

## Tamkang University Academic Year 103, 2nd Semester Course Syllabus

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| Course Title   | THE CONCEPT OF INTERNATIONAL FINANCIAL MANAGEMENT  | Instructor | HUNG-KUN CHEN                                |
| Course Class   | TLBXB4P<br>DEPARTMENT OF BANKING AND FINANCE, 4P   | Details    | ♦ Selective<br>♦ One Semester<br>♦ 3 Credits |
| D e p a r t m e n t a l   A i m   o f   E d u c a t i o n  |  |            |  |
| According to the school, the university education aims to response to the evolution of domestic and international financial situation, cultivation of finance in taking into account both theory and practice in other to prepare financial professionals.   |  |            |  |
| D e p a r t m e n t a l   c o r e   c o m p e t e n c e s  |  |            |  |
| A. The student to have a basic knowledge of finance theory and practice.<br>B. To have a good grounding of relevant financial laws.<br>C. To understand the basic moral principles within the financial industry.<br>D. To have a global perspective of the subject and a basic command of foreign language abilities.<br>E. To obtain professional qualifications that will aid their future career.<br>F. To obtain a basic ability to examine domestic and global financial situations. |  |            |  |
| Course Introduction  | This course intends to explore the associated costs and benefits involved in operating globally through two lines. First, we focus on foreign exchange exposures, which multinationals face (as opposed to purely domestic firms) and financial instruments (forwards, futures and options), which are used to manage foreign exchange exposures. Second, we introduce financing policy for multinationals. Accordingly, we are aimed to give you more details of financial management for multinationals; especially to the potential challenges and opportunities in global financial markets. |            |  |
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## The Relevance among Teaching Objectives, Objective Levels and Departmental core competences

I.Objective Levels (select applicable ones) :

- (i) Cognitive Domain : C1-Remembering, C2-Understanding, C3-Applying,  
C4-Analyzing, C5-Evaluating, C6-Creating
- (ii) Psychomotor Domain : P1-Imitation, P2-Mechanism, P3-Independent Operation,  
P4-Linked Operation, P5-Automation, P6-Origination
- (iii) Affective Domain : A1-Receiving, A2-Responding, A3-Valuing,  
A4-Organizing, A5-Characterizing, A6-Implementing

II.The Relevance among Teaching Objectives, Objective Levels and Departmental core competences :

- (i) Determine the objective level(s) in any one of the three learning domains (cognitive, psychomotor, and affective) corresponding to the teaching objective. Each objective should correspond to the objective level(s) of ONLY ONE of the three domains.
- (ii) If more than one objective levels are applicable for each learning domain, select the highest one only. (For example, if the objective levels for Cognitive Domain include C3,C5,and C6, select C6 only and fill it in the boxes below. The same rule applies to Psychomotor Domain and Affective Domain.)
- (iii) Determine the Departmental core competences that correspond to each teaching objective. Each objective may correspond to one or more Departmental core competences at a time. (For example, if one objective corresponds to three Departmental core competences: A,AD, and BEF, list all of the three in the box.)

| No. | Teaching Objectives   | Relevance        |                               |
|-----|---|------------------|-------------------------------|
|     |   | Objective Levels | Departmental core competences |
| 1   | 1. Understanding the associated risks and benefits for multinationals.        | C2               | AF                            |
| 2   | 2. Learning how to manage foreign exchange exposures.                         | C4               | AF                            |
| 3   | 3. Knowing the structure of international capital markets and its operations. | C2               | AF                            |

### Teaching Objectives, Teaching Methods and Assessment

| No. | Teaching Objectives   | Teaching Methods                     | Assessment                          |
|-----|---|--------------------------------------|-------------------------------------|
| 1   | 1. Understanding the associated risks and benefits for multinationals.        | Lecture, Discussion, Problem solving | Written test, Report, Participation |
| 2   | 2. Learning how to manage foreign exchange exposures.                         | Lecture, Discussion, Problem solving | Written test, Report, Participation |
| 3   | 3. Knowing the structure of international capital markets and its operations. | Lecture, Discussion, Problem solving | Written test, Report, Participation |
|     |   |                                      |                                     |

