INSTRUCTOR: Hao-Chen (Jared) Liu, Ph.D.

OFFICE/PHONE/EMAIL: J.C. LONG 307 / 843-953-1988 / liuh@cofc.edu

CLASS TIME: 12:15 p.m. to 1:30 p.m., Tuesdays and Thursdays

CLASSROOM: Beatty Center 214

OFFICE HOURS: Zoom online office (Zoom link will be posted on Oaks)
- Mondays and Wednesdays: 10 a.m. to 12 p.m.
- By appointments

Course Description
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

Suggested Reading
GMAG/Barron’s
Thanks to the support of New York-based wealth management firm GM Advisory Group, students at the College of Charleston School of Business now have access to Barron's digital magazine. Barron's, published by Dow Jones & Co., has been relied on by professionals and investors as the leading source for business news and financial market insights. We will be using this resource to connect real-world analysis with textbook theory. Please register to gain instant access with your @g.cofc.edu email address by visiting https://partner.barrons.com/p/p_bie/enter-redemption-code/COCBw2rj3pdd. After registering, you can log in directly by visiting Barrons.com.

Prerequisites
Junior or senior standing; ECON 200, 201; FINC 303

The SB Learning Goals:

- **COMMUNICATION SKILLS:** Students demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner.

- **QUANTITATIVE FLUENCY:** Students demonstrate competency in logical reasoning and data analysis skills.

- **GLOBAL AND CIVIC RESPONSIBILITY:** Students identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students integrate knowledge and skills in addressing these issues.

- **INTELLECTUAL INNOVATION AND CREATIVITY:** Students demonstrate their resourcefulness and originality in addressing extemporaneous problems.

- **SYNTHESIS:** Students demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks.

Learning 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 and communication skills, be aware of the 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

Grade Determination

Final grade will be determined as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exam 1</td>
<td>18%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>18%</td>
</tr>
<tr>
<td>Exam 3</td>
<td>18%</td>
</tr>
<tr>
<td>Final Exam (Comprehensive)</td>
<td>20%</td>
</tr>
<tr>
<td>Homework assignments</td>
<td>10%</td>
</tr>
<tr>
<td>Currency game and report</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Wildcard for best all-around performance</strong></td>
<td><strong>6%</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The wildcards increase the importance of your best scores.
The Overall Performance Score computes with this letter grade distribution:

- $92.0 \leq \text{average} \Rightarrow \text{A}$
- $72.0 \leq \text{average} < 77.0 \Rightarrow \text{C}$
- $89.5 \leq \text{average} < 92.0 \Rightarrow \text{A-}$
- $69.5 \leq \text{average} < 72.0 \Rightarrow \text{C-}$
- $87.0 \leq \text{average} < 89.5 \Rightarrow \text{B+}$
- $67.0 \leq \text{average} < 69.5 \Rightarrow \text{D+}$
- $82.0 \leq \text{average} < 87.0 \Rightarrow \text{B}$
- $62.0 \leq \text{average} < 67.0 \Rightarrow \text{D}$
- $79.5 \leq \text{average} < 82.0 \Rightarrow \text{B-}$
- $59.5 \leq \text{average} < 62.0 \Rightarrow \text{D-}$
- $77.0 \leq \text{average} < 79.5 \Rightarrow \text{C+}$
- $\text{average} < 59.5 \Rightarrow \text{F}$

**Trading Game**

This game replicates a foreign exchange market. The purpose of this game is to make you familiar with the foreign exchange trading. Each one of you will participate on a web-based trading market. Your grade on the game will be based on your participation and a report to be turned in at the end of the semester. More information will be given after Exam 1.

**Homework**

Each assignment is to be submitted to an Assignment Dropbox on Oaks by due date and time. The Dropbox will be closed when the assignment is due. Late homework WILL NOT BE ACCEPTED. Homework must be typed. At the end of the semester, at most two of the homework assignments can be dropped based on your attendance record.

