

COURSE INFORMATION

Course title:	International Financial Management		
Course code:	BAFI 532	Credits:	1.5
Session, term, period:	2021W2, Period 4	Class location:	HA 437
Course Duration:	Mar 7 – Apr 8, 2022	Class times:	MW 10:00-12:00
Section(s):	001	Pre-requisites:	BAFI 550 or BAFI 500
Division:	Finance	Co-requisites:	None
Program:	MBA		

INSTRUCTOR INFORMATION

Instructor:	Professor Glen Donaldson	Office Location:	HA881 and Online
Phone:	604-822-8344	Office hours:	By appointment
Email:	glen.donaldson@sauder.ubc.ca		

COURSE DESCRIPTION

This course begins with a discussion of the multinational corporation from a financial perspective, including key management challenges, markets and risks faced by multinational corporations, and international financial institutions. We then investigate factors impacting the determination of currency exchange rates and the relationship between exchange rates and other financial factors as they impact multinationals. We then explore issues in international capital markets, including international debt and equity financing and the impacts of country and political risk on such decisions. This leads to topics in corporate finance, investments, risk management and the financing of international trade.

COURSE FORMAT

Classes are targeted to occur live in person. If, for health or university policy reasons, lectures are moved online, then a Zoom link will be provided to students via a Canvas notice at that time.

Classes consist primarily of lectures and discussions in which students are expected to participate. Students are also expected to keep a daily journal of independent learning and course participation throughout the course, and complete a project involving finance research and analysis.

LEARNING OBJECTIVES

By the end of this course, students should be able to analyze, apply and explain fundamental issues, concepts and methods in international finance.

ASSESSMENTS

Students will form their own teams of 2 to 3 people to undertake a group project on a topic of their choice in International Finance, will present their topic/research during an in-class presentation and will write a group term paper (approximately 20 pages) on the same topic and submit the paper at the end of the exam period.

In-class Presentation (group presentation)	45%
End-of-term Paper (group term paper)	45%
Participation (including individual course journal)	10%
Total	100%

LEARNING MATERIALS

Required Textbook:

International Financial Management, Third Edition, by Geert Bekaert and Robert Hodrick, Cambridge University Press, 2018.

Optional Learning Resources:

Readings may be assigned from newspapers, magazines, journals, books, and online sources as the class progresses; such additional readings will be selected during the class in order to use the most up-to-date and topical material. Students may also find it useful to refer to their textbooks from previous finance courses for foundational material.

COURSE-SPECIFIC POLICIES AND RESOURCES

Missed or late assignments, and regrading of assessments

Late submissions, or missed exams/quizzes, will receive a grade of zero unless academic concession is granted (see below). Requests for regrades must be submitted in writing, within 24 hours of the initial grade being posted, specifying in detail the believed grading error – if a regrade is granted the entire assignment/exam will be regraded and the grade may rise, fall or remain unchanged as a result.

Academic Concessions

If extenuating circumstances arise, please contact the RHL Graduate School program office as early as reasonably possible, and submit an [Academic Concession Request & Declaration Form](https://webforms.sauder.ubc.ca/academic-concession-rhlee) <https://webforms.sauder.ubc.ca/academic-concession-rhlee>. If an academic concession is granted during the course, the student will be provided options by RHL, or by the instructor in consultation with RHL, per [UBC's policy on Academic Concession](#).

POLICIES APPLICABLE TO COURSES IN THE ROBERT H. LEE GRADUATE SCHOOL

Attendance

Excepting extenuating circumstances, students are expected to attend 100% of their scheduled class hours. Absent students limit their own academic potential, and that of their classmates, and cause unnecessary disruption to the learning environment. Students missing more than 20% of the total scheduled class hours for a course (including classes held during the add/drop period) without having received an academic concession will be withdrawn from that course. Withdrawals, depending on timing, could result in a “W” or an “F” standing on the transcript.

COVID-19 Policies for Attendance & Academic Concessions:

If a student feels unwell, they should stay home and send a courtesy email to each impacted instructor and cc their program manager. The student should also submit an [Academic Concession Request & Declaration Form](#).

If a student suspects possible Covid-19 infection, they should use the BC Ministry of Health's [self-assessment tool](#), to help determine whether further assessment or testing for COVID-19 is recommended.

If a student is required to self-isolate (e.g., while waiting for test results), they should follow the steps above (stay home, email instructor(s) and program manager, submit an [Academic Concession Request & Declaration Form](#), and follow BC Health Guidance.

Students who are required to quarantine, should get in touch with their Program Manager to discuss the possibility of academic concessions for each impacted course. The Program Manager will work closely with your instructors to explore options for you to make up the missed learning.

COVID-19 Safety in the Classroom:

Masks: Masks are **required** for all indoor classes, as per the BC Public Health Officer orders. For our in-person meetings in this class, it is important that all of us feel as comfortable as possible engaging in class activities while sharing an indoor space. For the purposes of this order, the term “masks” refers to medical and non-medical masks that cover our noses and mouths. Masks are a primary tool to make it harder for Covid-19 to find a new host. You will need to wear a medical or non-medical mask for the duration of our class meetings, for your own protection, and the safety and comfort of everyone else in the class. You may be asked to remove your mask briefly for an ID check for an exam, but otherwise, your mask should cover your nose and mouth. Please do not eat in class. If you need to drink water/coffee/tea/etc, please keep your mask on between sips. Students who need special accommodation are asked to discuss this with the program office.

Seating in class: To reduce the risk of Covid transmission, please sit in a consistent area of the classroom each day. This will minimize your contacts and will still allow for the pedagogical methods planned for this class to help your learning.

