

IBS801 - International Banking and Finance

School of International Business & Management, Winter - 2020

Subject Title

International Banking and Finance

Subject Description

In today's global market, it's imperative for an organization to examine all possible financial risks before entering into negotiations. In this course, students will examine and discuss the intricacies of international money markets, the actions of governments and investors, and the effects of inflation, interest rates, tax and the flow of currency. Strategic global investment, the optimization of cash flow and pricing alternatives will be examined. The case studies would provide opportunity to build the skills required to create and manage finance across borders.

Credit Status

One credit.

Learning Outcomes

Upon successful completion of this subject the student will be able to:

1. Analyze the impact of international banking organizations and monetary systems on an organization's integrative trade initiatives.
2. Evaluate strategies to access financing for integrative trade and facilitate their implementation.
3. Evaluate cash-flow strategies and facilitate their implementation.
4. Facilitate the implementation of appropriate methods and terms of payment (e.g., letters of credit, deferred payment plans and performance bonds).
5. Evaluate financial risk management strategies and facilitate their implementation.
6. Evaluate foreign exchange strategies that help to protect the organization from fluctuating currencies and facilitate their implementation.
7. Complete financial needs and constraints analysis which meets an organization's objectives.
8. Evaluate an organization's transfer pricing strategy and facilitate its implementation.
9. Apply mathematical operations to support a basic business case qualification (e.g. internal rate of return (IRP), return of investment (ROI) and profitability index (PI)).

Essential Employability Skills

Communicate clearly, concisely and correctly in the written, spoken and visual form that fulfils the purpose and meets the needs of the audience.

Respond to written, spoken, or visual messages in a manner that ensures effective communication.

Execute mathematical operations accurately.

Apply a systematic approach to solve problems.

Use a variety of thinking skills to anticipate and solve problems.

Locate, select, organize, and document information using appropriate technology and information systems.

Analyze, evaluate, and apply relevant information from a variety of sources.

Show respect for diverse opinions, values, belief systems, and contributions of others.

Interact with others in groups or teams in ways that contribute to effective working relationships and the achievement of goals.

Manage the use of time and other resources to complete projects.

Take responsibility for one's own actions, decisions, and consequences.

Academic Integrity

Seneca upholds a learning community that values academic integrity, honesty, fairness, trust, respect, responsibility and courage. These values enhance Seneca's commitment to deliver high-quality education and teaching excellence, while supporting a positive learning environment. Ensure that you are aware of Seneca's Academic Integrity Policy which can be found at: <http://www.senecacollege.ca/about/policies/academic-integrity-policy.html> Review section 2 of the policy for details regarding approaches to supporting integrity. Section 2.3 and Appendix B of the policy describe various sanctions that can be applied, if there is suspected academic misconduct (e.g., contract cheating, cheating, falsification, impersonation or plagiarism).

Please visit the Academic Integrity website <http://open2.senecac.on.ca/sites/academic-integrity/for-students> to understand and learn more about how to prepare and submit work so that it supports academic integrity, and to avoid academic misconduct.

Discrimination/Harassment

All students and employees have the right to study and work in an environment that is free from discrimination and/or harassment. Language or activities that defeat this objective violate the College Policy on Discrimination/Harassment and shall not be tolerated. Information and assistance are available from the Student Conduct Office at student.conduct@senecacollege.ca.

Accommodation for Students with Disabilities

The College will provide reasonable accommodation to students with disabilities in order to promote academic success. If you require accommodation, contact the Counselling and Accessibility Services Office at ext. 22900 to initiate the process for documenting, assessing and implementing your individual accommodation needs.

Prerequisite(s)

None

Topic Outline

- Introduction to the financial motives and management
- International flow of funds-balance of payments, agencies involved
- International financial markets, quotations, financial risks
- Conditions that affect exchange rates
- Exchange rate systems and government intervention
- Hedging techniques to eliminate or reduce transaction exposure
- Multinational capital budgeting and transfer pricing
- Strategies and complications in optimizing cash flows

Mode of Instruction

Instructions will consist of three hours of class per week. Guidance in the subject is conducted in the form of lectures, demonstrations, class discussions, the use of Internet/on-line and blackboard facilities and case studies. Students are expected to read the assigned material prior to class so that questions and discussion can take place. Students are encouraged to participate in group discussions and to relate the material to current events and the analysis of case studies.

Prescribed Texts

Madura, Jeff. *International Financial Management*. 13th edition. Cengage Learning. ISBN-13: 978-1337099738.

Note: Interaction with this text is essential to successful completion of this subject.

Reference Material

Current issues of newspapers (The Globe and Mail, Financial Post), International trade and financial reports.

Required Supplies

N/A

Student Progression and Promotion Policy

Grading Policy

A+	90% to 100%
A	80% to 89%
B+	75% to 79%
B	70% to 74%
C+	65% to 69%
C	60% to 64%
D+	55% to 59%
D	50% to 54%
F	0% to 49% (Not a Pass)
OR	
EXC	Excellent
SAT	Satisfactory
UNSAT	Unsatisfactory

For further information, see a copy of the Academic Policy, available online (<http://www.senecacollege.ca/about/policies/academics-and-student-services.html>) or at Seneca's Registrar's Offices..

[Registrar's office](#)

Modes of Evaluation

Group Project & Presentation	20%
Midterm Test	25%
Quizzes & Individual Assignment	20%
Final Exam	<u>35%</u>
Total	100%

Missed Test, Presentations and Late Assignments

Students are required to complete all tests, in-class assignments, and presentations on the scheduled dates and times. Missed tests, in-class assignments, and presentations will result in a grade of zero unless a valid, unavoidable reason has occurred and the student has notified the professor. Supporting documentation may be required.

Late assignments may be subject to penalty and is at the discretion of the professor. If there are valid reasons for the late assignment, the students **must notify the professor, upon which alternative arrangements may be**

considered and/or arranged.

Note: It is recommended that students use their Seneca email account to send a message to the professor. Using any other account may result in the message being deleted by the college's spam filter. Always keep a copy of the email message in case verification is required.

Effective Business Communication and English Competency

The ability to communicate effectively is essential for success in business. Therefore, students must:

- Demonstrate English competency in this subject in both oral and written work;
- Strive to be clear and concise;
- Ensure all written work is consistent with the rules of English grammar, especially in sentence structure, spelling, and punctuation; and
- Always spell check, edit, and proofread submitted work.

PLEASE KEEP THIS DOCUMENT FOR FUTURE REFERENCE. IT WILL BE REQUIRED IF YOU APPLY TO ANOTHER EDUCATIONAL INSTITUTION AND SEEK ADVANCED STANDING!

Approved by: Shahrzad Farzinpak
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