**Exam Policy**

- Exams are administered in-class and therefore time conflicts should not occur. No make-up exam will be given. If extenuating circumstances cause you to miss an exam then you, or your designee, must contact me by the end of exam day. The weight of the missed exam will be added to that of the final exam.
- At the end of semester, you may use your final exam as a replacement for one of the lowest scored exams. However, if you miss any of the exams, final exam will be used to replace ONLY your missed exam(s).
- A formula sheet will be provided for each exam except the final exam.
- For the final exam, you may prepare your own formula sheet on a letter-size paper (8.5”x11”) but only limited to the front side. Typing is allowed. Violation of the rules (e.g., using wrong paper size or both side of the paper) will result in forfeiture of the paper.

**Other Important Issues**

1) Attendance Policy: Even though we are still under a pandemic, your attendance is expected. Attendance will be taken on a regular basis. Your attendance record will affect the number of homework assignments to be dropped:

<table>
<thead>
<tr>
<th># of missed classes (excused/unexcused)</th>
<th># of homework to be dropped</th>
</tr>
</thead>
<tbody>
<tr>
<td>0~1</td>
<td>2</td>
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</table>

Since all homework assignments are to be turned in to Assignment Dropbox on Oaks, missing a class will not affect your assignment submission.
2) Grade Appeal:
   To appeal your grade, contact me within 3 class days of the general return of the exam. Your grades on assessments prior to the final should be discussed before you take the final. After the final exam, the only issue on the table for discussion is the final exam itself.

3) Email Policy:
   I will respond only to emails sent through student email accounts (i.e. cofc accounts). On the email subject line, put “FINC-382”. Email received after 3 p.m. may not be replied until next working day (i.e., Monday to Friday). If you do not receive my reply by the next working day, send it again.

4) Announcement:
   It is your responsibility to check with your fellow students and/or me on any announcements made in class and on Oaks if you miss the class.

5) Cell Phone:
   Please silent cell phones and any communication devises when class/exam is in session. If you have any special need which requires using electronic devises during class/exam, please let me know.

6) Calculator:
   I strongly recommend you bring a calculator to class. No specific type of calculator is required but a financial calculator is preferred.

7) Writing Lab:
   I encourage you to take advantage of the Writing Lab in the Center for Student Learning (Addlestone Library, first floor). Trained writing consultants can help with writing for all courses; they offer one-to-one consultations that address everything from brainstorming and developing ideas to crafting strong sentences and documenting sources. For more information, please call 843.953.5635 or visit http://csl.cofc.edu/labs/writing-lab/.

8) Oaks:
   OAKS, including Gradebook, will be used for this course throughout the semester to provide the syllabus and class materials and grades for each assignment, which will be regularly posted.

9) Disability/Access:
   This College abides by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act. If you have a documented disability that may have some impact on your work in this class and for which you may require accommodations, please contact an administrator at the Center of Disability Services/SNAP, 843.953.1431 or me so that such accommodation may be arranged. http://disabilityservices.cofc.edu/

10) Inclement Weather, Pandemic or Substantial Interruption of Instruction:
    If in-person classes are suspended, faculty will announce to their students a detailed plan for a change in modality to ensure the continuity of learning. All students must have access to a computer equipped with a web camera,
microphone, and Internet access. Resources are available to provide students with these essential tools.

**Important Dates**

1) Exam dates:
   - Exam 1: Thursday, September 23
   - Exam 2: Tuesday, October 26
   - Exam 3: Tuesday, November 30
   - Comprehensive Final: Monday, December 13, 1 p.m. to 3 p.m.

2) Last day to Drop/Add: Monday, August 30
3) Fall Break (No class): Monday and Tuesday, October 18 and 19
4) Last day to withdraw with a “W”: Friday, October 29
5) Thanksgiving (No class): Wednesday to Friday, November 24 to 26
6) Last class (FINC-382): Thursday, December 2

**College of Charleston Honor Code and Academic Integrity**

“Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when suspected, 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 misunderstanding and confusion will be handled by the instructor. The instructor designs an intervention or assigns a grade reduction to help prevent the student from repeating the error. The response is recorded on a form and signed both by the instructor and the student. It is forwarded to the Office of 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 XXF in the course, indicating failure of the course due to academic dishonesty. This status indicator will appear on the student’s transcript for two years after which the student may petition for the XX to be expunged. The F is permanent.

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/)