School: Arison School of Business B.A

International risk management

Lecturer:
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Course No.: 2216  Course Type : Lecture  Weekly Hours : 2  Credit: 2

Course Requirements :
Final Exam

Language: English

Prerequisites

Prerequisite:
42 - Fundamentals Of Finance
61 - Investment Theory
401 - Financial Risk Management

Students who took one of the courses listed below will not be allowed to register to the course International risk management (2216):

401 - Financial Risk Management
Course Description

Below you find a list of the topics that we cover and the corresponding readings in the textbook organized by weeks. This organization is tentative since the pace and depth of discussion of different topics is tuned to class interest.

<table>
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<tr>
<th>#</th>
<th>Topic</th>
<th>Readings</th>
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<tbody>
<tr>
<td>1</td>
<td>Futures and Options on Foreign Exchange</td>
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<td>2</td>
<td>Three types of risk.</td>
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<td>Management of Transaction Exposure</td>
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<td>3</td>
<td>Management of Economic Exposure</td>
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<td>4</td>
<td>Case studies</td>
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<td>5</td>
<td>Using SWAPs to hedge risk</td>
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<td>6</td>
<td>International Capital Budgeting and Valuation</td>
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Course Goals

Managing an international business or one exposed to global competition requires an understanding of international financial instruments, markets, and institutions. This course seeks to provide you with a working knowledge of these issues. The topics we cover include: the nature of foreign exchange risk, the management of foreign exchange risk with forwards and options and using other managerial activity and financial instruments.

Grading

The grade in this course is based on a set of Homework Problems and class participation (10%), the Final Exam (90%).

Additional Notes

There are three important rules to follow for in-class sessions:

1. No cellphones are allowed.
2. Students will sit in class with their name-plates.
3. No late entries will be allowed.
There are three important rules to follow for zoom sessions:

1. Make sure you log in with your name.
2. Attending class requires videos turned on!
3. No late entries will be allowed.

Reading List


Course materials are posted in Moodle.

I expect you to do the readings in advance of the class for which they are assigned. The format of the class is lectures and discussion.