Course title: International Trade and Finance
Course code: BUSI 3002 SEBS
Programs offering course: Advanced Liberal Arts, Business and Society, Communications, New Media and Journalism Spanish, Liberal Arts
Language of instruction: Spanish
U.S. semester credits: 3.00
Contact hours: 45.00
Term: Spring 2021

Course Description
The framework for this course is based upon international financial markets, with the purpose of enabling students to understand the primary concepts behind the complex world of international finance.

Learning Objectives
By completing this course, students will:

- Analyze the role played by the so-called , with special attention to emerging markets in the global context.

Course Prerequisites
4 semesters of college-level Spanish (or equivalent) and 3 semesters of college-level micro- or macroeconomics, accounting, finance, management, marketing, or statistics. Students need to have a GPA of at least 2.5.

Methods of Instruction
We will develop the subject matter in class. The classes will be reinforced with in class discussions of case studies using World Banking publications, journals (such as Latinfinance, Euromoney, The Economist, Expansión, El Economista, etc.), internet sources (Bank for International Settlements, European Central Bank, FED, etc.), computers applications, documentary and financial movies. All work materials will be shown by means of video-projections and slides.

Company visits:
The professor of this course, “International Trade & Finance”, and the Ciee staff will organize a company visit for the students in the class. Attendance is mandatory and absence from this trip will be considered a class absence. In order to find the date of this trip, please look at the class calendar.

Rubrique:
**Linguistic Resource Center:**

It is recommended that students use the LRC

**Assessment and Final Grade**

1. Midterm Exam  
   - 6 multiple choice  
   - 25%

2. Final Exam  
   - 3 open ended questions  
   - 30%

3. Case Studies  
   - 1 Practical exercise  
   - 15%

4. Homework  
   - 3 individual cases  
   - 20%

5. Classroom Participation  
   - 3 homeworks in groups  
   - 10%

**TOTAL**  
- 100%

**Course Requirements**

**Midterm Exam**

First exam consists on a midterm exam that assess the first two chapters of the program. It is made up of multiple choice, open-ended questions and practical exercise.

**Final Exam**

Second exam consist on a final exam that assess the rest chapters of the program. It is made up of multiple choice, open-ended questions and practical exercise.

**Case Studies**

Case studies consist on the students must present 3 **individual case** about a topic related to the subject matter covered in class.

**Homework**

Home work in groups consist on the students must present 3 **group assignments case** about a topic related to the subject matter covered in class. In order to do this, the professor will give the students different topics and materials (searching articles, data base, videos, etc.) for the development of the project. The student and professor will discuss the work they want to do for their presentation, solve any doubts, and then prepare the project.

**Classroom Participation**
Classroom participation consist on students have to participate actively in class discussions. This means they must **thoroughly** read the assigned material and prepare some related questions and comments. The participation grade will consist on the students’ knowledge of the complementary material. Class participation is very important in fulfilling the course goals, to develop an idea, and to promote the dialogue between the students. Each student is responsible for covering all the material explained in class, even if in the case absence from a class. It is recommended to have the e-mails of the other students.

**Attendance**

Students are not allowed to miss class. For each absence, the participation portion of the grade will be lowered. Hence, it will be very difficult to receive a 10 in the class. Please keep this in mind.

If a student misses class twice without a valid excuse (a *note from a physician in the event of an illness*), then the professor will automatically lower the final grade by 0.5 points (on a 10-point scale) for each class missed thereafter. Students with 6 or more absences will fail the course.

Students should arrive to class on-time. Arriving late for a class will count as an absence.

*Notes from a physician will only be valid and admitted by the Resident Director if the doctor confirms that the visit could not have been arranged at another time, or that the student was too ill to attend class that day.

**Academic Honesty:**

Students are expected to act in accordance with their university and CIEE’s standards of conduct concerning plagiarism and academic dishonesty. Use of online translators for work in Spanish will result in an automatic failure.

*N.B. Course schedule is subject to change due to study tours, excursions, and local holidays. Final schedules will be included in the final syllabus provided to students on site.*

**Weekly Schedule**

**Week 1**

**Class: 1.1 Introduction**

Course Introduction: requirements, objectives and evaluation method.

