

Syllabus – International Corporate Finance

General Course Details:

Kurs No.: IBU 3602
Title: International Corporate Finance
Language: English
Credits: ECTS 3 (2 weekly contact hours)
Level: Advanced (Bachelor – 6th semester)
Participants: Students of all the bachelors and ISP track
Requirements: Basic Finance Studies Background Sessions:
Thursdays from 17.15 to 18.45 h (W3.2.04)

Lectures Details:

Lecturer: Prof. Dr. Anxo Calvo
Office: W2.3.26
Office hours: Wed 09.45-11.15; individual appointments can also be arranged E-
Mail: anxo.calvo.silvosa@udc.es (preferred communication)

Description of Course:

This subject focuses on the main factors a firm must address when dealing with foreign investments. These factors do not normally exist when domestic investments are made. Basically, the key topics which will be studied are the following ones:

- Projects will generate foreign currency cash flows.
- Interest rates and costs of capital will probably be different in the foreign country.
- Firms are likely to face a different tax rate in the foreign country and they will be subject to both foreign and domestic tax regulations.

Learning Objectives:

LO	Learning Objective / Outcome	Contributions to learning objectives	Assessment
1.1	Expert knowledge Students show that they have sound basic knowledge ...	Analysis of the importance of International Corporate Finance in the business world.	Exams Assignments Oral presentations
1.2	... in Business Administration. ... in Economics.		
1.3	... in Business Law.		
	... in Quantitative Methods.		

	Use of information technology		Assignments
2.1	Students demonstrate proficiency in using computer programs to solve business problems.	Students will be required to analyse cases and solve exercises using spreadsheet.	
2.2	Students are able to use information systems effectively in real world business settings.		
3.	Critical thinking and analytical competence Students are able to apply analytical and critical thinking	Discussion of causes / consequences / risks associated with investing in foreign countries.	Exams and assignments
4.	Ethical awareness Students are able to develop business ethics strategies and apply them to typical business decision-making problems.	Students will be required to take into account ethical matters regarding international cooperation, respecting local communities and	Assignments
	Communication skills		
5.1	Students are able to express complex problems effectively in writing	Students will be required to make some presentations about the cases they will have to analyse and about exercises	Written Exams and presentations
5.2	Students demonstrate their oral communication skills in		
6.	Capacity for teamwork Students show that they are able to work successfully in a team by performing practical tasks.	Solve exercises and cases in groups	Exercises
	Specific objectives of the class		
7.1	To understand the basic concepts of Financial valuation in international environments.	Students will be provided with theoretical and practical tools to address the basic problems and situations when making investment projects abroad.	Written exam
7.2	To learn how to hedge exchange rate risk		Exercises
7.3	To learn how to assess investment projects abroad		Cases Oral presentations

Contents of the Course:

From 19.03.2020 to 02.07.2020, approximately 15 sessions are available to consider the following main topics (teaching schedule subject to further changes):

Session	Topic
1/2/3	Introduction to Corporate Finance
4/5	Exchange rate risk
6	International Integrated Capital Markets
7/8	Valuation of Foreign Currency Cash Flows
9	Valuation and International Taxation
10	International Segmented Capital Markets
11/12/13/14	Capital Budgeting with Exchange Risk
15	General review

Didactical Approach and Workload:

The course consists of one session of 1 ½ hours per week and awards 3 credits.

The didactical approach for the course is a mix of formal lecture, case studies and exercises that can be solved individually and/or in groups. During the formal lecture it is expected that students are actively involved.

Method of Assessment:

The final grade is a weighted combination of different assessments:

- 60 % of the final grade consists of a written exam.
- The remaining 40% of the final grade includes class participation and assignments.

Literature:

Arnold, G. (2013). Corporate Financial Management. Harlow, Fifth Ed. Berk, J.;

DeMarzo, P. (2017). Corporate Finance. Pearson. 4th Edition.

Brealey, R.A.; Myers, S.C.; Allen, F. (2011). Principles of Corporate Finance. Mc Graw-Hill Irwin 10th Ed.

Eiteman, D.K.; Stonehill, A.I.; Moffett, M.H. (2016). Multinational Business Finance. Pearson. 14th Edition.

Morris, J.R.; Daley, J.P. (2009). Introduction to Financial Models for Management and Planning. Chapman & Hall CRC Finance, Chicago.