounts for 20% of your grade. Second, it will be used to replace ONE of your lowest scored assessment tests. If you score higher in the final exam than any one of the previous assessment tests, the lowest scored assessment test will be dropped and your final exam will weigh 35%, instead of 20%. Therefore, in the case that you missed an assessment test which will be counted as a zero, you can use the final exam to replace the missed assessment test. You can use your final exam to replace at most ONE assessment test. If you miss more than one assessment test, you will receive a zero for other missed test.

Other Issues

(1) Communication: There are at least 2 different ways to communicate in this course.
   a. Email: If it is a student specific question, please email me and I will reply within 24 hours during work days (i.e., Monday to Friday). I respond only to emails sent through student email accounts (i.e., cofc account). On the email subject line, put “FINC-382”. If you do not receive my reply in 24 hours during work days, send it again.
   b. Discussion Boards: There are 3 discussion forums: General Discussion Board (GDB), Chapter Discussion Board (CDB), and Professor’s Discussion Board (PDB). They work as follows.
      i. **GDB**: This board is for general questions, such as course requirements, homework due date, where to turn in homework, etc. I encourage you to help answer the questions if you know the answers.
      ii. **CDB**: This board is for chapter specific questions, related to course materials. I encourage you to help answer the questions if you know the answers.
      iii. **PDB**: This board is for class discussion questions. Within each module, I will post some discussion questions on the discussion board. You are **required** to join the discussion at least one time **within 2 days** after the question is posted to receive the grade.

(2) It is your responsibility to check any announcements posted on OAKS.
(3) If there is a student in this class who has a documented disability and has been approved to receive accommodations through the Center for Disability Services/SNAP (Students Needing Access Parity), please have SNAP center contact me within first 2 days of the term.

List of Topics

- Module 1: Introduction of International Financial Markets; the History and Development of Currency Market (Chapters 1 and 2)
- Module 2: Balance of Payments; Foreign Exchange Markets, Part 1 (Chapters 3 and 5)
- Module 3: Foreign Exchange Markets, Part 2; International Parity Relationships, Part 1 (Chapters 5 and 6)
- Module 4: International Parity Relationships, Part 2; Futures and Options, Part 1 (Chapters 6 and 7)
- Module 5: Futures and Options, Part 2; Foreign Exchange Exposure and Management (Chapters 7 and 8)

Important dates:

1. Last day to drop/add: Monday, May 11
2. Last day to withdraw with a grade of “W”: Friday, May 22
3. Memorial Day-No class: Monday, May 25
4. Last day of class: Thursday, May 28
5. Final Exam: Friday, May 29
### FINC 382: Maymester 2020
(daily topics subject to change)

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<td><strong>Module 1:</strong> The history, development, and mechanism of currency market</td>
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College of Charleston Honor Code and Academic Integrity
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved. Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and
signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file. Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board. Students should be aware that unauthorized collaboration--working together without permission-- is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance. Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor.

Students can find the complete Honor Code and all related processes in the Student Handbook at [http://deanofstudents.cofc.edu/honor-system/studenthandbook/](http://deanofstudents.cofc.edu/honor-system/studenthandbook/)