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| This course has been designed to cultivate the following essential qualities in TKU students |                          |   |      |
| Essential Qualities of TKU Students  |                          | Description   |      |
| ◇ A global perspective   |                          | Helping students develop a broader perspective from which to understand international affairs and global development.                                   |      |
| ◇ Information literacy   |                          | Becoming adept at using information technology and learning the proper way to process information.  |      |
| ◇ A vision for the future  |                          | Understanding self-growth, social change, and technological development so as to gain the skills necessary to bring about one's future vision.          |      |
| ◇ Moral integrity  |                          | Learning how to interact with others, practicing empathy and caring for others, and constructing moral principles with which to solve ethical problems. |      |
| ◇ Independent thinking   |                          | Encouraging students to keenly observe and seek out the source of their problems, and to think logically and critically.                                |      |
| ◇ A cheerful attitude and healthy lifestyle  |                          | Raising an awareness of the fine balance between one's body and soul and the environment; helping students live a meaningful life.                      |      |
| ◇ A spirit of teamwork and dedication  |                          | Improving one's ability to communicate and cooperate so as to integrate resources, collaborate with others, and solve problems.                         |      |
| ◇ A sense of aesthetic appreciation  |                          | Equipping students with the ability to sense and appreciate aesthetic beauty, to express themselves clearly, and to enjoy the creative process.         |      |
| Course Schedule  |                          |   |      |
| Week   | Date                     | Subject/Topics  | Note |
| 1  | 104/02/24 ~<br>104/03/01 | Deferred holiday of Peace Memorial Day (no classes)   |      |
| 2  | 104/03/02 ~<br>104/03/08 | Brief introduction to this course   |      |
| 3  | 104/03/09 ~<br>104/03/15 | Chapter 1: Globalization and the multinational corporation  |      |
| 4  | 104/03/16 ~<br>104/03/22 | Chapter 3: Forward markets and transaction exchange risk  |      |
| 5  | 104/03/23 ~<br>104/03/29 | Chapter 17: Risk management and the foreign currency hedging decision   |      |
| 6  | 104/03/30 ~<br>104/04/05 | Deferred holiday of Children's Day (no classes)   |      |
| 7  | 104/04/06 ~<br>104/04/12 | Chapter 20: Foreign currency futures and options  |      |
| 8  | 104/04/13 ~<br>104/04/19 | Case Studies on foreign exchange exposure   |      |
| 9  | 104/04/20 ~<br>104/04/26 | Review teaching materials about midterm exam  |      |
| 10   | 104/04/27 ~<br>104/05/03 | Midterm Exam Week   |      |
| 11   | 104/05/04 ~<br>104/05/10 | Chapter 11: International debt financing  |      |
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| 12                      | 104/05/11 ~<br>104/05/17   | Chapter 12: International equity financing |  |
| 13                      | 104/05/18 ~<br>104/05/24   | Case Studies on financing decisions        |  |
| 14                      | 104/05/25 ~<br>104/05/31   | Review teaching materials about final exam |  |
| 15                      | 104/06/01 ~<br>104/06/07   | Graduate Exam Week                         |  |
| 16                      | 104/06/08 ~<br>104/06/14   | ---  |  |
| 17                      | 104/06/15 ~<br>104/06/21   | ---  |  |
| 18                      | 104/06/22 ~<br>104/06/28   | ---  |  |
| Requirement             | Students are required to download (and review) the handouts before class   |  |  |
| Teaching Facility       | Computer, Projector, Other (Handouts)  |  |  |
| Textbook(s)             | "International Financial Management" by Geert J Bekaert and Robert J. Hodrick, published by Pearson Education Inc. (Local agent: Hwa Tai Published Inc.), 2/E, 2012.   |  |  |
| Reference(s)            | 1. "International Corporate Finance" , by Jeff Madura, published by South-Western Cengage Learning, 11/E, 2012.<br>2. "Multinational Business Finance" by David K. Eitemen, Arthur I. Stonehill, and Michael H. Moffett, published by Prentice Hall, 13/E, 2012.   |  |  |
| Number of Assignment(s) | 1 (Filled in by assignment instructor only)  |  |  |
| Grading Policy          | ◆ Attendance : 10.0 %    ◆ Mark of Usual :       %    ◆ Midterm Exam : 30.0 %<br>◆ Final Exam : 30.0 %<br>◆ Other 〈Group report〉 : 30.0 %  |  |  |
| Note                    | This syllabus may be uploaded at the website of Course Syllabus Management System at <a href="http://info.ais.tku.edu.tw/csp">http://info.ais.tku.edu.tw/csp</a> or through the link of Course Syllabus Upload posted on the home page of TKU Office of Academic Affairs at <a href="http://www.acad.tku.edu.tw/CS/main.php">http://www.acad.tku.edu.tw/CS/main.php</a> .<br><b>※ Unauthorized photocopying is illegal. Using original textbooks is advised. It is a crime to improperly photocopy others' publications.</b> |  |  |