Introduction to the material and course methodology

**Class: 1.2 Unit 1. INTERNATIONAL FINANCIAL SYSTEMS**

Introduction to international financial markets. The globalization process (MFI, pp.7-13).

Film: Inside Job. **Case study 1**

**Week 2**

**Class: 2.1 Financial Globalization and Contagion**

(MFI, pp.15-18).

**Class: 2.2 Funds of criminal origin and tax havens**

(MFI, pp. 19-20).

**Week 3**

**Class: 3.1 International Organizations and Companies**

(MFI, pp.22-32).

**Class: 3.2 Unit 2. FOREIGN EXCHANGE MARKETS**


**Class: 3.3 Case Study 1 Presentation and Homework 1**
Week 4
Class:  4.1  Global Discussion

Week 5
Class:  5.1  Exchange Rate Arrangements. Foreign exchange markets operations. Examples.
          (MFI, pp.46-59).

          Case study 2: George Soros: el hombre que tumbó en Banco de Inglaterra

Class:  5.2  The Purchasing Power Parity and classroom exercises
          (MFI, pp.60-61).

Class:  5.3  Company Visit

Week 6
Class:  6.1  Interest Rate Parity Theory and classroom exercises and “Fisher Effect”,
          expectations theory and classroom exercises (MFI, pp.64-67).
          Homework 2.

Class:  6.2  Midterm Exam

Week 7
Class:  7.1  Unit 3: INTERNATIONAL FINANCIAL MARKETS: Euromarkets and fixed income
          Euromarkets origin and types of bonds (MFI, pp.75-84)

Class:  7.2  Euromarkets origin and types of bonds
          (MFI, pp.87-89)

Week 8
Class:  8.1  Case Study 3.
          Documentary: Rating agencies.

Class:  8.2  Country-Risk and Emerging Markets
          (MFI, pp.91-99)

Week 9
Class:  9.1  Unit 4. INTERNACIONAL FINANCIAL MARKETS: Equities
          International Equity Incomes Markets and Mergers (MFI, pp.105-109)

Class:  9.2  Types of instruments and ADR
          (MFI, pp.109-111)

Week 10
Class:  10.1  Stock Markets Indices
          (MFI, pp.114-116)
          Emerging Markets (MFI, pp.122-127)

Class:  10.2  Portfolio creation and diversification
Week 11
Class:  11.1  Sharpe Model
(MFI, pp.137)
Class:  11.2  CAPM Model
(MFI, pp.145-151)

Week 12
Class:  12.1  Unit 6. International Risk Management
International Risk Management (MFI, pp.157-178).
Film: Margin Call
Class:  12.2  Final Exam

Course Materials
Readings
Manual de Finanzas Internacionales (II Edición) (MFI)
José Luis Jiménez Caballero, Félix Jiménez Naharro
Edita: Iris-copy, S.L., 2018
Finanzas Internacionales
José Luis Martín Marín y Cecilia Téllez Valle
Finanzas Internacionales para la empresa
Juan José Durán Herrera y Fernando Gallardo Olmedo
Madrid: Pirámide, 2013
Finanzas Internacionales
Ahmad Rahnema
Barcelona: Deusto, 2007
ISBN 9788423424597
Finanzas internacionales
Zbigniew Kozikowski; revisión técnica Benjamín García Martínez, Eduardo Villegas Hernández.
ISBN: 9789701059173
Manual de Sistema Financiero Español
El tipo de cambio
Juan Mascareñas, 2005

Universidad Complutense de Madrid.

www.ucm.es/info/jmas/infin/divisas.pdf

Currency Trading in the FOREX and Futures Markets
Carley Garner, 2012
Pearson Education

International Finance in Emerging Markets
Hansanti, Songporn; Sardar M.N. Islam; Peter Sheehan: 2008
Heidelberg, Physica-Verlag

ISBN: 9783790820430

Online Resources


Corporación Financiera Internacional (IFC). http://www.ifc.org
Organización de Naciones Unidas (ONU). http://www.un.org/spanish
OCDE. http://www.ocde.org
Banco de Pagos de Basilea. http://www.bis.org/