



## CIEE Seville, Spain

<b>Course name:</b>	International Trade and Finance
<b>Course number:</b>	BUSI 3002 SEBS
<b>Programs offering course:</b>	Liberal Arts, Advanced Liberal Arts, Business and Society and Communication, New Media and Journalism – Spanish Programs
<b>Language of instruction:</b>	Spanish
<b>U.S. semester credits:</b>	3 semester hours / 4.5 quarter hours
<b>Contact hours:</b>	45 hours
<b>Term:</b>	Fall 2019

### Course Description

The framework for this course is based upon international financial markets, with the purpose of enabling students to understand the primary concepts behind the complex world of international finance.

### Learning Objectives

The fundamental objective of this course is to present the basic concepts of international finance, focusing on International Financial Markets, Exchange Rates, International Fixed and Variable Rate Markets, Risk Management, with special attention to emerging markets.

### Course Prerequisites

4 semesters of college-level Spanish (or equivalent) and 3 semesters of college-level micro- or macroeconomics, accounting, finance, management, marketing, or statistics. Students need to have a GPA of at least 2.5.

### Methods of Instruction

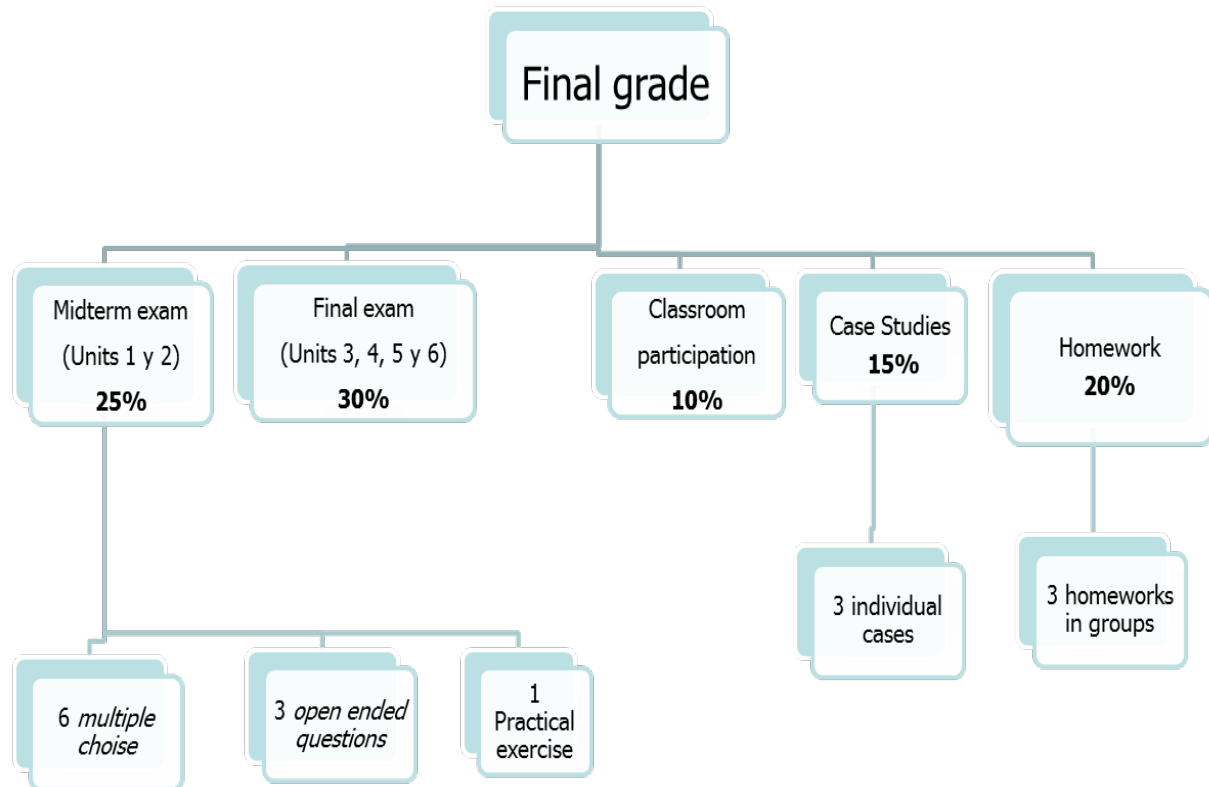
We will develop the subject matter in class. The classes will be reinforced with in class discussions of case studies using World Banking publications, journals (such as Latinfinance, Euromoney, The Economist, Expansión, El Economista, etc.), internet **sources** (Bank for International Settlements, European Central Bank, FED, etc.), computers applications, documentary and **financial movies**. All work materials will be shown by means of video-projections and slides.

