

Fall 2015 Course Syllabus

Course Number: BA-343
Course Title: International Banking
Credit: 3 Units (45 hours of lecture)
Days and Time: Wed 12:30pm to 3:15am
Office hours: Mon 3:15-4:15 or by appointment
Instructor: Albert Loh

Course Materials

Textbook: International Money and Finance, by Melvin & Norrbin, 8th edition (October 2012).
ISBN-13: 978-0123852472 ISBN-10: 0123852471

Tools: A basic handheld calculator is required. Other mobile device calculator will not be allowed.
Supplemental materials (such as periodical, article, or case study) will be provided in class.

Course Description

An in-depth examination of the development and expansion of international banking; legal aspects of international banking; Eurocurrency/Eurodollar; syndication techniques; letters of credit/banker's acceptances; foreign exchange; offshore banking; Swiss banking; the global debt crisis and debt rescheduling. Credit: 3 units (45 hours of lecture).

Learning Objectives

The objectives of the course are to gain a practical understanding of the global financial market, in particular, foreign exchange markets, exchange rate determinations, tools, and tactics used in the financial management of multinational corporations. Emphasis will be placed on trade finance for import-export businesses.

Instructional Methodology

The course will be conducted in the form of lectures and discussions on each topic shown in the class schedule below.

Course Requirements and Evaluation

While in class, students are expected to conduct themselves in a professional manner. Professionalism includes regular attendance, participation in class discussions, civil conduct, and ethical behavior, etc. If a student is observed coming to class late often, being disrespectful to peers, texting or using mobile devices, or carrying on personal conversations during lecture, the professionalism portion of the grade will be reduced based on a demerit system. The course begins with each student having the full 50 points. Tardiness without valid reasons greater than 1 time will result in 5 points deduction. Behavioral offenses such as texting, using of mobile devices, or engaging in disorderly conduct in spite of reminder or warning will result in 10 points deduction.

Higher education is about learning how to learn. So in acquiring new knowledge, always pay attention to the learning objectives of each chapter or topic. In addition, you will enhance your understanding by solving the chapter problems to be assigned in class. Of course, you are welcome to bring questions to class for discussion by reading ahead of each classroom lecture. Achievement is assured when done repetitively.

Your performance in this course will be evaluated under the following model:

| | |
|----------------------------|---------------|
| Mid-Exam 150 points | A = 361 – 400 |
| Final Exam 200 points | B = 301 - 360 |
| Professionalism: 50 points | C = 241 - 300 |
| Total 400 points | D = 201 - 240 |
| | F = < 200 |

The mid-term and final exams will be closed book and include multiple choice questions and problems that are similar to the term assignments. They are designed to test both theory and problem solving. There will be no "extra credit" work during or after the semester.

The key to success in this course is communication and interaction. Thus, we will have to work as a team. First, we will create a positive learning environment where everyone can participate without fear. Second, relevant reading and problem assignments will be presented and discussed in class. When in doubt, ask.

Scholastic Dishonesty

Scholastic dishonesty will not be tolerated. Students who violate rules of academic dishonesty are subject to disciplinary penalties, including failure in the course and/or other actions from the University.

Tentative Class Schedule

| Date | Topics |
|---------------|--|
| Aug 26 | Course introduction and global financial markets |
| Sep 2 | Chapters 1 & 3: Foreign Exchange Market & Balance of payment |
| Sep 9 | Chapter 4: International market instruments |
| Sep 16 | Chapters 9: Financial Management of MNC's, emphasis on trade finance |
| Sep 23 | Chapter 5: Eurocurrency market |
| Sep 30 | Chapter 6: Exchange rates, interest rates and interest parity |
| Oct 7 | Chapter 7: Purchasing power parity |
| Oct 14 | Mid-term project due & Chapter 8: Foreign exchange risk and forecasting |
| Oct 21 | Chapter 10: International portfolio management |
| Oct 28 | Chapter 11: Direct foreign investment, international lending, and syndication |
| Nov 4 | Special topic: Off-shore banking |
| Nov 18 | Special topic: Multinational cash management |
| Dec 2 | Special topic: Global debt crisis & restructuring and Exam Review |
| Dec 9 | 2-hour Comprehensive Exam (Personal Notes) |

Addendum: Supplemental Course Materials

The PowerPoint slides are designed to give students a head start in learning course materials in a concise and coherent fashion. They are not intended to substitute, but complement, the textbook and classroom lectures. Don't just read; you need to absorb and understand the body of knowledge through a synthesis of critical thinking and problem solving skills. Thus attending classroom lectures and completing exercises and assignments are critical to your success.

Syllabus reviewed: Jul 23, 2015