University of Gdańsk

Subject card

Subject name and code	International Finance, PG_00200060		
Field of study	International Economic Relations		
Date of commencement of studies	October 2026	Academic year of realisation of subject	2026/2027
Education level	Master's studies	Subject group	Obligatory subject group in the field of study Subject group related to scientific research in the field of study
Mode of study	part-time studies	Mode of delivery	at the university
Year of study	1	Language of instruction	Polish
Semester of study	1	ECTS credits	6.0
Learning profile	academic	Assessment form	exam
Conducting unit	Faculty of Economics -> Rector		
Name and surname of lecturer (lecturers)	Subject supervisor	dr Urszula Mrzygłód	
	Teachers	dr Urszula Mrzygłód dr Magdalena Markiewicz dr Joanna Adamska	

Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	18.0	12.0	0.0	20.0	0.0	50
	E-learning hours included: 0.0						

Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan	Participation in consultation hours	Self-study	SUM
	Number of study hours	50	0.0	100.0	150

Subject objectives	The aim of the course is to prepare students to make financial decisions related to business operations in an international environment by developing their knowledge of international finance and their ability to analyse and evaluate foreign investment projects, select appropriate sources of financing, identify financial and political risks, and apply financial and macroeconomic data in international investment decision-making.

Learning outcomes

Course outcome	Subject outcome	Method of verification
[MSGMU2_U02] can observe, evaluate and critically analyse the causes and course of processes and phenomena taking place in the open economy; can formulate his/her own opinions on the subject, interpret statistical data and economic indicators necessary in this respect, and also forecast economic processes and phenomena using advanced methods and tools applied in economic sciences	Student is able to analyze financial and macroeconomic data and use purchasing power parity and the time value of money to evaluate foreign investments and their sources of financing.	[SU1] oral statement/conversation/ discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
[MSGMU2_W10] has a systematized knowledge of the legal, cultural and financial conditions related to business operations, in particular those of an international nature	The student has in-depth knowledge of the financial, political, and macroeconomic conditions of international enterprises, which influence their economic decisions. The student understands the importance of regulatory and supervisory institutions for the functioning of international financial markets.	[SW4] test/exam - oral or written [SW1] oral statement/ conversation/discussion [SW5] implementation of a problem task
[MSGMU2_W05] has a deep knowledge of the world economy, principles of global market functioning and international financial relations as well as the process of their evolution; understands the causes, regularities and consequences of occurring changes	The student is familiar with and understands the financial, macroeconomic, and regulatory factors involved in conducting business in international markets, including the role of international financial and regulatory institutions.	[SW4] test/exam - oral or written [SW1] oral statement/ conversation/discussion
[MSGMU2_U06] can identify types of risks related to international operations of enterprises and correctly determine their consequences and methods of mitigation, with a skilful application of theory, using appropriate research method	Students are able to identify the basic types of risks associated with business operations in international markets and assess their impact on investment and financial decisions.	[SU4] test/exam - oral or written [SU5] implementation of a problem task
[MSGMU2_W04] has in-depth knowledge of of different types and elements of economic structures and institutions, including institutions, organisations and economic entities; understands the causes, course, scale and consequences of changes occurring in them, as well as relations between them on a national, international and intercultural scale; knows the theories explaining relations among them	The student knows and understands the basic factors affecting the operations of companies active in international markets, including the importance of foreign direct investment and international mergers and acquisitions.	[SW4] test/exam - oral or written
[MSGMU2_W03] knows and understands types of economic ties and the regularities governing them; understands the conditions and principles of the functioning of the market and the market mechanism in the national, international and global aspect	The student knows and understands the economic ties between economies, i.e. monetary and financial integration, exchange rate systems, and international agreements on investment and taxes. The student recognizes the relationships between interest rates, exchange rates and inflation.	[SW4] test/exam - oral or written [SW2] presentation/project/paper/ report
[MSGMU2_U01] can creatively interpret and explain complex and atypical economic phenomena and the relations occurring between them, using the acquired knowledge in economics, finance and international economic relations	Student is able to analyze decision-making problems faced by companies operating in international markets, applying their knowledge of international finance and international economics.	[SU1] oral statement/conversation/ discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
[MSGMU2_K02] is ready to critically assess the level of acquired knowledge, skills and professional competence in the area of international economic relations	By performing simple and complex tasks in international finance, the student learns to critically evaluate the level of knowledge, skills and professional competencies in the area of international finance.	[SK1] oral statement/conversation/ discussion [SK5] implementation of a problem task

