

# FNCE90025 International Finance

<b>Credit Points:</b>	6.25									
<b>Level:</b>	9 (Graduate/Postgraduate)									
<b>Dates &amp; Locations:</b>	2011, Parkville This subject commences in the following study period/s: March, Parkville - Taught on campus. September, Parkville - Taught on campus.									
<b>Time Commitment:</b>	Contact Hours: One 3-hour lecture per week for 6 weeks Total Time Commitment: Estimated total time commitment of 60 hours per semester									
<b>Prerequisites:</b>	<p>FNCE90019 Principles of Finance, FNCE90020 Derivative Securities. This subject is only available to those students who would satisfy the entry criteria for the Master of Applied Finance.</p> <table border="1"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>FNCE90019 Principles of Finance</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> <tr> <td>FNCE90020 Derivative Securities</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	FNCE90019 Principles of Finance	Semester 1, Semester 2	12.50	FNCE90020 Derivative Securities	Semester 1, Semester 2	12.50
Subject	Study Period Commencement:	Credit Points:								
FNCE90019 Principles of Finance	Semester 1, Semester 2	12.50								
FNCE90020 Derivative Securities	Semester 1, Semester 2	12.50								
<b>Corequisites:</b>	None									
<b>Recommended Background Knowledge:</b>	None									
<b>Non Allowed Subjects:</b>	None									
<b>Core Participation Requirements:</b>	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: <a href="http://www.services.unimelb.edu.au/disability/">http://www.services.unimelb.edu.au/disability/</a>									
<b>Coordinator:</b>	Assoc Prof Gregory Schwann									
<b>Contact:</b>	<p>Graduate School of Business and Economics Level 4, 198 Berkeley Street Telephone: +61 3 8344 1670 <b>Online Enquiries</b> (<a href="https://nexus.unimelb.edu.au/OnlineEnquiryForm.aspx?campaigncode=CMP-01311-VZ8293&amp;cssurl=https://nexus.unimelb.edu.au/cssfiles/gsbe.css&amp;redirecturl=http://www.gsbe.unimelb.edu.au/contactus/nexus/gsbe.html">https://nexus.unimelb.edu.au/OnlineEnquiryForm.aspx?campaigncode=CMP-01311-VZ8293&amp;cssurl=https://nexus.unimelb.edu.au/cssfiles/gsbe.css&amp;redirecturl=http://www.gsbe.unimelb.edu.au/contactus/nexus/gsbe.html</a>) Web: <a href="http://www.gsbe.unimelb.edu.au">www.gsbe.unimelb.edu.au</a> (<a href="http://www.gsbe.unimelb.edu.au">http://www.gsbe.unimelb.edu.au</a>)</p>									
<b>Subject Overview:</b>	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.									
<b>Objectives:</b>	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> <li># Design links that must hold, in the absence of arbitrage, between domestic and foreign interest rates, forward exchange rates and spot exchange rates;</li> <li># Analyse the factors that are important in determining the extent to which a firm will hedge against changes in foreign exchange rates;</li> <li># Recognise factors that are important in determining exchange rates;</li> <li># Apply pricing principles to determine how forward exchange rates must be related to expectations of future spot exchange rates;</li> <li># Discuss how taxes can affect international investment decisions;</li> </ul>									

	# Explain how to evaluate foreign projects.
<b>Assessment:</b>	One 2-hour examination (80%) Assignments totalling not more than 1000 words (20%)
<b>Prescribed Texts:</b>	You will be advised of prescribed texts by your lecturer.
<b>Breadth Options:</b>	This subject is not available as a breadth subject.
<b>Fees Information:</b>	Subject EFTSL, Level, Discipline & Census Date, <a href="http://enrolment.unimelb.edu.au/fees">http://enrolment.unimelb.edu.au/fees</a>
<b>Generic Skills:</b>	<p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> <li># Oral Communication</li> <li># Written Communication</li> <li># Collaborative Learning</li> <li># Problem Solving</li> <li># Team Work</li> <li># Statistical Reasoning</li> <li># Application of theory to practice</li> <li># Interpretation &amp; Analysis</li> <li># Critical Thinking</li> <li># Synthesis of data and other information</li> <li># Evaluation of data and other information</li> <li># Using Computer Software</li> <li># Accessing data and other information from a range of sources</li> </ul>
<b>Related Course(s):</b>	Master of Applied Finance