

International Financial Management

Business Administration 418

Section: D100

Term: 1999 Summer

Instructor: Brian O'Kelly

Office: TBA

Phone: TBA

Discussion Topics: Course Objectives:

This course examines the management of assets and liabilities in a multinational setting. The pricing of financial instruments such as forwards, swaps, futures and options will be covered in detail. The application of these instruments to the management of foreign exchange risk and interest rate risk is explored.

Course Coverage:

The main topics to be covered in this course are:

1. Valuation of forward contracts
2. Currency futures and options and their application to risk management
3. Pricing currency options using the binominal model
4. The pricing and application of currency and interest rate swaps
5. Evidence on purchasing power parity and the relevance of hedging
6. Measurement and management of foreign exchange risk
7. International capital budgeting

Grading: 10% Assignments

35% Midterm Exam

55% Final Exam

100%

Required Texts: Sercu & Uppal, International Financial Markets and the Firm; Chapman & Hall, 1996.

Recommended Texts:

International Financial Management

Materials/Supplies:

Prerequisite/Corequisite: BUS 315; 60 credit hours.

Notes: Note:

This class will not begin until Week 4. To make up the first three weeks of missed classes, the lecture each week will be 4 hours instead of the usual 3.

Before that, inquiries should be addressed to the Area Coordinator Avi Bick. (Phone: 291-3748 \210 E-mail: bick@sfu.ca)

This outline is derived from a course outline repository database that was maintained by SFU Student Services and the University's IT Services Department. The database was retired in 2014 and the data migrated to SFU Archives in 2015.