



INSTITUTO UNIVERSITARIO DE INVESTIGACIÓN
EN ESTUDIOS NORTEAMERICANOS
“BENJAMIN FRANKLIN”

Course	International Finance
Program	Study Abroad
Credits	4.5 ECTS / 3 USA (semester credits)
Class hours	45
Student work outside the classroom	90
Office Hours	By appointment
Requirements	None
Language of instruction	English
Type of teaching	In person

INTRODUCTION

This course provides students with a fundamental understanding of the international dimensions of trade and finance. The concepts, approaches, and technology to support financial management in a global business environment will be discussed. Throughout the semester, focus will be on the European perspective with special emphasis on the specifics for Spain.

This course will cover the following topics:

- * Introduction to International Finance
- * The International Monetary System and the impact of the Euro
- * The Balance of Payments and the Specifics for Spain
- * International Trade and Trade Finance
- * Foreign Exchange Exposure and Management
- * International Banking and Money Market and How Spanish Banks do Business
- * International Equity Markets and the Madrid Stock Exchange
- Sustainability – Green Finance

Carefully selected documentary material together with a visit to the FNMT (Fábrica Nacional de Moneda y Timbre), a visit to the Bank of Spain - subject to confirmation - will enable students to gain a better perspective of all of these subjects.

COMPETENCES

General competences (GC):

Main topics include the international money and capital markets, international trade finance, equity & debt markets, international banking, exchange rate determination effects of financial globalization, as well as financial risk management methodologies.

Specific competencies (SC):

At the end of this program students will be able to understand how businesses are done in a global environment, acquiring new concepts and finance techniques and how companies worldwide sell/buy products/services to each other.

They will also add knowledge on:

1. Main economic institutions (World Bank, International Monetary Fund, Organization for Economic Cooperation and Development and European Investment Bank) and the creation of the Euro.
2. Capital and money markets, the different sources of debt and equity for corporates, as well as the operation of stock exchanges.
3. Foreign exchange exposure and its management.
4. Sustainability & ESG and Green Finance.
5. Case study: INDITEX GROUP (FY2023 Annual Results Presentation)

METHODOLOGY

Each session will include theory and an active participation with the students. Class Q&A interaction will be a must. Instructor and students will share concepts and ideas with the objective of producing at least two Workshops and a 2 people Group Presentation – Country Investment Analysis).

PREPARATION FOR CLASS

1. Students should think about questions and relations of the texts with other previous knowledge which can be shared in class to start debates and discussions.
2. Students takes notes during class presentation and discussions.
3. At the end of each session a summary will be given to the students, followed by some bibliography on each topic.

EVALUATION

Final Grades will be based on the following breakdown:

Mid-term exam	30 %
Final exam	30 %
Class participation and presentations	25 %
Class participation	15%

Plagiarism

Research papers should state students' own ideas. The work of other writers or experts used to support students' ideas must be properly cited. Inappropriate use of someone else's text or work is considered plagiarism. Plagiarism is a violation of academic standards and may result in failure of the paper or even the subject for which the paper was written. In extreme cases it may result in expulsion from the program. Guidelines for writing the paper properly should be provided by the teacher. If you are going to use Chat GPT or any other AI system, mention it as a source in the written work. If the professor detects copying or plagiarism in the exam, the student will receive a grade of zero and will not have the option of any type of recovery.

If the student arrives more than ten minutes late for an exam without having any written justification from a doctor, or program director, the student will be penalized with a reduction of 10 points from the final grade of the exam.

Exams

2 non-cumulative exams, a midterm exam (30%) and a final examination (30%). They will be based on the lectures and readings covered in class.

Instructor can do "surprise quizzes". These are at the beginning of the class and short. They can be considered as a classroom exercise.

Presentations

Students will be required to prepare a "Country Investment Analysis" (25%) in groups of two people. The country chosen must be approved by the instructor. At the end of the semester, the group will present their analysis to the class. More details will be provided during the first two week of classes.

Class Participation

Preparedness, and Participation (15%) are crucial to the success of this course. Students are expected to listen proactively and participate in class discussions.

ATTENDANCE (Instituto Franklin-UAH Policy)

Class attendance is considered critical to understanding and applying the knowledge and skills taught and, therefore, essential to attain the academic objectives of this course. Consequently, students are expected to attend all classes. Being absent for a quiz or an exam will result in a grade of zero for that particular quiz or exam. Coming to class more than ten minutes late could be considered an absence and students might not be allowed in. Because special circumstances occasionally arise, students who miss class for a reasonable cause will be excused if they provide proper documentation/justification to the instructor, in advance when possible. However, a maximum of two (2) such absences is acceptable. In any case, it is the student's responsibility to catch up with the material covered during the class missed. Excessive absences will drastically affect the student's grade and might result in a "Fail" grade.

STUDENTS WITH SPECIAL NEEDS (Instituto Franklin-UAH Policy)

Students with special needs should contact Antonio Fernández: antonio.fernandezm@uah.es Instituto Franklin-UAH can accommodate these students who show through a medical note or a note from their academic advisor that require help in order to fulfill the program.

USE OF TECHNOLOGY IN CLASS

The use of technology is essential in today's education, but if it is used inappropriately, it can be harmful for students. It is necessary that students ask for permission from the instructor to use any technological devices. No cell phone use (texting or otherwise) will be allowed in class. Tablets and notebooks will be allowed for note taking purposes only. No cell phones will be allowed during examinations.

CLASS SCHEDULE

COURSE CONTENT	ASSIGMENTS
An Introduction to International Finance	International & Trade Finance The Bretton Woods Conference, International Monetary Fund, World Bank Group, GATT, European investment Bank and Organization for Economic Cooperation and Development Export Credit Agencies, Country & Sovereign Risk, World Risk Map The International Monetary System
From the Peseta to the Euro - A single currency for Europe	The introduction to the Euro in 2002. The European Monetary Union The European System of Central Banks (ESCB) The European Central Bank The Balance of Payments Public Debt vs Gross Domestic Product
International Trade	Understanding International Trade History of International Trade Benefits of International Trade for a Business "Comparative Advantage" Free Trade vs. Protectionism The World Trade Organization
Trade Finance	How Trade Finance works Financial instruments used in Trade Finance How Trade Finance reduces risks 4 basic pillars Methods of Payment in Trade Finance
Foreign Exchange Exposure & Management	What is FOREX? Types of Foreign Exchange risk Causes of Foreign Exchange risk Hedging Arrangements via Financial Instruments
MIDTERM EXAM	
The Stock Exchange Markets	History of Stock Exchanges How stock exchanges work

	<p>Functions of the stock market Benefits of becoming a listed company</p>
Spain - BME Growth & MARF	<p>Raising finance through the Spanish stock market 1.- BME Growth for medium and small companies Raising finance through the Spanish debt and capital market. 2.- The MARF (Fixed Income Alternative Market)</p>
Banking - Commercial & Corporate and Investment Banking (CIB)	<p>An approach to Commercial Banking CIB main activities - How do they make money. USA vs Europe Spain - Market overview</p>
Sustainability & ESG - Green Finance	<p>Sustainability and SDG (Sustainable Development Goals) ESG analysis (Environment, Social and Governance) Green (sustainable) Finance</p>
Business Case: INDITEX GROUP	<p>Executive Summary Main highlights Finance analysis Market overview Trends for 2024</p>
FINAL EXAM	

BIBLIOGRAPHY

After each session students will be provided with specific bibliography.

Students are strongly encouraged to keep up with daily International Finance developments. Reading most relevant financial newspapers is highly recommended.

This syllabus is subject to change.