

Identification	Subject (code, title, credits)	FIN 470 International Finance - 3KU credits (6ECTS)	
	Department	Economics and Management	
	Program (undergraduate, graduate)	Undergraduate	
	Term	Spring, 2023	
	Instructor	Kamala Babayeva	
	E-mail:	kamala.babayeva@khazar.org	
	Classroom/hours		
	Office hours	By appointment	
Prerequisites	ECON 202 Principles of Macroeconomics		
Language	English		
Compulsory/Elective	Compulsory		
Required textbooks and course materials	Multinational Finance: Evaluating Opportunities, Costs, and Risks of Operations by Butler, K. 6th edition, 2016 International Economics: Theory and Policy by Paul R. Krugman, Maurice Obstfeld, and Marc J. Melitz, 9th edition, 2012.		
Course website	N/A		
Course outline	This course covers introductory theory of international finance. It has two parts, divided by midterm exam. The course analyzes some range of finance in an international area and its practical application. The topics show how international capital markets, foreign exchange markets, and financial decision on local and international projects can be used. Some macroeconomic and financial risks will be analyzed through cross-border investment decisions.		
Course objectives	Upon the completion of this course, students will be able to: <ul style="list-style-type: none">• understand and analyze international macroeconomic and financial issues and events;• discuss about the exchange rate, financial flows across national borders;• acquire basic knowledge on the economic and financial decisions on investment projects;• improve presentation skills, lead discussions in seminars and presentation session and summarize the issues raised in the readings.		
Learning outcomes	Upon completion of this course students will develop the tools to apply international economic relations; analyze current cases of international movement of goods & services and money; understand major international monetary issues.		
Teaching methods	Lecture		x
	Group discussion		x
	Experiential exercise		x
	Case analysis		x
	Project		x
Evaluation	Methods	Description and deadline	Percentage (%)
	Midterm Exam	will be announced later	30
	Quiz - 1	6 th week	5
	Quiz - 2	12 th week	5
	Attendance		5
	Project	13 th week	15
	Final Exam		40
	Total		100
Policy	Attendance (non-graded): Students exceeding the 25% absence limit will not be allowed to participate at final exam. An absent mark will be noted for a student in 15 minutes after starting a class. Activity (non –graded) shall mean active participation i.e. asking and answering the question, contribute with insights and feedback, and demonstrate willingness and dedication to be part of an overall class discussion and participate online end-up summarizing quizzes. However, the activity points might be added to the quizzes or the project if it is needed. The quizzes: There will be 2 quizzes throughout the course. The quizzes might be made of multiple-choice questions, true/false questions, and short open questions. The questions will cover the subjects learned until each preceding class. Each quiz will be 5 points. Project: Students will be divided into teams depending on the number of students in the class.		

		Each team should select one of the topics in the syllabus and apply it to any country preference. Teams will present their project at 10-12 minutes in the presentation session.	
Tentative Schedule			
W ee	Date/Day (tentative)	Topics	Textbook/Assignments
1		Exchange Rates	Chapter 14, Krugman
2		Money, Interest Rate	Chapter 15, Krugman
3		Foreign Exchange Market	Chapter 3, Butler
4		Futures and Forwards	Chapter 5 and 6, Butler
5		Swaps	Chapter 7, Butler
6		Options – I	Chapter 8, Butler
7		Options – II QUIZ 1	Chapter 8, Butler
8		Managing Transaction and Operating Exposure to Currency Risk	Chapter 9 and 10, Butler
9		MIDTERM EXAM	
10		Country risk management	Chapter 12, Butler
11		Financial System and International Banking	Chapter 13, Butler
12		Multinational Capital Structure	Chapter 14, Butler
13		Presentation session	
14		Financial decision: NPV and IRR QUIZ 2	Material will be provided
15		Financial decision: NPV and IRR Wrap-up; Review of final exam	Material will be provided
16		FINAL EXAM	