



**Fermanian School of Business**  
**FIN4035 International Finance**  
**3 Credit hours**

**Spring 2022**

|   |                                       |
|---|---------------------------------------|
| <b>Meeting days:</b> Tuesday/Thursday         | <b>Professor:</b> Bud Nelson          |
| <b>Meeting times:</b> 11:00 a.m. – 12:15 a.m. | <b>Cell Phone:</b> 619-890-2251       |
| <b>Meeting location:</b> FSB 104              | <b>E-mail:</b> bnelson1@pointloma.edu |
| <b>Office location:</b> FSB 138               | <b>Office Hours:</b> T, Th Afternoons |

**PLNU Mission**

**To Teach ~ To Shape ~ To Send**

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service becomes an expression of faith. Being of Wesleyan heritage, we aspire to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.

**Fermanian School of Business Mission**

**Character – Professionalism – Excellence – Relationships – Commitment - Innovation**

As members of a vital Christian community, we strive to provide high quality business programs that equip students to make a positive impact in their workplace and community by connecting purpose to practice.

**COURSE DESCRIPTION**

A study of the principles and practices at the core of multinational finance, including the financial issues faced by corporations operating in an international environment. Topics include the global financial environment, foreign exchange markets and instruments, financing global firms, multinational capital budgeting and international portfolio diversification.

**COURSE LEARNING OUTCOMES**

The following learning outcomes are aligned with the Fermanian School of Business Program Learning Outcomes. Upon successful completion of this course, students will be able to:

1. Exhibit an understanding of multinational finance principles and practices, including: global financial environment, foreign exchange markets and instruments, financing global firms, multinational capital budgeting and international portfolio diversification (PLO 1, C1 & F4).
2. Analyze foreign exchange transactions and exposure, and compute foreign exchange rates (PLO 2, C1 & F4).
3. Examine derivatives within the structure of futures and options, and calculate the different option pricing and option valuations (PLO 2, C1 & C2).
4. Apply the multinational capital budgeting process including the analysis of cross-border acquisitions (PLO 2, C1 & C2).
5. Demonstrate effective verbal communication through the presentation of multinational finance topics (PLO 3).

## COURSE CREDIT HOUR INFORMATION

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In the interest of providing sufficient time to accomplish the stated Course Learning Outcomes, this class meets the PLNU credit hour policy for a 3 unit class delivered over 15 weeks. Specific details about how the class meets the credit hour requirement can be provided upon request.

## COURSE SCHEDULE AND ASSIGNMENTS

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*Tentative Schedule (subject to change as needed - Check your PLNU e-mail and Canvas account daily):*

| Class     | Date        | Chapter                 | Topic   | Quiz/Test Dates         |
|-----------|-------------|-------------------------|---|-------------------------|
| 1         | 1/13        | Syllabus & Course Intro | Course Syllabus / Course Introduction                   |                         |
| 2         | 1/18        | 1                       | Multinational Financial Management                      | Practice Quiz           |
| 3         | 1/20        | 2                       | The International Monetary System                       | Quiz #1                 |
| 4         | 1/25        | 2                       | CH 1-2 Homework Review / Cryptocurrency Discussion      |                         |
| 5         | 1/27        | 3                       | The Balance of Payments                                 | Quiz #2                 |
| 6         | 2/1         | 3                       | CH 3 Homework Review / BOP Simulation Exercise          |                         |
| 7         | 2/3         | 4                       | Financial Goals and Corporate Governance                | Quiz #3                 |
| 8         | 2/8         | 4                       | CH 4 Homework Review / Exam I Prep                      |                         |
| <b>9</b>  | <b>2/10</b> |                         |   | <b>Mid-Term Exam I</b>  |
| 10        | 2/15        | 5                       | The Foreign Exchange Market                             | Quiz #4                 |
| 11        | 2/17        | 5                       | CH 5 Homework Review / Student Presentations            |                         |
| 12        | 2/22        | 6                       | International Parity Conditions / Student Presentations | Quiz #5                 |
| 13        | 2/24        | 6                       | CH 6 Homework Review / Student Presentations            |                         |
| 14        | 3/1         | 7                       | Foreign Currency Derivatives: Futures and Options       | Quiz #6                 |
| 15        | 3/3         | 7                       | CH 7 Homework Review / Student Presentations            |                         |
|           | 3/8         | NO CLASS                | Spring Break  |                         |
|           | 3/10        | NO CLASS                | Spring Break  |                         |
| 16        | 3/15        | 9                       | Foreign Exchange Rate Determination                     | Quiz #7                 |
| 17        | 3/17        | 9                       | CH 9 Homework Review / Student Presentations            |                         |
| 18        | 3/22        |                         | Exam II Prep / Student Presentations                    |                         |
| <b>19</b> | <b>3/24</b> |                         |   | <b>Mid-Term Exam II</b> |
| 20        | 3/29        | 10                      | Transaction Exposure                                    | Quiz #8                 |
| 21        | 3/31        | 10                      | CH 10 Homework Review / Student Presentations           |                         |
| 22        | 4/5         | 11                      | Translation Exposure                                    | Quiz #9                 |
| 23        | 4/7         | 11                      | CH 11 Homework Review / Student Presentations           |                         |
| 24        | 4/12        | 14                      | Funding the Multinational Firm                          | Quiz #10                |
|           | 4/14        | NO CLASS                | Easter Break  |                         |
| 25        | 4/19        | 14                      | Case Study Homework Review / Student Presentations      |                         |
| 26        | 4/21        | 18                      | Multinational Capital Budgeting and Cross-Border Acq.   | Quiz #11                |
| 27        | 4/26        | 18                      | CH 18 Homework Review / Student Presentations           |                         |
| 28        | 4/28        |                         | Student Presentations / Final Exam Prep                 |                         |
| <b>29</b> | <b>5/5</b>  | <b>Final Exam</b>       | <b>Thursday, 10:30am – 1:00pm</b>                       |                         |

