

FINC 3020 GLOBAL FINANCE

Credit Points 10

Description The study of international finance from the vantage point of a multinational enterprise provides students with a global insight into international trade for both manufactured and financial products. The subject recognises the increasing importance of global integration of money and capital markets - a trend that is creating expanded opportunities for both investors and organisations that need to raise capital. The recognition and management of risks associated with international operations are explored, including tensions created across global markets by such issues as the imposition of tariffs, the cost of capital arising from international financial market crises, the taxation of MNCs, and the challenges of foreign exchange risk management through the use of futures and options.

School Business

Student Contribution Band

Check your fees via the Fees (https://www.westernsydney.edu.au/currentstudents/current_students/fees/) page.

Level Undergraduate Level 3 subject

Pre-requisite(s) FINC 2003

Equivalent Subjects ECON 3014

Learning Outcomes

After successful completion of this subject, students will be able to:

1. Explain the key financial products operating in the international and domestic financial markets
2. Analyse the theoretical relationships between spot and forward rates, interest rates and inflation.
3. Classify international investment decisions at the portfolio and project level.
4. Identify political or country risk issues and their implications working with a team.
5. Describe how Australian multinational corporations can assess and take advantage of lower capital costs through international capital markets.

Subject Content

1. Models of exchange rate determination and balance of payments.
2. Foreign exchange risk and management.
3. The Eurocurrency market.
4. Parity and market efficiency.
5. Multinational corporations – foreign direct investment.
6. Short-term and long-term international financing.
7. International banking.
8. Financial crisis management.
9. Country risk management.

Prescribed Texts

- Eiteman, D.K, Stonehill, A.I. & Mofett, M.H (2022) Multinational Business Finance (16e), Global Edition.