

**Subject card**

<b>Subject name and code</b>	International Finance, PG_00137060						
<b>Field of study</b>	Finance and Accounting						
<b>Date of commencement of studies</b>	October 2023	<b>Academic year of realisation of subject</b>			2024/2025		
<b>Education level</b>	undergraduate studies	<b>Subject group</b>			Obligatory subject group in the field of study		
<b>Mode of study</b>	full-time studies	<b>Mode of delivery</b>			at the university		
<b>Year of study</b>	2	<b>Language of instruction</b>			English		
<b>Semester of study</b>	3	<b>ECTS credits</b>			4.0		
<b>Learning profile</b>	academic	<b>Assessment form</b>					
<b>Conducting unit</b>							
<b>Name and surname of lecturer (lecturers)</b>	<b>Subject supervisor</b>		dr Bartłomiej Gabriel				
	<b>Teachers</b>		Kevin Campbell				
<b>Lesson types</b>	<b>Lesson type</b>	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	<b>Number of study hours</b>	30.0	15.0	0.0	0.0	0.0	45
	E-learning hours included: 0.0						
<b>Learning activity and number of study hours</b>	<b>Learning activity</b>	Participation in didactic classes included in study plan		Participation in consultation hours		Self-study	SUM
	<b>Number of study hours</b>	45		0.0		0.0	45
<b>Subject objectives</b>	<p>The aim of the subject is to provide students with a solid knowledge of international finance by exploring those aspects of corporate finance that are unique to the international environment. Particular emphasis will be placed on the additional risks facing companies that operate internationally and techniques that may be used to manage these risks. The course will cover the theoretical underpinnings of financial decision-making and discussion of companies real-world activities.</p>						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRL3_U07] The student analyses the proposed solutions to problems in the disciplines of management and quality sciences and economics and finance, especially in the field of finance and accounting, and is able to present their advantages and disadvantages and propose appropriate solutions in this regard.	Identifies and exploits opportunities to profit from covered (and uncovered) interest arbitrage and currency arbitrage.	[SU4] test/exam - oral or written
	[FiRL3_K02] Cooperation: - can harmoniously interact and work in a group, taking on different roles in it - is able to agree with the group on goals and division of tasks - is open-minded and respects the differences of other team members.	Student will discuss key issues about international finance in class so they will improve their social skills.	[SK4] test/exam - oral or written
	[FiRL3_W10] The student knows and understands to a great degree grammatical structures and vocabulary within his specialty in a foreign language at B2 level.	Understands and uses English during classes, thus showing their language skills in the scope of international finance.	[SW4] test/exam - oral or written
	[FiRL3_U06] The student uses the acquired knowledge to resolve dilemmas arising in professional work. The student is able to solve advanced problems in finance and accounting that arise in business practice: - compare financial instruments, - evaluate the profitability of the enterprise, - evaluate the financial position of the organization against the industry, - propose appropriate solutions to tax problems, - identify and select appropriate risk management methods, - construct an enterprise insurance protection program, - select sources of financing for the organization, - construct an appropriate accounting/control system.	Can calculate the hedged domestic value of future foreign currency cash flows using a money market hedge and a forward market hedge.	[SU4] test/exam - oral or written
	[FiRL3_K01] Self-development: - understands the need for development and lifelong learning - is able to supplement and improve the acquired knowledge and skills - knows his strengths and weaknesses, sets ambitious goals to the best of his ability - knows how to accept failure and admit mistakes.	Student will discuss key issues about international finance in class so they will improve their social skills.	[SK4] test/exam - oral or written
	[FiRL3_W08] The student knows the principles of evaluating projects in the field of finance (profitability of investment projects, assessment of the financial situation of the organization, risk assessment, threat of bankruptcy).	Understands the mechanics of the foreign exchange market and how exchange rates are quoted.	[SW4] test/exam - oral or written

Subject contents	<p>The mechanics of the foreign exchange market and quotation of the exchange rates.</p> <p>Making profit from currency arbitrage.</p> <p>Factors driving exchange rates in particular how spot and forward exchange rates are related to interest rates and inflation rates.</p> <p>Theories of Interest rate Parity, Purchasing Power Parity, the Fisher Effect, the International Fisher effect and the Expectations Theorem.</p> <p>Making profit from covered (and uncovered) interest arbitrage.</p> <p>Types of foreign exchange risk faced by exporters, importers and multinational companies.</p> <p>Calculating the hedged domestic value of future foreign currency cash flows using a money market hedge and a forward market hedge.</p> <p>Differences between the major derivative instruments and identifying the types of risks that they may be used to hedge against.</p>								
Prerequisites and co-requisites									
Assessment methods and criteria	<table border="1"> <thead> <tr> <th data-bbox="454 958 796 987">Subject passing criteria</th> <th data-bbox="799 958 1141 987">Passing threshold</th> <th data-bbox="1144 958 1482 987">Percentage of the final grade</th> </tr> </thead> <tbody> <tr> <td data-bbox="454 992 796 1021">Written test</td> <td data-bbox="799 992 1141 1021">51.0%</td> <td data-bbox="1144 992 1482 1021">100.0%</td> </tr> </tbody> </table>			Subject passing criteria	Passing threshold	Percentage of the final grade	Written test	51.0%	100.0%
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Written test	51.0%	100.0%							
Recommended reading	Basic literature	<p>Madura, Jeff &amp; Fox, Roland, International Financial Management, 3rd edition, Cengage Learning, 2014. Eiteman, D K, Stonehill, A I, &amp; Moffet, M H, Multinational Business Finance, 14th edition, Pearson Education, 2016.</p>							
	Supplementary literature	Buckley, A, Multinational Finance, 5th edition, Pearson Education, 2004.							
	eResources addresses	Adresy na platformie eNauczanie:							
Example issues/ example questions/ tasks being completed	<p>What are the types of exchange rate risk that companies and investors may face in international markets? What strategies can be used to manage this risk? What is purchasing power parity (PPP) theory and how does it affect exchange rates? How to make money on currency arbitrage? How to make money on interest arbitrage? What are the factors that affect exchange rates? What are the basic hedging techniques used by companies to minimize risk in international financial markets? Derivatives as a hedge against risk on the international financial market.</p>								
Work placement	Not applicable								

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