



# Lincoln University

## BA 414 – International Finance

### COURSE SYLLABUS Spring 2023

- Instructor:** Prof. Themis D. Pantos, Ph.D.  
**Lecture Schedule:** Wednesday, 9:00 – 11:45 AM (online)  
**Google Meet:** Video call link: <https://meet.google.com/vqn-fjat-ewu>  
Or dial: (US) +1 949-328-7656 PIN: 748 278 583#
- Level:** Mastery 2 /Research (M2R)  
**Office Hours:** Monday 11:30 AM – 2:30 PM  
**E-mail:** [tpantos@lincolnuca.edu](mailto:tpantos@lincolnuca.edu)  
**Phone:** (510) 628-8013
- Tools:** A basic handheld calculator is required. Other mobile device calculators will not be allowed. Supplemental materials (such as periodical, article, or case study) will be provided in class.
- Prerequisite:** *BA 140 or BA 303*  
**Last Revision:** January 18, 2023

#### CATALOG DESCRIPTION:

A study of the theory and practice of international monetary relations; the gold standard; the balance of payments; foreign exchange management and determination; foreign exchange controls; the Euro-currency market; the international bond market; the virtue and functions of the IMF and the World Bank; and the global debt crisis. A one-unit written research project and its oral presentation are required for the course. (4 units)

#### EDUCATIONAL OBJECTIVES:

Globalization has changed the ways financial decisions are made. Considerations are no longer limited to domestic factors of production in commerce and trade. This introductory course exposes students to global financial markets and operations of multinational corporations. Topics include foreign exchange markets, international financial markets, international banking, euro-markets, risk management, and investment decisions in the global marketplace. Other topics to be covered are international banking, the balance of payments, the determination of exchange rates, the developing country debt crisis, and the Asian meltdown.

**COURSE LEARNING OUTCOMES<sup>1</sup>**

	<b>Course LO</b>	<b>Program LO</b>	<b>Institutional LO</b>	<b>Assessment activities</b>
1	Understand how international financial markets work.	PLO 1	ILO 1c, ILO 2c, ILO 7c	Case Studies and Midterm and Final Examinations.
2	Identify the reasons for exchange rate fluctuations and calculate the impact of exchange rate fluctuations	PLO 1	ILO 1c, ILO 2c, ILO 4c	Assignments, and Midterm and Final Examinations.
3	Determine various risk management strategies with regard to the global markets.	PLO 3	ILO 1c, ILO 2c, ILO 6c	Assignments, and Midterm and Final Examinations.
4	Analyze the processes and techniques used to make international investment decisions	PLO 2	ILO 2c, ILO 7c	Assignments, and Midterm and Final Examinations.
5	Demonstrate the advantages of international diversification.	PLO 4	ILO 4c, ILO 5c, ILO 6c	Assignments, and Midterm and Final Examinations.

**INSTRUCTIONAL METHODS:**

This is an online instruction course. This online course will be conducted in the form of lectures and discussions on each topic shown in the class schedule below. The lecture method is used in combination with the case studies to provide a rich learning experience for the student. The course requires the practical use of a computer and the Internet to find financial solutions. The emphasis will be on learning by doing. Every student must participate in an intensive classroom activity. Reading, writing, and problem-solving assignments will be done throughout the course. Assignments and projects require students to actively use resources of the library. Detailed guide to *business resources of the library* as well as the description of Lincoln University approach to *information literacy* are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

**Online Components of the Course:**

I will create a Canvas site as a means of posting information and offering an opportunity for you to ask questions regarding course material. I plan on adding students to the Canvas site once the class rosters are finalized.

**ACADEMIC HONESTY HONOR CODE:**

The faculty, administration, and staff recognize their obligation to provide continuing guidance as to what constitutes academic honesty and to promote procedures and circumstances that will reinforce the principle of academic honor. Fundamental to the principle of independent learning is the requirements of honesty and integrity in the performance of academic assignments, both in the classroom and outside. Students should avoid academic dishonesty in all of its forms, including plagiarism, cheating, and other forms of academic misconduct. The University reserves

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<sup>1</sup> Detailed description of learning outcomes and information about the assessment procedure are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

the right to determine in any given instance what action constitutes a violation of academic honesty and integrity.

### **DIVERSITY:**

A diverse classroom is a better classroom. Sharing our experiences and our ideas contribute to our better understanding of the material. I will be committed to ensuring that all students receive the attention needed to grasp the key accounting concepts for this class. To that end, all questions relating to the course material will be answered in a timely fashion.

### **REQUIREMENTS:**

All students are required to attend the class. Continuous assessment is emphasized. Students must complete all assignments and take all quizzes, mid-term exam and final exam ON THE DATES DUE. Plagiarism will result in the grade “F” and a report to the administration.

### **ASSESSMENT:**

#### A. Exams:

- Students must take a midterm and a final exam. The midterm will cover material from the first half of the course. The final exam is *comprehensive* and covers the material from the entire semester.
- Make-up exam policy: Students must take the exams as scheduled. No make-up exam will be given.
- Partial Credit is awarded on exams for problems when the computations are shown. Show all work on problems for maximum partial credit.
- Students may use laptops or programmable calculators. While these may help students in the calculation of certain accounting problems, ultimately the student will need to use critical reasoning to be successful in this course.
- Students may e-mail me to be informed of their respective grades.

#### B. Homework:

- Homework sets and due dates will be posted regularly.
- Solutions to some homework problems will be reviewed in class.
- Critical thinking essays, cases, and problems are included as part of the regular homework and class demonstration problems.

