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Reforming Master Programmes in Finance in Armenia and Moldova / REFINE

An Erasmus+ Capacity Building Project (2017-2020)

THE COURSE International Financial Management (S.03.0.17) Overview

Comrat State University

Teacher: Lector Vitali CHIURCCIU



BASIC INFORMATION



TITLE OF THE COURSE	International Financial Management
TEACHERS	Vitali CHIURCCIU
YEAR OF THE COURSE	II
SEMESTER OF THE COURSE	III
LANGUAGE	Russian
NUMBER OF ECTS CREDITS	5

LEARNING OUTCOMES



- Formation of modern economic thinking among students, which allows them to make managerial financial decisions;
- Know the principles and aspects of international financial management;
- Apply financial management analysis methods;
- To be able to diagnose the current financial condition of the enterprise;
- Develop measures for elaborating financial plan to the enterprise.
- Develop specific measures and proposals to improve the financial condition of the enterprise
- To improve communication skills during discussions and group activities
- Be able to develop solutions (optimal and alternative) as part of a study of the case

SYLLABUS OF THE COURSE



The title of topic	Forms of studies				Total	Forms of control
	Classroom			Individual work		
	Total	lecture	seminars/ practical			
1. Globalization and Multinational Companies.	4	2	2	10	14	1,2
2. International Monetary System.	4	2	2	10	14	1,5
3. International Banking and Money Market.	4	2	2	10	14	1,2,5
4. International Bond and Equity Market.	4	2	2	10	14	1,3,5
5. International Portfolio Investment.	4	2	2	15	19	1,4,5
6. International Financial Risk Management.	4	2	2	10	14	1,5
7. International Capital Structure and Cost of Capital.	4	2	2	15	19	1,4,5
8. International Capital Budgeting and Multinational Cash Management.	4	2	2	10	14	1,5
9. International Trade Finance.	4	2	2	10	14	1,3,5
10. International Tax Environment and Transfer Pricing.	4	2	2	10	14	1,3,5
Total	40	20	20	110	150	

Brief summary of course contents



This course will address the issues of globalization and the place of multinational companies, especially the functioning of the global financial market and the international financial system; the impact of the exchange rate on business processes; formation of an investment portfolio; cash flow planning and assessment, etc.

Emphasizing broad concepts and real-world practices rather than extensive quantitative material, the course offers a concise introduction to international finance and provides a clear, conceptual framework for analyzing key financial decisions in multinational firms.

Brief summary of course contents



The approach of the course is to treat international financial management as a natural and logical extension of the principles learned in the introductory financial management course.

This course is based on the competencies obtained in the study of disciplines “Finance of enterprises”, “Financial management”, “International standards of investment planning”. Course allows to more deeply preparing students for writing Master thesis.

TEACHING METHODOLOGY



- Lectures.
- Seminars and tutorials.
- Individual work.
- Problem based learning.
- Practical learning.
- E-learning.
- Learning through research.

Course topics



Topic 1. Globalization and Multinational Companies.

- 1.1. Features of International Finance.
- 1.2. Goal for International Financial management.
- 1.3. Globalization of World economy.
- 1.4. Multinational companies in modern economy.

Course topics



Topic 2. International Monetary System.

- 2.1. Evolution of International Monetary System.
- 2.2. The current exchange rate arrangements.
- 2.3. Modern problems of International Monetary System.
- 2.4. European Monetary System.

Course topics



Topic 3. International Banking and Money Market.

- 3.1. International Banking Services.
- 3.2. Types of International Banking offices.
- 3.3. International Money Market.
- 3.4. Global financial crisis.

Course topics

Topic 4. International Bond and Equity Market.

4.1. Foreign bonds and Eurobonds.

4.2. Types of instruments in Bond Market.

4.3. Trading in International Equities.

4.4. International Equity Market and affecting factors.

Course topics



Topic 5. International Portfolio Investment.

- 5.1. International correlation structure and risk diversification.
- 5.2. International Bond Investment.
- 5.3. International Mutual Funds.
- 5.4. International Diversification Process.
- 5.5. Foreign Direct Investments.

Course topics



Topic 6. International Financial Risk Management.

- 6.1. International Financial Risk Management as a system.
- 6.2. Financial Risks identification process.
- 6.3. Financial Risks calculation measures.