## REQUIRED TEXT AND STUDY RESOURCES

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**Text:** Multinational Business Finance, Eiteman, Stonehill & Moffett, 15<sup>th</sup> edition, Pearson ©2019 (ISBN-13: 978-0134796550). **Resources:** Personal Computer with Microsoft Excel, Word and PowerPoint.

## CLASS ACTIVITIES (ASSESSMENT AND GRADING)

**Homework:** 11 Homework assignments will be given throughout the semester and primarily consist of problems from the end of each chapter or problems provided by the instructor. The homework will be assigned (via Canvas) for each class period approximately 7 days prior to the due date of such assignments. All homework assignments must be turned in (via Canvas) no later than 11:00am on the date such homework assignment is due. Late homework will not be accepted as we will review all assignments in class the day they are due; however, your lowest grade on the homework assignments will be dropped from your final grade evaluation. Working together on homework assignments is encouraged; however, you cannot share homework (Microsoft Excel) files and must submit your own work (see academic integrity section below). Homework must be prepared using Microsoft Excel (except for case study assignment) and must include all work and supporting calculations for credit.

**Quizzes:** 11 Quizzes will be given during the semester and will consist of multiple choice and true/false questions based primarily on finance terms, concepts and other terminology included in the textbook. Such quizzes will be given at the beginning of the class period either in-person or remotely using Canvas. Students must be present the entire class session for their quiz to be accepted. No makeup quizzes will be issued if one is missed; however, your lowest grade on the quizzes will be dropped from your final grade evaluation.

**Current Event/Topic Presentation:** Each student will make one current event/topic presentation to the class during the semester. Guidelines and additional information regarding the presentations will be provided in a separate document during class.

**Class Participation / Attendance:** The success of the course will be impacted by the quality of daily participation. Each of you must feel comfortable contributing to discussions on a daily basis. Class participation will be based upon your contributions to discussions, including input or questions regarding the reading and homework assignments. In addition, you should be prepared to answer questions, and participate in group activities and other in-class assignments. Class participation will also be based upon your attendance – please see the class policy regarding attendance below.

**Exams:** Every student is to be present for mid-term exams and the final exam at the scheduled times. Students should not share their Excel or other files with other students as each student must create their own spreadsheets for exam preparation. No makeup exams will be given without PRIOR permission. I will provide a makeup exam only for absences officially excused by the university provost or for emergencies completely beyond a student's control, such as a documented illness or injury. You must coordinate any conflict with one of these exams with me as soon as you discover it, preferably not later than 48 hours prior to the exam.

### Assessment and Grading:

| <b>Assignment:</b>                           | <b>Points</b> | <b>Final Grade Scale:</b> |                 |
|--|---------------|---------------------------|-----------------|
| ✓ Homework (10 x 15 pts ea)                  | 150           | A = 93 - 100%             | 930-1000 points |
| ✓ Class Participation/Attendance             | 70            | A- = 90 - <93%            | 900-929 points  |
| ✓ Current Event Presentation                 | 80            | B+ = 87 - <90%            | 870-899 points  |
| ✓ Quizzes (10 x 15 pts ea)                   | 150           | B = 83 - <87%             | 830-869 points  |
| ✓ Mid Term Exams (2 x 150 pts ea)            | 300           | B- = 80 - <83%            | 800-829 points  |
| ✓ Final Exam                                 | 250           | C+ = 77 - <80%            | 770-799 points  |
| <b>Total Possible Points for the Course:</b> | <b>1000</b>   | C = 73 - <77%             | 730-769 points  |
|  |               | C- = 70 - <73%            | 700-729 points  |
|  |               | D+ = 67 - <70%            | 670-699 points  |
|  |               | D = 60 - <67%             | 600-669 points  |
|  |               | F = 0 - <60%              | 0-599 points    |

