## COX 4218 INTERNATIONAL BUSINESS AND FINANCE (3 CU)

Course Description :

Students will be taught management of international business finance. Monetary systems, foreign exchange determination, risk management and emerging issues in the global business environment.

**Course Objectives:**

To familiarise students with the principles and the dynamics of international business.

To expose students to different risks involved in international business and how they can be mitigated

To enable students appreciate the procedures and the necessary documentation in international business.

To expose students to different methods of payments for international transactions and their attendant risks.

To enable students appreciate the emerging changes in international business in light of the new technology.

**Learning Outcomes:**

At the end of the course the students will be able to;

* Develop an understanding of the dynamics of international businessand state its importance in today’s changing environment
* Appreciate the different risks involved in international business and how they can be mitigated.
* Appreciate the procedures and the necessary documentation in international business.
* Develop an understanding of the different methods of payments for international transactions and their attendant risks.
* Appreciate the emerging changes in international business in light of the new technology.

**Descriptive Content**

**1. Introduction to International Business:** What is international business, Categories of international business, Why firms engage in International business, International financial management, International organizations facilitating International trade, Methods of participating in international business, (Export/Import. Licensing.Franchising. Turnkey projects, Joint ventures. Privatization and divestiture); 2**. The International Monetary System:** Types of the International Monetary System, Elements of an, International Monetary system, Evolution of the International Monetary System, The European Monetary System; **3. Global/international banking:** Definition (s) of international banking, Role of international banks in international business, Electronic payment systems (CHIPS, CHAPS, FED-WIRE, SWIFT), Euro markets, The inter-bank markets and their functions, Costs and benefits of Multinational banking; **4. Financing of International service and product transactions,** Settlement of international transactions, Documentation of international business transactions, Inco terms/Shipping terms and arrangements; **5. Foreign Exchange Markets:** Foreign exchange rates and quotations, International parity conditions, Types of foreign exchange rates and quotations, International financial instruments; **6**. **Risk management in international business:** Risk defined, Risk management process, Risk management techniques, Measurement and management of political risk, Interest rate risk, Credit/Default risk, Foreign exchange risk; **7.Foreign Investment Analysis; 8**. **Emerging issues in International Business:** E-finance, Financial engineering, E-commerce, Globalization

**Assessment Method**

The assessment method is structured to include coursework and final examination. Coursework consists of assignments, presentations and tests. The student shall also undertake research and develop a research report as part of purposes of assessment.

**The syllabus must include the following definitive information**

Each course in the programme shall be assessed on the basis course work and final examination represented as follows:

Course work assessment 30%

Final Examination 70%

100%

The minimum cumulative mark required to pass is 50%, is required to pass this unit. This includes course work and final examination. Each course in the programme is allowed a maximum of three hours for final examination.

**References**

1. Cheols. Eun& Bruce G. Resnick (2007): International Financial Management; 4th Edition, McGraw Hill.
2. James C. Van Horne (2002): Financial Management & policy; 12th edition , Prentice hall
3. V.K. Bhalla (2004): International Financial management, Text and cases; 4th revised and enlarged edition. An mol publications PVT ltd