Course topics



Topic 7. International Capital Structure and Cost of Capital.

7.1. International Capital Structure.

7.2. Cost of Capital.

7.3. Cost of Capital and restrictions.

Course topics



Topic 8. International Capital Budgeting and Multinational Cash Management.

8.1. The Adjusted Present Value Model.

8.2. Capital Budgeting.

8.3. The Management of International Cash Balances.

8.4. Cash Management System in Practice.

Course topics



Topic 9. International Trade Finance.

9.1. A Typical Trade Transactions.

9.2. Forfeiting as a form.

9.3. Government assisting in export operations.

9.4. Countertrade.

Course topics



Topic 10. International Tax Environment and Transfer Pricing.

10.1. The Objectives of Taxation.

10.2. Types of taxation.

10.3. Tax environment.

10.4. Transfer Pricing and Related Issues.

GLOSSARY OF IFM COURSE



During the development of the course International Financial Management, a glossary of 100 terms was generated.

The glossary will allow to create a terminological set of definitions for a more optimal learning process within the course.

LABOUR MARKET RELEVANCE



During meeting with employers in Comrat State University on 12.12.2017, was presented main stages of the “REFINE” project.

- To deep knowledge about financial conditions of International Markets and Investments;
- To be able to make financial plans and analyze financial reports of enterprises;
- To be able to diagnose the current financial condition of the enterprise;
- Develop measures to reduce influence of financial risks in the activities of the enterprises;
- Identify causal relations when considering the conditions of the local market and the world market;
- To get more clear understanding about different financial instruments and their application in practice.

ASSESSMENT AND GRADING



Assessment criteria are intended to:

- Ensure that students in Master Degree meet the learning outcomes;
- Help students in Master Degree to understand, how their work is assessed;
- Allow professors to focus their feedback. Ideally, they should note the areas in which students in Master Degree are doing well and those where they could improve, to develop knowledge and skills.

To pass the course, students in Master Degree must have a current assessment of the results of studying during the course, which consists of the average of the estimates at the seminars (certification, tests, presentations, reports, abstracts, essays) and the intermediate assessment of knowledge.

After that the students is allowed to take the exam. The exam will be held in writing.

The composition of the examination ticket - 2 theoretical questions and 1 practical task. The final grade for the course is determined by summing the exam score multiplied by 0,4 and the current average score multiplied by 0,6. Final grade = (Exam*0,4) + (current average score in semester*0,6).

REFERENCES



Main references:

1. International financial management / Cheol S. Eun, Georgia Institute of Technology, Bruce G. Resnick, Wake Forest University. – Seventh Edition. 2014. – p. 570.
2. Multinational financial management / Alan C. Shapiro. –Tenth Edition. 2013. – p.729.
3. Международный финансовый менеджмент: учебное пособие для студентов ВУЗов, обучающихся по направлению подготовки «Экономика и управление» / Л.Н.Тепман, Н.Д.Эриашвили. – М.: ЮНИТИ-ДАНА, 2016. – 367с.

COURSE ASSIGNMENT 1



Essay.

An essay is an important element of the educational process. Each student, through writing an essay, sets out his point of view on the issue under study. An essay is a piece of writing on a specific subject, topic or issue. Essays are made up of the following:

- **Introduction** – Essays always begin with an introduction, which says what you will be talking about, how you will talk about it, and what you will show in the essay (your thesis).
- **Body** – Where you discuss your main points. This means introducing your point, explaining it, and giving supporting evidence about your point and how it relates to your thesis.
- **Conclusion** – This is where you restate your introduction – the subject, the main points, and the thesis.

Essay presentation



After the introduction, the author has to do her or his best to expose the economic matter at hand, to analyze it, evaluate it, and make a conclusion.

The essay (max 5 pages) will be presented to the other colleagues in the group and structured according to requirements and should be based on recommended references.

COURSE ASSIGNMENT 2/OR CASE STUDY DESCRIPTION



Case study

Mini-case based on materials and figures of AZAMET Grup Company. This company start from small commerce activity and at the moment export grapes seed oil to China and 15 countries; spaghetti (with organic flours) to Japan.

This Company elaborate new Strategy for access to new markets based on criteria's: effectiveness, diversification, innovation and R&D.



THANK FOR ATTENTION

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