



M.B.A. Semester IV
FINANCE SPECIALISATION

PM04EMBA22: INTERNATIONAL FINANCIAL MANAGEMENT

Course Code	PM04EMBA22	Title of the Course	International Financial Management
Total Credits of the Course	04	Hours per Week	04

Course Objectives:	<ul style="list-style-type: none">• To develop understanding of the extent of financial integration of the economy with the global economy.• To expose students to global financial markets, instruments, and various hedging strategies for maximization of shareholders' wealth.• To understand a dealing room's transactions and groom their negotiating skills in the international markets.• To familiarize with international economics, international trade and various intricacies associated.
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Course Content: 30 sessions

Unit	Description	Weightage (%)
1.	Introduction to Global Capital Flows Introduction and evolution of FOREX markets, Euro FOREX markets, International Monetary System, Exposure and Risk. Trends in International Trade, Cross Border Financial Flows, Theories of International Trade, Gains From International Trade, Reading Forex quotes, floating and fixed currency rates.	25%
2.	Exchange Rate and Modes of Capital Flows: The Theories of Exchange Rate, Bretton Wood to Euro Currency, FII P-Notes, FDI, ECB, ADRs, GDRs, Hard Currency, SDRs, NRI deposit, Listing in Forex Market, Forex Market, Forex Reserves, Domino impact of global phenomenon on Forex market, Basics of currency trading.	25%
4.	Hedging FOREX Risk: Hedging Risk and Exposure Management, Measurement of Exposure and Risk, Macroeconomic Risks and Corporate Performance, Defining Foreign Exchange Exposure, Measuring Foreign Exposure, Concept and Classification of Exposure, Transaction Exposure, Operation Exposure, Translation Exposure, Exposure and Risk Hedging. Managing Operating Exposure: Determinants of Operating Exposure, Operating Exposure for Exporter and Importers, Effect of Exchange Rate on Exporters and Importers, Forward Hedging.	25%

Teaching-Learning Methodology	Question-answer, class discussion, case studies, inquiry-based learning based on lectures, discussions, project studies, presentations and assignment.
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Evaluation Pattern		
Sr. No.	Details of the Evaluation	Weightage
1.	Mid Semester Examination	30%
2.	Internal Continuous Assessment in the form of Projects, Quizzes, Presentations, Assignments, Attendance	30%
3.	End Semester Examination	40%

Course Outcomes: Having completed this course, the learner will be able to	
1.	Understand nature, causes and impact of global capital flows.
2.	Evaluate FOREX exposure and risk.
3.	Develop ways of mitigating FOREX risk.
4.	Enhance employability.

Suggested References:	
Sr. No.	References
1.	Maurice D. Levi, International Finance, McGraw Hill
2.	Alan B. Shapiro, International Financial Management, Prentice-Hall, India
3.	Rita M. Rodriguez, International Financial Management, Prentice-Hall.
4.	P. G. Apte, International Financial Management, Tata McGraw Hill.

On-line resources
https://www.forex.com/en/markets/forex/ https://www.tutorialspoint.com/forex_trading_tutorial.pdf
https://www.rbi.in
https://www.bloomberg.com
Various other FOREX market sites