Course outcome	Subject outcome	Method of verification
[MSGMU2_U09] can innovatively solve problems in the field of international economic relations and the functioning of economic entities on the international market, adapting existing or developing new methods and tools	The student is able to use appropriate analytical methods and tools to solve a decision making problem related to a company's operations in the international market.	[SU2] presentation/project/paper/ report [SU5] implementation of a problem task
[MSGMU2_W02] has an in-depth knowledge and understanding of theory in the field of international economics, international economic relations and complementary disciplines	The student uses advanced terminology in international finance and international economic relations.	[SW4] test/exam - oral or written [SW3] text preparation/written work

Subject contents	Lectures (18 hours) 1. Introduction to International Finance: decision-making problems in international finance, objectives of international financial management, parity relationships: purchasing power parity (PPP) and interest rate parity (IRP). 2. Foreign Direct Investment and Corporate Growth Strategy: strategic analysis of the key determinants and variables influencing foreign investment decisions, international mergers and acquisitions (M&A), case studies of FDI and M&A. 3. Capital Budgeting for Multinational Enterprises: cost of capital across countries, capital structure of multinational enterprises, effective interest rate on foreign currency borrowing, financing of multinational enterprises. 4. Risk in Foreign Investment: country risk, political risk, and methods of political risk assessment. 5. International Tax Planning: tax neutrality, double taxation treaties, tax residency, transfer pricing mechanisms and applications, tax havens and international business, anti-money laundering (AML), Know Your Customer (KYC), and OECD regulations. 6. International Financial Markets and Transactions: international financial markets and transactions, global and regional financial centres, offshore financial markets and their role in international capital flows. 7. Monetary Union and International Currencies: traditional and contemporary theories of the optimum currency area, international currencies, their role and significance, Cohen's Currency Matrix. 8. Major International Currencies: the role of major currencies in international financial flows, safe-haven currencies, major currency areas. 9. Exchange Rate Regimes and Financial Market Integration: selected exchange rate systems and their implications for corporate financial decisions, financial market integration, methods of measurement, benefits and risks. Classes (12 hours) 1. Introduction to International Finance and the Time Value of Money Scope: international financial decision-making, time value of money, simple and compound interest, effective and real interest rates. Activities: solving numerical exercises, interpretation of results. 2. Parity Relationships in International Finance Scope: purchasing power parity, interest rate parity, application of parity relationships to exchange rate forecasting. Activities: solving numerical exercises, forecasting exchange rates using parity relationships, interpretation of results. 3. Capital Budgeting for International Investment Projects Scope: identification of cash flows in international investment projects, project evaluation horizon, classification of capital budgeting methods. Activities: comparison of cash flow structures in international projects, identification and calculation of project cash flows, case study analysis, interpretation of results. 4. Investment Appraisal Methods for Multinational Enterprises Scope: investment appraisal methods, Net Present Value (NPV), Internal Rate of Return (IRR), Modified Internal Rate of Return (MIRR), payback period methods. Activities: calculation of investment appraisal indicators, comparison of alternative investment projects, interpretation of results. 5. Profitability Analysis of International Investment Projects Scope: effects of exchange rate fluctuations, interest rate changes, taxation, restrictions on fund transfers, and political risk on the profitability of foreign investment projects. Activities: sensitivity analysis of investment projects, interpretation of results. **Project (20 hours)Decision Report – Corporate Foreign Investment** The objective of the project is to apply theoretical knowledge and analytical tools in international finance to solve a managerial decision-making problem concerning the foreign expansion of a selected company. The project consists of the following stages. Stage I. Company Analysis and Identification of the Decision Problem (5 hours) Submission: company profile and business activities, analysis of previous international operations, evaluation of previous foreign market entry modes, identification of strengths and weaknesses of the company's international expansion, definition of the strategic objective of the planned foreign expansion, identification of the decision problem, and assumptions for further analysis. Required analytical tool: SWOT analysis of the company's international operations. Stage II. Analysis and Selection of the Foreign Market Entry Mode (3 hours) Submission: description of the selected foreign market entry mode based on theoretical literature (minimum two references) and justification of the selected entry mode for the analysed company. Stage III. Analysis of International Expansion Opportunities (4 hours) Submission: identification of a potential foreign market, analysis of a specific investment location using

