



**Carleton**  
UNIVERSITY

**SPROTT**  
SCHOOL OF BUSINESS

**BUSI 4504**  
**FALL 2020**  
**INTERNATIONAL FINANCE**

**Section A**

Instructor: Mike McIntyre

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**Course Meets:**

Section A: Wednesday 2:35 – 5:25

**Location:** All classes are to be held using Zoom. Zoom details to be provided via CULearn (all references below to ‘in class’ mean during Zoom sessions)

**Faculty Office Hours:** Periodic Zoom availability to be announced in class and via CULearn

**Pre-requisites & precluded Courses:**

Precludes additional credit for BUSI 3504 (no longer offered) and BUSI 3505 (no longer offered). Prerequisite: [BUSI 2505](#) with a grade of C- or higher.

**The Sprott School of Business enforces all pre-requisites.**

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**Course Calendar description from the 2020/21 University calendar:**

Management of corporate finance as it is affected by the requirements of international business. Issues related to international acquisitions, global investments, volatile exchange rates and hedging techniques. Role of international markets in financing corporate activity.

**Course Description:**

The purpose of this course is to do the following:

- a) Convey concepts fundamental to an understanding of the finance function in multi-national enterprises; and,
- b) Illustrate the types of problems that financial executives face in multinational enterprises, and some of the analytical tools available for the solution of these problems.

The course is offered as a combination of traditional lectures and student presentations on the following – a presentation on a country, presentation of an article on an international finance issue, and a presentation on a multi-national enterprise, with each of these topics to be approved by the instructor.

**Learning Outcomes:**

It is the objective of this course to teach students:

- a) The financial goals and governance of multinational enterprises;
- b) The role of the international monetary system;
- c) The importance of balance of payments;
- d) The functioning of the foreign exchange market and the key drivers of foreign exchange levels;
- e) Foreign currency risk management in the context of multinational enterprises
- f) Issues relating international trade, foreign direct investment and political risk.

**Textbook:**

Multinational Business Finance, D.K. Eiteman, A.I. Stonehill and M.H. Moffat, 15<sup>th</sup> edition, Prentice Hall.

ISBN 10: 0-13-479655-1

ISBN 13: 978-0-13-479655-0

**Course Requirements & Methods of Evaluation (including due dates):**

Team presentations	40%
(schedule to be worked out once final enrolments numbers are known.	
Final exam	60%
Total	100%

A description of the **team presentations** component of the course and its evaluation will be provided in class.

The **final exam** will be a three-hour test comprised of 50 multiple choice questions held virtually during the usual exam period. Exact scheduling to be determined.

**Course Schedule:**

<b>Date</b>	<b>Topics</b>	<b>Chapters</b>
Sept 9	Multinational Financial Management	1
16	Financial Goals and Corporate Governance	4
23	The International Monetary System	2
	The Balance of Payments	3
30	The Foreign Exchange Market	5
Oct 7	International Parity Conditions	6
14	Foreign Exchange Rate Determination and Intervention	9
21	Foreign currency derivatives: futures and options	7
28	<b>Fall Break – NO LECTURE</b>	
Nov 4	Interest rate risk and swaps	8
11	Transaction exposure	10
18	Operating exposure	12
25	International Trade Finance	16
Dec 2	Foreign Direct Investment and Political Risk	17
9	Course summary	

## ADDITIONAL INFORMATION

### Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

### Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

### Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

### Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

### Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

**Pregnancy obligation**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website:

[carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

**Religious obligation**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website:

[carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

**Academic Accommodations for Students with Disabilities**

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. [carleton.ca/pmc](https://carleton.ca/pmc)

**Survivors of Sexual Violence**

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and is survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: [carleton.ca/sexual-violence-support](https://carleton.ca/sexual-violence-support)

**Accommodation for Student Activities**

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist.

<https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: [students.carleton.ca/course-outline](https://students.carleton.ca/course-outline)

### **Academic Integrity**

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

### **Sprott Student Services**

The Sprott student services office, located in 710 Dunton Tower, offers academic advising, study skills advising, and overall academic success support. If you are having a difficult time with this course or others, or just need some guidance on how to successfully complete your Sprott degree, please drop in\* any weekday between 8:30am and 4:30pm. Our advisors are happy to discuss grades, course selection, tutoring, concentrations, and will ensure that you get connected with the resources you need to succeed! <http://sprott.carleton.ca/students/undergraduate/learning-support/>

\* Note that the office is physically closed. However, e-drop in is available between 8:30-4:30 until social distancing requirements are updated by the Province.

### **Centre for Student Academic Support**

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: [carleton.ca/csas](http://carleton.ca/csas).

### **Important Information:**

- Students must always retain a hard copy of all work that is submitted.
  - All final grades are subject to the Dean’s approval.
  - For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <http://carleton.ca/ccs/students/>
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