Description: International Financial Management

Subject          | Cat-nbr | Class | Term   | Mode | Units | Campus |
FIN             | 8104    | 54221 | 2, 2006 | ONC  | 1.00  | Toowoomba |

Academic group: FOBUS
Academic org: FOB009
Student contribution band: 2
ASCED code: 081101

STAFFING
Examiner: Sarath Delpachitra
Moderator: Michelle Goyen

REQUISITES
Pre-requisite: FIN8101

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. The assessment item(s) that may be used to assess student achievement of an objective are shown in parentheses after each objective. On successful completion of this course, students should be able to:

1. apply basic foreign exchange trading techniques including the use of derivative instruments (Assignment, Examination)
2. identify and apply regulations relevant to the taxation of Foreign Source Income of Australian residents including tax treaties (Assignment, Examination)
3. identify and manage foreign exchange risks and exposures (Assignment, Examination)
4. identify and explain alternative sources of finance available to Multinational Corporations in making Capital Structure decisions (Assignment, Examination)
5. identify and apply relevant issues to be considered in assessing the capital structure of an offshore project and in international portfolio management (Assignment, Examination).

TOPICS

<table>
<thead>
<tr>
<th>Description</th>
<th>Weighting (%)</th>
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<tbody>
<tr>
<td>1. International Monetary System</td>
<td>15.00</td>
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<tr>
<td>2. Exchange Rate Forecasting</td>
<td>20.00</td>
</tr>
<tr>
<td>3. Exposure Management</td>
<td>20.00</td>
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<tr>
<td>4. International Taxation Issues</td>
<td>15.00</td>
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<tr>
<td>5. Financial Structuring</td>
<td>15.00</td>
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<tr>
<td>6. Multinational Capital Project Evaluation</td>
<td>15.00</td>
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</tbody>
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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.

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.

STUDENT WORKLOAD REQUIREMENTS

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>HOURS</th>
</tr>
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<tbody>
<tr>
<td>Assessment</td>
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<tr>
<td>Lectures</td>
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<tr>
<td>Private Study</td>
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<td>Tutorials</td>
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ASSESSMENT DETAILS

<table>
<thead>
<tr>
<th>Description</th>
<th>Marks out of</th>
<th>Wtg(%)</th>
<th>Due date</th>
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<tbody>
<tr>
<td>ASSIGNMENT</td>
<td>100.00</td>
<td>25.00</td>
<td>13 Oct 2006</td>
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<tr>
<td>3 HOUR EXAMINATION</td>
<td>100.00</td>
<td>75.00</td>
<td>END S2</td>
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NOTES
1. 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.

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 by the Examiner, a penalty of 20% of the total marks gained by the student for the assignment will apply for each working day late.

4. Requirements for student to be awarded a passing grade in the course:
   To be assured of receiving a passing grade a student must submit all of the weighted assessment items, achieve at least 50% in the examination, and 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
Academic Misconduct for further information and to avoid actions which might
contravene University Regulations. These regulations can be found at the URL
http://www.usq.edu.au/corporateservices/calendar/part5.htm. Students should also read
the Faculty of Business Guide to Policies and Procedures of the Faculty which can be

ASSESSMENT NOTES

1 Assignments: (i) Assignments must be submitted in the drop box located at the Faculty
of Business reception area on level 4 of L-Block by 5:00PM on the due date. (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.

OTHER REQUIREMENTS

1 Learning resources: Prescribed texts and materials (see above); recommended reference
materials (see above); printed Introductory Book* and Study Book/s*; CD (compact
disc); and course Website accessible via USQConnect. *part of the study package
available from the USQ Bookshop