## CLASS POLICIES

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**Professionalism:** Students are expected to hold the highest levels of professionalism including integrity and honesty, respectfulness, punctuality and mature leadership. Exemplary behavior is expected in the classroom.

**Attendance and Participation Policy:** Regular and punctual attendance at all class sessions is considered essential to optimum academic achievement. If the student is absent for more than 10 percent of class sessions, the faculty member will issue a written warning of de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation.

Leaving early and arriving late for class sessions counts as a partial absence. For example, arriving late by 1-15 minutes will be treated as 1/3 absence. Additionally, PLNU counts all absences unexcused except for University sanctioned activities. All illnesses, emergencies, etc. (even with a doctor's note) are considered unexcused.

**Use of Technology:** In order to be successful in your course, you'll need to meet the minimum technology and system requirements; please refer to the [Technology and System Requirements](#) information. Additionally, students are required to have headphone speakers, microphone, or webcams compatible with their computer available to use for any online or hybrid classes. Please note that any course with online proctored exams require a computer with a camera (tablets are not compatible) to complete exams online. Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

**PLNU Academic Honesty Policy:** Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. A faculty member who believes a situation involving academic dishonesty has been detected may assign a failing grade for that assignment or examination, or, depending on the seriousness of the offense, for the course. Faculty should follow and students may appeal using the procedure in the university Catalog. See [Academic Policies](#) for definitions of kinds of academic dishonesty and for further policy information.

**Dropping the Course:** It is the student's responsibility to maintain his/her class schedule. Should the need arise to drop this course (personal emergencies, poor performance, etc.), the student has the responsibility to follow through (provided the drop date meets the stated calendar deadline established by the university), not the instructor. Simply ceasing to attend this course or failing to follow through to arrange for a change of registration (drop/add) may easily result in a grade F on the official transcript.

**PLNU Academic Accommodations Policy:** PLNU is committed to providing equal opportunity for participation in all its programs, services, and activities. Students with disabilities may request course-related accommodations by contacting the Educational Access Center (EAC), located in the Bond Academic Center ([EAC@pointloma.edu](mailto:EAC@pointloma.edu) or 619-849-2486). Once a student's eligibility for an accommodation has been determined, the EAC will issue an academic accommodation plan ("AP") to all faculty who teach courses in which the student is enrolled each semester.

PLNU highly recommends that students speak with their professors during the first two weeks of each semester/term about the implementation of their AP in that particular course and/or if they do not wish to utilize some or all of the elements of their AP in that course.

Students who need accommodations for a disability should contact the EAC as early as possible (i.e., ideally before the beginning of the semester) to assure appropriate accommodations can be provided. It is the student's responsibility to make the first contact with the EAC.

**Schedule and Other Changes:** The information in this syllabus is subject to change. Any such changes will be announced in class and/or communicated via Canvas or email.

**Canvas and Email:** Assignments, announcements, changes to this syllabus and other communication from the instructor, from time to time, may be made via Canvas or email.

**Mobile Phones and Other Mobile Devices:** The use of mobile phones, including phone calls, texting or any other purposes, is not allowed in the classroom during class meetings or examinations. Please keep mobile phones turned-off and out of sight. The classroom use of tablets and PC's should only be for class-related work and not for social media or any other non-class purposes.

**FERPA Policy:** In compliance with federal law, neither PLNU student ID nor social security number should be used in publicly posted grades or returned sets of assignments without student written permission. This class will meet the federal requirements by distributing all grades and papers individually. Also, in compliance with FERPA, you will be the only person given information about your progress in this class unless you have designated others to receive it in the "Information Release" section of the student portal. See [Policy Statements](#) in the (undergrad/graduate as appropriate) academic catalog.

**Final Examination Policy:** Successful completion of this class requires taking the final examination **on its scheduled day**. The final examination schedule is posted on the [Class Schedules](#) site. No requests for early examinations or alternative days will be approved.

**PLNU Copyright Policy:** Point Loma Nazarene University, as a non-profit educational institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

<https://www.pointloma.edu/offices/office-institutional-effectiveness-research/disclosures>