COURSE DATA

Data Subject	
Code	35961
Name	International corporate finance
Cycle	Grade
ECTS Credits	4.5
Academic year	2021 - 2022

Study (s)

Degree	Center	Acad. year	Period
1315 - Degree in Finance and Accounting	Faculty of Economics	4	First term

Subject-matter

Degree	Subject-matter	Character
1315 - Degree in Finance and Accounting	23 - Year 4 optional subjects	Optional

Coordination

Name	Department
MEDAL BARTUAL, MARIA AMPARO	172 - Business Finance

SUMMARY

International Corporate Finance is an optional subject of 4,5 ECTS credits, which is offered in the fourth year (first semester) of the Degree in Finance and Accounting.

Previous finance subjects of the degree justify that the company's financial objective is to adopt all those decisions that increase the value of the company for its owners or shareholders. In consequence, financial managers will have to decide where to obtain financial resources and where to invest them, considering the possibility of doing so beyond their borders.

This possibility is already considered by many companies in our national territory and nowadays it adopts its maximum expression in finding ourselves in a globalized world favored, among other things, by the rapid technological advance.

The process of internationalization by companies implies the use of different currencies between countries and the consequent need to exchange them; The acceptance of new risks that must be considered and managed by the financial director of the company, such as exchange rate risk, credit risk, country risk, etc. and new financing opportunities such as access to foreign investors.

For all this, the purpose of this subject is to introduce the student of the degree of Finance and Accounting in the field of international finance. To this end, we present throughout the subjects that make up the subject the basic characteristics of the international financial environment, the functioning of the foreign exchange markets, the risks derived from the globalization of the business activity and the existing instruments for its coverage, as well as the main characteristics of direct foreign investment or the peculiarities of international financing.

The theoretical classes will be complemented with practical exercises and readings that will contribute to a better learning of the theoretical contents exposed. The basic documentation of the subject (program, notebook of assumptions...) and the material used in the theoretical and practical classes will be available for the students through the Virtual Classroom.

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

The general objective of the subject is to introduce the student in the field of international finances and to know concepts related to the internationalization of business activity, such as: currency, foreign exchange market, international risks, international means of
payment, etc.
In short, the student should be able to assess and detect the positive and negative effects of the internationalization process as well as know the different instruments available to eliminate or mitigate the possible risks

OUTCOMES

1315 - Degree in Finance and Accounting

- Conocer el entorno financiero internacional y los riesgos que conlleva.
- Conocer los principales medios de financiación del comercio internacional.
- Conocimiento y capacidad de aplicación de los métodos comúnmente utilizados por los profesionales financieros en el uso de los derivados en la gestión de carteras.
- Capacidad para analizar instrumentos financieros internacionales y medir los riesgos que implican.
- Capacidad para valorar y discriminar entre fuentes financieras del comercio internacional.

LEARNING OUTCOMES

At the end of the course, the student must be able to:

- Understand how the currency market works and the formation of the exchange rate.

- Recognise the complexity and dynamism of the current business environment.

- Identify the risk factors inherent in business activity in an international context.

- Know and understand the assets available to mitigate (or annul) the risks of business activity at an international level.

- Understand the operation of derivative financial assets for the coverage of international risks.

DESCRIPTION OF CONTENTS

1. INTERNATIONAL FINANCES

1.1. Introduction.
1.2. The International Financial System.
1.3. The International Monetary System.

2. THE EXCHANGE MARKET

2.1 The exchange market. The exchange rate.
2.2 Types of operations with currencies.

3. THEORIES ON THE DETERMINATION OF THE EXCHANGE RATE

3.1. Theory of Purchasing Power Parity.
3.2. Fisher's theory.
3.3. Expectations theory.
3.4. Theory of Purchasing Power Parity.

4. RISK OF INSOLVENCE AND COUNTRY RISK

4.1. Introduction.
4.2. The risk of insolvency or credit.
4.3. Country risk

5. FOREIGN CURRENCY RISK

5.1. Introduction.
5.2. Types of foreign currency risk.
5.3. Hedging financial instruments for foreign currency risk.
5.3.1. Coverage with internal instruments of the company.
5.3.2. Coverage with external instruments of the company

6. FINANCING OF INTERNATIONAL TRADE

6.1. Introduction.
6.2. International means of payment.
6.3. Commercial documents
6.4. Private financing of foreign trade.
6.5. Public financing of foreign trade.

