

333-667 International Finance

Credit Points:	6.250
Level:	Graduate/Postgraduate
Dates & Locations:	2008, This subject commences in the following study period/s: Semester 1, - Taught on campus. Semester 2, - Taught on campus.
Time Commitment:	Contact Hours: 18 hours per semester (Semester 1, Semester2). Total Time Commitment: Not available
Prerequisites:	333-661 Principles of Finance, 333-662 Derivative Securities. This subject is only available to those students that would satisfy the entry criteria for the Master of Applied Finance.
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	<p><p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability</p></p>
Subject Overview:	Spot and forward foreign exchange, currency futures, options and swaps, rationales for foreign exchange hedging, the balance of payments, Purchasing Power Parity, risk and return, taxation and international capital budgeting.
Assessment:	One 2-hour examination (80%) and assignments totalling not more than 1000 words (20%).
Prescribed Texts:	None
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Design links that must hold, in the absence of arbitrage, between domestic and foreign interest rates, forward exchange rates and spot exchange rates. # Analyse the factors that are important in determining the extent to which a firm will hedge against changes in foreign exchange rates. # Recognise factors that are important in determining exchange rates. # Apply pricing principles to determine how forward exchange rates must be related to expectations of future spot exchange rates. # Discuss how taxes can affect international investment decisions. # Explain how to evaluate foreign projects. <p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> # Oral Communication # Written Communication # Collaborative Learning # Problem Solving

	<ul style="list-style-type: none"># Team Work# Statistical Reasoning# Application of theory to practice# Interpretation & Analysis# Critical Thinking# Synthesis of data and other information# Evaluation of data and other information# Using Computer Software# Accessing data and other information from a range of sources
Related Course(s):	Master of Applied Finance