



The University of Southern Queensland

Course specification

The current and official versions of the course specifications are available on the web at <http://www.usq.edu.au/coursespecification/current>.
Please consult the web for updates that may occur during the year.

Description: International Financial Management

Subject	Cat-nbr	Class	Term	Mode	Units	Campus
FIN	8104	78173	2, 2008	ONC	1.00	Toowoomba

Academic group:	FOBUS
Academic org:	FOB008
Student contribution band:	3A
ASCED code:	081101

STAFFING

Moderator: Taiji Watanabe

OTHER REQUISITES

It is recommended that students complete FIN5000 or FIN8101 prior to enrolling in FIN8104. Students are required to have access to a personal computer, e-mail capabilities and Internet access to USQConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/business/aboutfob.htm>.

RATIONALE

Trade is increasingly being facilitated by governments through trade agreements and the abolition of trade barriers. Accordingly multinational businesses today have to deal with international suppliers, customers and financiers. Profitability in these circumstances depends on the understanding and effective management of risks, financial instruments and taxation regimes.

SYNOPSIS

This course covers the concepts and mechanics of international money and capital markets. It includes exchange rate dynamics and forecasting, discussion of exchange rate risk and exposure management, sources of International Finance and international capital budgeting techniques. The course will also include an assessment of the implications of taxation in international business decision making, and foreign investment and exchange controls.

OBJECTIVES

The course objectives define the student learning outcomes for a course. On successful completion of this course, students should be able to:

1. apply basic foreign exchange trading techniques including the use of derivative instruments
2. identify and apply regulations relevant to the taxation of Foreign Source Income of Australian residents including tax treaties
3. identify and manage foreign exchange risks and exposures

4. identify and explain alternative sources of finance available to Multinational Corporations in making Capital Structure decisions
5. identify and apply relevant issues to be considered in assessing the capital structure of an offshore project and in international portfolio management.

TOPICS

	Description	Weighting (%)
1.	International monetary system	15.00
2.	Exchange rate forecasting	20.00
3.	Exposure management	20.00
4.	International taxation issues	15.00
5.	Financial structuring	15.00
6.	Multinational capital project evaluation	15.00

TEXT and MATERIALS required to be PURCHASED or ACCESSED

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

FIN8104 study package available from the USQ Bookshop.

Eiteman, DK, Stonehill, AI & Moffett, MH 2007, *Multinational business finance*, 11th edn, Pearson Addison-Wesley, Boston, Massachusetts.

REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Anthony, S 2002, *Foreign exchange in practice: the new environment*, 3rd edn, Palgrave MacMillan, Basingstoke.

Bruce, R, McKern, M, Pollard, I & Skully, M (eds.) 1997, *Handbook of Australian corporate finance*, 5th edn, Butterworths, Sydney.

Eun, C & Resnick, B 2007, *International financial management*, 4th edn, McGraw-Hill/Irwin, Boston, Massachusetts.

Madura, J 2008, *International financial management*, 9th edn, Thomson/South-Western, Mason, Ohio.

Shapiro, A 2005, *Multinational financial management*, 8th edn, John Wiley & Sons, New York.

STUDENT WORKLOAD REQUIREMENTS

ACTIVITY	HOURS
Assessments	20.00
Lectures	26.00
Private Study	93.00
Tutorials	26.00

ASSESSMENT DETAILS

Description	Marks out of	Wtg (%)	Due date
CMA TEST 1	100.00	15.00	08 Sep 2008 (see note 1)
CMA TEST 2	100.00	15.00	20 Oct 2008
2 HOUR EXAMINATION	70.00	70.00	END S2 (see note 2)

NOTES

1. PLEASE NOTE: Submission dates for CMA tests 1 and 2 will be advised in the first week of semester. CMA tests 1 and 2 assess Objectives 1 - 5.
2. The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised. The examination assesses Objectives 1 - 5.

IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:
It is the students' responsibility to attend and participate appropriately in all activities (such as lectures, tutorials, laboratories and practical work) scheduled for them, and to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:
To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)
- 3 Penalties for late submission of required work:
If students submit assignments after the due date without prior approval of the examiner, then a penalty of 5% of the total marks gained by the student for the assignment may apply for each working day late up to ten working days at which time a mark of zero may be recorded.
- 4 Requirements for student to be awarded a passing grade in the course:
To be assured of receiving a passing grade a student must achieve at least 50% of the total weighted marks available for the course.
- 5 Method used to combine assessment results to attain final grade:

The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.

6 Examination information:

This is a restricted examination. Candidates are allowed access to specific materials during the examination. The only materials that candidates may use in the restricted examination for this course are: writing materials (non-electronic and free from material which could give the student an unfair advantage in the examination); and calculators which cannot hold textual information (students must indicate on their examination paper the make and model of any calculator(s) they use during the examination). Students are not permitted to take mobile telephones, pagers or other electronic means of communication into the examination room.

7 Examination period when Deferred/Supplementary examinations will be held:

Any Deferred or Supplementary examinations for this course will be held during the next examination period.

8 University Regulations:

Students should read USQ Regulations 5.1 Definitions, 5.6 Assessment, and 5.10 Student Academic Misconduct for further information and to avoid actions which might contravene university regulations. These regulations can be found at

<<http://www.usq.edu.au/corporateservices/calendar/part5.htm>>. Students should also read the Faculty of Business Policies and Procedures which can be found at <<http://www.usq.edu.au/business/aboutfob.htm>>.

ASSESSMENT NOTES

- 1 Assignments: (i) The due date for an assignment is the date by which a student must submit the assignment to the USQ. (ii) Students must retain a copy of each assignment submitted for assessment. This must be produced within 24 hours if required by the examiner. (iii) If students submit assignments after the due date and wish to claim extenuating circumstances then they shall provide validated documentary evidence with the assignment, explaining the circumstances. The examiner shall consider the statement accompanying a late assignment and decide on the outcome. (iv) Assignments are to be submitted with the appropriate assignment cover.
- 2 Course weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.