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	15,00	100
Study and independent work	30,00	0
Readings supplementary material	7,50	0
Preparation of evaluation activities	15,00	0
Preparation of practical classes and problem	15,00	0
TOTAL	**112,50**	

TEACHING METHODOLOGY

Classes will be differentiated between theory and practice classes.For the follow-up of the theory classes the material used by the teacher in the development of the classes will be facilitated to students through the virtual classroom. This material must be completed by students with the recommended bibliography.The development of the practical classes will consist of the accomplishment of the exercises proposed to complete the concepts of the theoretical classes and in further reading.

EVALUATION

In order to evaluate the learning of the subject, a diversified assessment system will be used, which will show the knowledge and skills acquired by students.On the one hand, a synthesis test, that is, a theoretical and practical, unique and compulsory examination, will be carried out, which will be held on the day, time and place set by the centre. This test will be 80% of the final mark of the subject.On the other hand, the remaining 20% of the final grade will be based on the participation of the student during the course development (continuous assessment). This participation will consist in the delivery of certain exercises and the realisation of certain tests proposed by the professor. Due to the nature of the tests and their purpose, the evaluation of the continuous work carried out throughout the course by the student, will not be recoverable.In any case, it will be essential to have passed the synthesis test so that it is considered the 20% of the final grade described above.The qualification system will be expressed by means of a numerical qualification in accordance with the provisions of art. 5 of R.D. 1125/2003, of September 5, which establishes the European credit system and the system of qualifications in official university degrees valid throughout the national territory.

REFERENCES

Basic

- Duran, J. J. y Gallardo F. (2013): Finanzas Internacionales para la Empresa. Pirámide. Madrid.
Martín Marín, J. L. y Téllez Valle, C. (2014): Finanzas Internacionales. Paraninfo. Madrid.
Mascareñas, J. (2004): El riesgo de la empresa. Tipología, análisis y valoración. Pirámide. Madrid.

Additional

- Berk, J., De Marzo, P. y Hardford, J. (2010): Fundamentos de Finanzas Corporativas. Pearson. Mexico.
Eiteman, D., Stonehill, A. y Moffett, M. (2011): Las Finanzas en las empresas multinacionales. Pearson. México.
González, S. (2000): El Sistema Monetario Internacional y el Mercado de Divisas. Pirámide. Madrid.
Hernández, L. (2003): Los riesgos y su cobertura en el comercio internacional. FC Editorial.
López, F. J. y García, P (2006): Finanzas en mercados internacionales. MacGrawHill. Madrid.
Mateos, P. y Analistas Financieros Internacionales (2001): Finanzas Internacionales. Ed. Académicas SA.
Serantes, P. (2004): Cobertura de riesgos en las operaciones de exportación. ICEX
ICEX (2007): Factoring, forfaiting y leasing: instrumentos de financiación para la pyme exportadora. ICEX

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

Código de asignatura: 35.961

Nombre de la asignatura: FINANCIACIÓN INTERNACIONAL DE LA EMPRESA

Titulación: FYC

1) Contenidos

Se mantienen todos los contenidos inicialmente programados en la guía docente, ya que tanto las clases teóricas como prácticas van a ser presenciales.

2) Volumen de trabajo Y planificación temporal de la docencia

Mantenimiento de la planificación temporal docente tanto en días como en horario guiado por cronograma e instrucciones del profesorado.

3) Metodología docente

Con respecto a la metodología docente, dado su carácter presencial, será la utilizada habitualmente. Si las ciscunstancias impidieran que fuera presencial se habilitarán clases no presenciales mediante Black Board Collaborate.

Con respecto a las tutorías, siempre que se puedan mantener las medidas de seguridad necesarias, se realizarán como es habitual en el despacho de forma presencial. Asimismo, se utilizará el correo electrónico, si el/la profesor/a está adherido/a a esta modalidad de tutorías.

4) Evaluación

Se mantiene la evaluación prevista en la guía docente.

5) Bibliografía
Se mantiene la bibliografía básica recomendada.