

**College of Charleston**  
**FINC-382-01 International Financial Management (Online)**  
**Summer 2022 (Maymester)**

Instructor: Hao-Chen Liu, Ph.D., CMT, CGBP, Global Scholar

Class date and time: Online

Office hours: (See the Communication section)

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**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**

International Financial Management by Cheol S. Eun, Bruce G. Resnick, and Tuugi Chuluun, 9<sup>th</sup> edition, published by McGraw-Hill/Irwin

**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 device to access the course materials is not recommended. If you experience any technology issues, please contact Student Computer Support at 843-953-8000 or [studentcomputingsupport@cofc.edu](mailto: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

## **The School of Business 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 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 is an online and asynchronous course. It will be delivered completely online. Even though we do not meet in person, our goal is to have a bonded 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 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 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, 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/or a summer course, I understand your anxiety of possibly missing anything because there is not an assigned meeting time like in a regular semester class. 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%
<u>Wildcard for best all-around performance</u>	<u>5%</u>
Total	100%

The Overall Performance Score computes with this letter grade distribution:

$92.0 \leq \text{average} \Rightarrow A$

$89.5 \leq \text{average} < 92.0 \Rightarrow A-$

$87.0 \leq \text{average} < 89.5 \Rightarrow B+$

$82.0 \leq \text{average} < 87.0 \Rightarrow B$

$79.5 \leq \text{average} < 82.0 \Rightarrow B-$

$77.0 \leq \text{average} < 79.5 \Rightarrow C+$

$72.0 \leq \text{average} < 77.0 \Rightarrow C$

$69.5 \leq \text{average} < 72.0 \Rightarrow C-$

$67.0 \leq \text{average} < 69.5 \Rightarrow D+$

$62.0 \leq \text{average} < 67.0 \Rightarrow D$

$59.5 \leq \text{average} < 62.0 \Rightarrow D-$

$\text{average} < 59.5 \Rightarrow F$

### **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 full credit.
- All assignments are required to be **typed**.
- All assignments are submitted in **MS Word or pdf** file.
- All assignments need to be submitted to the **Assignment 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 the school's system. The due time, 11:30 p.m. (U.S. Eastern Time), 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. (U.S. Eastern Time) **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. (U.S. Eastern Time) on the test day. The test will be timed. You will need to complete the test by 11:30 p.m. (U.S. Eastern Time) on the next 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 on **June 3 (Friday), 2022** from **8:30 a.m.** (U.S. Eastern Time) to **11:30 p.m.** (U.S. Eastern Time).
- Final exam is comprehensive. It will serve for two 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 the 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 2 discussion forums: General Discussion Board (**GDB**) and Professor's Discussion Board (**PDB**). They work as follows.
    - i. **GDB**: This board is for general questions, such as chapter related questions, 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. **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) 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/>

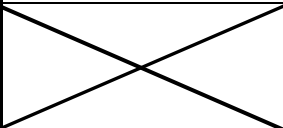
### List of Topics

- 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 16
2. Last day to withdraw with a grade of "W": Friday, May 27
3. Memorial Day-No class: Monday, May 30
4. Last day of class: Thursday, June 2
5. Final Exam: Friday, June 3

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(daily topics subject to change)

Monday	Tuesday	Wednesday	Thursday	Friday
May 16 / Class 1	May 17 / Class 2	May 18 / Class 3	May 19 / Class 4	May 20 / Class 5
	<b>(Due)</b> <b>HW-0 &amp; HW-1</b> <b>PDB-0 &amp; PDB-1</b>		<b>(Due)</b> <b>PDB-2; HW-2</b>	<b>Assessment Test 1:</b> <b>Modules 1 and 2</b>
<u><b>Module 1:</b></u> The history, development, and mechanism of currency market		<u><b>Module 2:</b></u> Balance of Payments Foreign Exchange Market, Part 1		<u><b>Module 3:</b></u> Foreign Exchange Markets, Part 2; International Parity Relationships, Part 1
Monday	Tuesday	Wednesday	Thursday	Friday
May 23 / Class 6	May 24 / Class 7	May 25 / Class 8	May 26 / Class 9	May 27 / Class 10
<b>(Due)</b> <b>PDB-3; HW-3</b> <b>Assessment Test 1:</b> <b>Modules 1 and 2</b>		<b>(Due)</b> <b>PDB-4; HW-4</b>	<b>Assessment Test 2:</b> <b>Modules 3 and 4</b>	<b>(Due)</b> <b>PDB-5; HW-5</b> <b>Assessment Test 2:</b> <b>Modules 3 and 4</b>
<u><b>Module 3 (Con't)</b></u>	<u><b>Module 4:</b></u> International Parity Relationships, Part 2; Futures and Options, Part 1		<u><b>Module 5:</b></u> Futures and Options, Part 2; Transaction Exposure	
Monday	Tuesday	Wednesday	Thursday	Friday
May 30	May 31 / Class 11	June 1 / Class 12	June 2 / Class 13	June 3
	<b>(Due)</b> <b>HW-6</b>	<b>Assessment Test 3:</b> <b>Module 5</b>	<b>Assessment Test 3:</b> <b>Module 5</b>	<b>FINAL EXAM:</b> <b>Comprehensive</b>
Memorial Day (No class)	<u><b>Module 5 (Con't)</b></u>	Study Day	Study Day	

### **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/>**