MULTINATIONAL BUSINESS FINANCE in Spring 2019 (BA4018)

Course Code	BA4018	**Professor(s)**	Suzanne Bodevin
Prerequisites	None	**Office Number**	G-3A03
Class Schedule	MR: 10:35-11:55 in SD-6	**Office Hours**	Monday afternoon
Credits	4	**Email**	sbodevin@aup.edu
Semester	Spring 2019	**Office Tel. Ext.**	598

Course Description

This course is based on the application of theoretical concepts to real world situations (group case studies). In addition, presentations about international finacial/economic issues that impact MNC's will be included. Topics include: foreign exchange risk management, management of intracorporate fund flows, international financial crises, foreign direct investment, capital budgeting in the international context, and sustainable finance.

Course Learning Outcomes

Students will be familiar with the financial environment within which multinational corporations (MNCs) operate
able to analyze the viability of international corporate projects
able to make international financing decisions
knowledgeable about the tradeoffs involved when maximizing the MNC's value
able to effectively communicate results of financial analysis

General Education

[PLEASE EDIT OR REMOVE THE FOLLOWING TEXT AS APPLICABLE]
The general education program at AUP consists of four requirements: Speaking the World, Modeling the World, Mapping the World, and Comparing Worlds Past and Present.

This course can be used to fulfill the [INDICATE THE REQUIREMENT(S) FULFILLED BY THE COURSE] requirement and as such has the following learning outcomes:

[INDICATE THE GENERAL EDUCATION LEARNING OUTCOMES]

Course Outline

OUTLINE:

INTRODUCTION: MNC Strategy

THEME 1: Foreign exchange parity conditions, Balance of Payments, Forward Rates, FX derivatives (Futures and Options)

THEME 2: Hedging

Introduction

Transaction Exposure (including intrafirm dynamics)

AIFS Case Study

Translation Exposure

Operating Exposure

Porsche Exposed Case Study

THEME 3: International Portfolio Investment (Chapter 15)

THEME 4: International Capital Budgeting (Chapter 17)

THEME 5: Global Sources of Capital (Equity/Debt)

CASE STUDIES: Nestle, the Value of a Listing; Occitane and Alibaba IPO’s

THEME 7: Foreign Direct Investment (FDI)

CASE STUDIES: FDI and Ireland's Tiger Economy (A, B) and Botswana: A Diamond in the Rough

THEME 8: Financial Management for the Global Enterprise (Chapter 20)

THEME 9: Mergers & Sustainability

Textbooks

Title	Author	Publisher	ISBN	Required
International Financial Management	Shapiro	Wiley	9781118929322	Yes

Attendance Policy

ATTENDANCE: If a student misses a quiz due to an unexcused absence (no presentation of an excuse from Student Affairs), then a zero will be attributed as a grade. NO exam absences are tolerated unless you have an official written notice from Student Affairs (i.e. upon presentation of a doctor's note – which must be submitted to student affairs within ONE week of the start of the absence). Upon the 4th unexcused absence your final course grade will be lowered by one letter grade. If a student is 10 minutes late, or more, for a class, he/she is considered ABSENT for that class.

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

Grading Policy

GRADING:

45% Two Tests and the Final Exam (cumulative)

40% Case Studies/Projects/Homework*

15% Participation/Quizzes/Attendance (50% Quizzes/50% Participation/Attendance)

Late assignments are not accepted. WRITTEN assignments must be submitted on the DUE DATE **or no credit will be given. In the case of illness the assignment may be sent via e-mail.**

Upon the 4th unexcused absence, the student’s final letter grade will be lowered by one full letter.

GROUP WORK: completion of student assessments of group members will be implemented throughout the semester to avoid, to the best of my ability, the free-rider problem. Guidelines for Case Study assignments are posted on BB under the Syllabus heading.

*completion and neatness contribute to final grade

Other