	macroeconomic, infrastructure, and financial data. Required analytical tool: investment location attractiveness assessment. Stage IV. Investment Budget Analysis (4 hours) Submission: investment budget including planned capital expenditures, major categories of project cash flows, and financial assumptions for the first year of the investment. Required analytical tools: comparison table of financing alternatives and investment budget. Stage V. Final Recommendations (4 hours) Submission: identification and assessment of key investment risks, recommendation regarding the preferred foreign market and financing strategy with justification. Required analytical tools: SWOT or PESTEL analysis. Project Assessment Criteria Assessment is based on the timely submission of project stages, completeness of the submitted work, compliance with project requirements, reliability of data sources, accuracy of result interpretation, consistency of the decision-making process, and the overall quality of the submitted materials.
Prerequisites and co-requisites	Prerequisites: Basic knowledge of international economic relations. Ability to solve mathematical problems: algebra. A final grade for the course may be awarded only after a student has received a passing grade in all components of the course as specified in the course syllabus (lectures, seminars, and project). Passing each component is a prerequisite for passing the course.

Assessment methods and criteria

Subject passing criteria	Passing threshold	Percentage of the final grade
Written assessment from classes - problem solving tasks	51.0%	20.0%
Project	51.0%	30.0%
Written (open and closed questions) or oral exam (open questions)	51.0%	30.0%
Short tests to assess readiness for the exercises	51.0%	20.0%

Recommended reading	Basic literature	*Finanse międzynarodowe*, red. M. Markiewicz, U. Mrzygłód, PWE, Warszawa 2015. Dyduch J., *Finanse. testy z rozwiązaniami,* Wydawnictwo AGH, Kraków 2015. Scientific articles presented during classes.

	Supplementary literature	Adamska-Mieruszewska J., Mrzygłód U., *Foreign Listing Pricing Effects: the Case of Emerging Economies*, Bank i Kredyt 2020, nr 4. Bieliński T., Markiewicz M., Oziewicz E., Do Central and Eastern Europe countries play a role in the belt and road initiative?, The case of Chinese OFDI into the CEE-16 countries, Comparative Economic Research. Central and Eastern Europe, 2019, Vol.22/ 2, s. 7-22. Bizuneh M. (2022) Are we floating yet? Eastern Economic Journal (48). Cotrut M. (2015), International Tax Structures in the BEPS Era : An Analysis of Anti-abuse Measures, IBFD Tax Research Series, Volume 2, chapter 4.2. and chapter 10 (e-book). De Grauwe P. and Ji Y. (2016), *Flexibility vs. stability. A difficult tradeoff in the Eurozone*, Centre for European Policy Studies and European Commission, March (available on-line). Kallianiotis J. N. (2019), Foreign Exchange Rates and International Finance. Nova Science Publishers, New York, chapter 10, subchapters 1.1.-1.4., p. 364-375 (e-book). Kamil H. (2012), How Do Exchange Rate Regimes Affect Firms' Incentives to Hedge Currency Risk? Micro Evidence for Latin America, IMF Working Papers, (https://www.imf.org/en/Publications/WP/Issues/2016/12/31/How-Do-Exchange-Rate-Regimes-Affect-Firms-Incentives-to-Hedge-Currency-Risk-Micro-Evidence-25761). Markiewicz M., *Determinants of the evolution of the Asian financial centres, International Business and Global Economy,* 2016 nr 35/2, p. 173-185. Markiewicz M., *Fuzje i przejęcia międzynarodowe w sektorze bankowym,* Wydawnictwo Uniwersytetu Gdańskiego, Gdańsk 2021. Mrzygłód U., *Procesy integracyjne na rynkach kapitałowych Unii Europejskiej*, Materiały i Studia Narodowego Banku Polskiego 2011, nr 257 (dostępny na stronie internetowej NBP). OECD (2021), Tax Challenges Arising from the Digitalisation of the Economy Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS, OECD, Paris. Sobański K., *Międzynarodowe finanse przedsiębiorstw*, PWN, Warszawa 2018. Sobol I., Szmelter M., Międzynarodowy rynek walutowy. Wybrane zagadnienia, wyd. UG, 2025. Ye M., Hutson E., Muckley C., (2014) Exchange rate regimes and foreign exchange exposure: The case of emerging market firms, Emerging Markets Review, 2014 (21).
	eResources addresses	

Example issues/ example questions/ tasks being completed	What exchange rate regimes operate in the contemporary currency system (classification of the most important categories according to the IMF) and what are their characteristic features? Based on the conditions of the Cohen matrix, please verify the statement "the dollar acts as an international currency". Please base your justification on the conditions of the matrix. Company A begins an international investment project - assessment of the capital budgeting process from an international perspective; discussion of available financing sources; assessment and calculation of the cost of capital.
Work placement	Not applicable

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