Visit the following website for the most recent updates regarding Covid-19 protocol on campus: <https://students.ubc.ca/campus-life/returning-to-campus>

Punctuality

Students are expected to arrive for classes and activities on time and fully prepared to engage. Late arrivals may be refused entry at the discretion of the instructor or activity lead. Students arriving later than halfway through a scheduled class will be treated as absent for that class.

Electronic Devices

Devices such as laptops, tablets, and cell phones are not permitted to be used in class unless directed by the instructor for in-class activities. Students who do not follow the School’s policy in this regard may be required to leave the room for the remainder of the class, so that they do not distract others. Research shows that students’ use of laptops in class has negative implications for the learning environment, including reducing their own grades and the grades of those sitting around them.

Citation Style

Please use the American Psychological Association (APA) reference style to cite your sources.

Details of the above policies and other RHL Policies are available at:
<http://www.calendar.ubc.ca/vancouver/index.cfm?tree=12,199,506,1625>

UNIVERSITY POLICIES AND RESOURCES

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website at <https://senate.ubc.ca/policies-resources-support-student-success>.

Respect for Equity, Diversity, and Inclusion

The UBC Sauder School of Business strives to promote an intellectual community that is enhanced by diversity along various dimensions including status as a First Nation, Metis, Inuit, or Indigenous person, race, ethnicity, gender identity, sexual orientation, religion, political beliefs, social class, and/or disability. It is critical that students from diverse backgrounds and perspectives be valued in and well-served by their courses. Furthermore, the diversity that students bring to the classroom should be viewed as a resource, benefit, and source of strength for your learning experience. It is expected that all students and members of our community conduct themselves with empathy and respect for others.

Academic Integrity

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity. At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work; nor should you help others to do the same. For example, it is prohibited to: share past assignments and answers with other students; work with other students on an assignment when an instructor has not expressly given permission; or spread information through word of mouth, social media, or other channels that subverts the fair evaluation of a class exercise, or assessment. Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President's Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

Academic Freedom and Students Studying from Outside Canada

Some UBC courses might cover topics that are censored or considered illegal by non-Canadian governments. This may include, but is not limited to, human rights, representative government, defamation, obscenity, gender or sexuality, and historical or current geopolitical controversies. If you are a student living abroad, you will be subject to the laws of your local jurisdiction, and your local authorities might limit your access to course material or take punitive action against you. UBC is strongly committed to academic freedom, but has no control over foreign authorities (please visit <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,33,86,0> for an articulation of the values of the University conveyed in the Senate Statement on Academic Freedom). Thus, we recognize that students will have legitimate reason to exercise caution in studying certain subjects. If you have concerns

regarding your personal situation, consider postponing taking a course with manifest risks, until you are back on campus or reach out to your academic advisor to find substitute courses. For further information and support, please visit: <http://academic.ubc.ca/support-resources/freedom-expression>

COPYRIGHT

All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. All lecture recordings are for the sole use of the instructor and students enrolled in the class. In no case may lecture recordings, or part of the recordings, be used by students for any other purpose, either personal or commercial. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. Students may not share class Canvas or Zoom links or invite others who are not registered to view sessions or access material.

ACKNOWLEDGEMENT

UBC's Point Grey Campus is located on the traditional, ancestral, and unceded territory of the xwməθkwəyəm (Musqueam) people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

ONLINE TEACHING TOOL & REQUIREMENTS

This course will be taught using Zoom for some office hours and potentially some classes. For this course, you are required to use a Zoom account during such times. If you do not have a Zoom account, you can create one here: <https://zoom.us/signup>. Note: creating a Zoom account requires that you provide a first name, last name, and email address to Zoom. For privacy purposes, you may consent to using your existing email address and your real name. Alternatively, if you prefer, you may sign up using an alternative email address and an anonymized name that does not identify you (i.e. Jane Doe, jane.doe@email.com). If you have trouble creating an account, or accessing a Zoom session, please contact CLCHelp@sauder.ubc.ca. You will be required to provide the email address associated with your Zoom account in a Canvas quiz for identification purposes. Students are expected to conduct themselves professionally by joining online sessions on time, muting mics when not speaking, refraining from using any other technology when in-session, attending in business casual attire (at a minimum), and participating from a quiet environment.

== class schedule is on the next page ==

COURSE SCHEDULE (SUBJECT TO CHANGE)

Class	Topics	Readings /Activities
Class 1 Mar 7	the multinational corporation the foreign exchange market	Ch 1 Ch 2
Class 2 Mar 9	forward exchange markets and business transactions international balance of payments, exchange rate systems	Ch 3 Ch 4, 5
Class 3 Mar 14	international interest rate/exchange rate parity purchasing power parity and real exchange rates	Ch 6 Ch 7, 8
Class 4 Mar 16	managing real exchange rate risk exchange rate determination and forecasting	Ch 9 Ch 10
Class 5 Mar 21	international debt financing international equity financing	Ch 11 Ch 12
Class 6 Mar 23	international capital markets country and political risks in capital budgeting	Ch 13 Ch 14 (15, 16)
Class 7 Mar 28	the foreign currency hedging decision financing international trade	Ch 17 (20, 21) Ch 18
Class 8 Mar 30	international cash management international operations	Ch 19 Ch 1, 11
Class 9 Apr 4	Application Studies – multinational corporations, international corporate finance and investment strategies	Class presentations
Class 10 Apr 6	Application Studies – exchange rate regimes and country events, international institutions, instruments, markets	Class presentations
Exam Week	Complete term paper	Term Paper