### **GRADING POLICY AND GRADE ASSESSMENT:**

Your performance in this course will be evaluated under the following Grading Scale Model.

Assignments:	20%
Midterm Examination:	25%
Individual Research Project	25%
Final Examination:	30%
 Total	 100%

**GRADING SCALE:**

The grade will be based on a curve, reflecting the standards of Lincoln University. The following table details the satisfactory cut points for the grade, and the corresponding grade.

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	F
Points	93-100	89-92	85-88	80-84	75-79	70-74	65-69	60-64	55-59	50-54	0-49

The mid-term and final exams will include both types of theoretical and empirical questions and problems that are similar to the term assignments. They are designed to evaluate both theory and problem solving. There will be NO “make-up” or "extra-credit" work during and after the semester. The instructor reserves the right to modify the grading system based on class performance and notification to the students about any change during the semester. You are responsible for keeping apprised of any change in syllabus. If you plan to be sick on exam days, please do the exam a day earlier before getting sick. 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. 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.

**COURSE SCHEDULE:**

Weeks	Topics	Book Chapters
Week 1	Course introduction and global financial markets.	Ch. 1
Week 2	Chapters 3: Balance of payment and equilibrium relationships.	Ch. 2&3
Week 3	Chapter 4: International Market Instruments.	Ch. 4
Week 4	Chapter 9: Financial Management of MNC's, emphasis on trade finance.	Notes
Week 5	Chapter 5: Foreign exchange risk and forecasting.	Ch. 5&6
Week 6	Chapter 6: Exchange rates, interest rates and interest parity.	Ch. 7
Week 7	Chapter 7: Purchasing Power Parity.	Ch. 8
Week 8	Mid-Term Examination (Comprehensive)	(Chs.1-8)
Week 9	Special topic: Futures and Forward Contracts.	Ch. 9&10
Week 10	Special topic: Derivative Securities.	Ch. 11
Week 11	Chapter 10: International Portfolio Management.	Ch. 12
Week 12	Chapter 11: Currency Options.	Ch. 13
Week 13	Special topic: The Greeks of the Options (Delta, Kappa, Theta, Vega).	Ch. 14
Week 14	Special topic: Cryptocurrencies.	Notes
Week 15	Final Examination (Comprehensive)	(Chs. 1-14)

**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.

**EXPECTATIONS FOR STUDENTS:****A. Attendance:**

- Attendance at all classes is essential to acquiring the requisite information for successful completion of this course. The topics covered in this course are very related to each other. If you miss a lecture, it would be hard to catch up. The role will be taken at the beginning of each session. Students are expected to show up to every class meeting and stay for the entire period.
- Students may attend either session of the lecture as space permits. Students must attend the exams during the session in which they are registered unless prior permission is obtained.
- Students are required to inform the instructor in advance by email or verbally in case of not being able to attend class.

**B. Class Participation:**

- Class participation is essential to learning this subject. Be prepared to participate in class discussions (answering the questions and solving the problems), group work, and reviewing the homework.

**C. Student Code of Conduct:**

- Students are expected to respect the instructor and each other. Students must turn off their cell phones and pagers during the entire class time.

**DISCLAIMER:**

This syllabus is subject to modification. I am committed to letting students know about changes to the syllabus as soon as feasible.

**INDIVIDUAL RESEARCH PROJECT (1 unit):**

Each student registered for a 400-level course must complete a one-unit research project in addition to the coursework described in this syllabus. The specific topic will be assigned by the instructor.

The project requires 45 hours of self-study with regular consultations in accordance with the schedule determined by the instructor. The project work results in a written report (not less than 15 pages; APA style) and an oral presentation during the class session. Evaluation of the student's work will be done using the following rubric:

<b>WRITTEN REPORT</b>				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	<i>Not Present</i>
<i>Research Problem Statement</i>	The statement of a research problem is crystal clear, novel and thought provoking.	Clearly and concisely identifies a research problem.	The statement of a research problem is incomplete, lacking precision.	The statement of a research problem is absent.
<i>Organization</i>	The report is logically organized; ideas are exceptionally well-developed and support a thoughtful and engaging conclusion.	The development of ideas is present; the conclusion is effective and directly addresses the original thesis.	Organization is confusing, disjointed, and inconsistent; ideas, if present, are not developed; the conclusion is vague and/or does not address the original thesis.	The report lacks organization
<i>Sources and formatting</i>	A variety of high-quality sources is used; all factual claims are supported with citations. The report follows the APA style guidelines.	A few high- quality sources are used; majority of factual claims are supported with citations The report mostly follows the APA style guidelines.	Sources used are of a questionable quality; factual claims are not supported. Use of APA style is inconsistent.	Sources are not identified or of a poor quality; factual claims are unsubstantiated. The report is poorly formatted.
<b>PRESENTATION</b>				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	
<i>Style and Organization</i>	Presentation is clear, confident, and fully engaging; the use of visual aids enhances its effectiveness; the presentation is well-timed and structured.	Presentation is clear; the use of visual aids is not detrimental to audience engagement; all necessary components are given appropriate time.	Presentation lacks clarity, no attempt is made to engage the audience; visual aids are haphazard and distracting; lack of structure results in an inefficient use of time.	
<i>Questions and Answers</i>	Student demonstrates extensive knowledge of the topic by providing confident, precise, and appropriate responses to all audience question.	Student demonstrates knowledge of the topic by responding adequately to questions of the audience.	Student demonstrates lack of knowledge of the topic by responding inaccurately and inappropriately to audience questions.	