International Finance
FIN 579 F

International Finance provides a compact overview over macro-economic, financial, and operational topics related to cross-border business.

On the macro-economic level, the course will enable students to evaluate global trade and capital flows and to think about long-run currency movements.

On the corporate level, the course will provide students with frameworks and tools to identify and address exposure to currency risk and to compare global financing and investment opportunities available to firms.

FX

The course begins with an overview of the macroeconomic forces that determine exchange rates.

We then examine the challenges for firms created by unexpected changes in foreign exchange rates and if and how firms should manage their FX exposure.

Financing & Investment

Next, we turn to financing decisions and show how firms can use global capital markets to lower their financing costs.

Finally, we study how to discount non-USD cash flows, accounting for international differences in inflation, taxation, and risk.

Prereqs.

The course requires familiarity with macro concepts, such as inflation, monetary policy, and the term structure of interest rates, as well as finance concepts, such as, real vs. nominal returns, risk and expected returns, diversification, systematic vs. idiosyncratic risk, and discounted cash flow valuation.

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