



Course info B361 „International Financial Management”, summer term 2025

Course dates

The course B361 „International Financial Management” (6 ECTS-Credits) takes place in a **weekly** format in the summer term 2025:

- The course starts on Tuesday the **15.04.2025** and ends on **22.07.2025**
- The course consists of a lecture (90min) and an exercise session (90min) on Tuesday from **10:00-12:00 c.t.** and from **12:00-14:00 c.t.** Generally, lectures will take place from 10:00-12.00, and exercise sessions from 12:00-14:00.
- Up to and including week 2, there will only be lectures.
- Please check **Ilias** and **Alma** to see if there are any shifts or deviations.

Course learning objectives

Upon successfully completing this course, you ...

- Assess the determinants of exchange rate developments in different currency regimes
- Assess the impact of currency risks on real and financial investments
- Analyse the tension between hedging and speculation, and
- Explain, apply and critically evaluate models for the valuation of currency derivatives.

Course format

The course format reflects the importance of **independent study**. Its target group are advanced Bachelor's students.

Didactically, the course is based on a classical mixed-methods approach: Each topic is introduced via instruction in a classical frontal teaching mode: I outline expectation levels, summarize content, point out focus areas, invite discussion, and suggest readings. The course consists of 1.) a lecture (90min per week) and 2.) a practice course (90min per week). **Note** that there are only lectures in the first two weeks of the course. **Independent study** (for example a preparation for the upcoming exercise session) besides the lectures and exercise session is highly recommended.

Learning assessment

- Your grade is based entirely on your result in the **final written examination** at the end of the semester.
- The exam lasts **90 minutes**.
- We (or the Examination Office) will inform you of the date as soon as it is fixed.
- The exam takes place as an **open book exam**. This means that you can bring any materials (lecture and exercise session slides, hand-written notes, textbooks, etc.) you like **ON PAPER**. In addition, only an electronic calculator is permitted.

Tentative / preliminary topic outline

The course covers topics from three areas:

1. Basics of International Finance Management
 1. Globalisation and multinational firms
 2. The international currency system
 3. Basics of corporate management
2. FX-markets, exchange rates and currency derivatives
 1. The basics
 2. The FX-market – trade with currencies
 3. International parity relationships and explanation and forecast of exchange rates
 4. Currency risks vs. Exchange rate risks
 5. Currency derivatives
3. Management of currency exposures and exchange rate risks
 1. Economic risk and translation risk
 2. Management of exchange rate-exposures
 3. Management of the economic risk
 4. Management of the translation risk
4. International Investments
 1. International securities portfolios
 2. International direct investments
 3. Risks of international investments
5. Management of multinational firms
 1. Capital structure
 2. Liquidity management
6. Global financial markets and institutions
 1. International banking transactions
 2. International money markets