



### FI300 International Finance

<b>Instructor Information</b>	<p>Jia Ren Home Institution: Shanghai University of International Business and Economics Email: j.ren@suibe.edu.cn Office Hours: Determined by Instructor</p>		
<b>Term</b>	June 27, 2022 - July 22, 2022	<b>Credits</b>	4 units
<b>Class Hours</b>	Monday through Friday, 120 mins per teaching day		
<b>Discussion Sessions</b>	2.5 hours each week, conducted by teaching assistant(s)		
<b>Total Contact Hours</b>	66 contact hours (1 contact hour = 45 mins, 3000 mins in total)		
<b>Required Texts (with ISBN)</b>	<p>Cheol EUN and Bruce RESNICK (2018): International Financial Management, 8th edition, McGraw-Hill Education.  ISBN: 9781259717789</p> <p>Krugman, P, Obstfeld. M and M. Melitz (10th Edition), International Finance: Theory and Policy, Pearson Series in Economics, Prentice Hall.  ISBN: 1292214872</p>		
<b>Prerequisite</b>	Students are expected to have an introductory finance course.		



## Course Overview

International finance is widely accepted as one of the fundamental courses for the program in the business school. This course aims to construct an international macroeconomic framework for undergraduate student to understand the global financial system. It focuses on the basic theories of international finance, world financial market and tool in financial risk hedge. The course starts with traditional financial model of open economy to trade in financial assets and real goods, followed by the parity models. Furthermore, world exchange rate market and financial tools on the exchange rate risk control have been introduced. The last of the course is financial globalization. Besides the knowledge delivery, the course has a good training on students with their comprehensive financial skills with the world financial market issues, such as Brexit, digital current.

## Learning Outcomes

After successfully completing this course, you should be able to:

1. Demonstrate a knowledge of the international monetary system
2. Master the essential theories of exchange rate determination
3. Understand the development of exchange rate regime and recognize the nature and characteristics of different regime
4. Have a basic knowledge of how international financial markets work.
5. Explore methods used to manage risk in the global markets.



### Grading Policy

Mid-semester Exam	30%
Group Project	20%
Final Exam	50%

### Grading Scale is as follows

Number grade	Letter grade	GPA
90-100	A	4.0
85-89	A-	3.7
80-84	B+	3.3
75-79	B	3.0
70-74	B-	2.7
67-69	C+	2.3
65-66	C	2.0
62-64	C-	1.7
60-61	D	1.0
≤59	F (Failure)	0



## Class Schedule

Date	Lecture	Readings
Day 1	Course Introduction and The International Monetary System	Krugman Chapters 1
Day 2	National Income Accounting and the Balance of Payments	Krugman Chapters 13
Day 3	Exchange Rate Regime	Krugman Chapters 13
Day 4	Practice session I: The International Monetary System	Tutorial questions and supporting material
Day 5	International Parity Conditions	Eun Chapter 6
Day 6	The Foreign Exchange Market	Eun Chapter 5
Day 7	Practice session II: exchange rate	Tutorial questions and supporting material
Day 8	Mid-semester Exam Review	supporting material
Day 9	<b>Mid-semester Exam</b>	
Day 10	Foreign Currency Derivatives I	Eun Chapters 7
Day 11	Foreign Currency Derivatives II	Eun Chapters 14
Day 12	Practice session III Foreign Currency Derivatives	Tutorial questions and supporting material
Day 13	International Portfolio Theory and Diversification	Eun Chapter 15
Day 14	International Monetary Systems: An Historical Overview	Krugman Chapters 19
Day 15	Financial Globalization: Opportunity and Crisis	Krugman Chapters 20
Day 16	Practice session IV: Foreign Exchange Exposure	Tutorial questions and supporting material
Day 17	Group Presentation	N/A
Day 18	Group Presentation	N/A
Day 19	Course Review	N/A
Day 20	<b>Final Exam</b>	