### Assessment and Final Grade

**CIEE classes are not graded on a curve nor is there extra credit work. The final grade will be based upon the following criteria:**

Homework in group	20%
First Exam	25%
Second Exam	30%
Classroom participation	10%
Case Studies	15%

Rubrique:



Course Requirements

**Home work in groups** consist on the students must present **3 group assignments** case about a topic related to the subject matter covered in class. In order to do this, the professor will give the students different topics and materials (searching articles, data base, videos, etc.) for the development of the project. The student and professor will discuss the work they want to do for their presentation, solve any doubts, and then prepare the project.

**Classroom participation** consist on students have to participate actively in class discussions. This means they must **thoroughly** read the assigned material and prepare some related questions and comments. The participation grade will consist on the students' knowledge of the complementary material. Class participation is very important in fulfilling the course goals, to develop an idea, and to promote the dialogue between the students. Each student is responsible for covering all the material explained in class, even if in the case absence from a class. It is recommended to have the e-mails of the other students.

**Case studies** consist on the students must present **3 individual case** about a topic related to the subject matter covered in class.



**First exam** consists on a midterm exam that assess the first two chapters of the program. It is made up of multiple choice, open-ended questions and practical exercise.

**Second exam** consist on a final exam that assess the rest chapters of the program. It is made up of multiple choice, open-ended questions and practical exercise.

**Company visits.**

The professor of this course, “International Trade & Finance”, and the Ciee staff will organize a company visit for the students in the class. Attendance is mandatory and absence from this trip will be considered a class absence. In order to find the date of this trip, please look at the class calendar.

**Attendance policy:** Students are not allowed to miss class. For each absence, the participation portion of the grade will be lowered. Hence, it will be very difficult to receive a 10 in the class. Please keep this in mind.

If a student misses class twice without a valid excuse (a \*note from a physician in the event of an illness\*), then the professor will automatically lower the final grade by 0.5 points (on a 10-point scale) for each class missed thereafter. Students with 6 or more absences will fail the course.

Students should arrive to class on-time. Arriving late for a class will count as an absence.

*\*Notes from a physician will only be valid and admitted by the Resident Director if the doctor confirms that the visit could not have been arranged at another time, or that the student was too ill to attend class that day.*

**Academic Honesty:**

Students are expected to act in accordance with their university and CIEE’s standards of conduct concerning plagiarism and academic dishonesty. Use of online translators for work in Spanish will result in an automatic failure.

**Linguistic Resource Center:**

It is recommended that students use the LRC

**Weekly Schedule**

**Week 1**

**Introduction**

- 1.1 Course Introduction: requirements, objectives and evaluation method.  
Introduction to the material and course methodology

**Unit 1. INTERNATIONAL FINANCIAL SYSTEMS**

- 1.2 Introduction to international financial markets. The globalization process – Film *The Inside Job*. **Case 1**

**Week 2**



- 2.1 Financial Globalization and Contagion
- 2.2 Funds of criminal origin and tax havens. Documentary.

**Week 3**

- 3.1 International Organizations and Companies

**Unit 2. FOREIGN EXCHANGE MARKETS**

- 3.2 Foreign Exchange introduction and markets operations. Exchange rate and examples.
- 3.3 Case study 1 and Homework 1

**Week 4**

- 4.1 Global Discussion

**Week 5**

- 5.1 Exchange Rate Arrangements. Foreign exchange markets operations. Examples.  
**Case 2**
- 5.2 The Purchasing Power Parity and classroom exercises.
- 5.3 Company visit

**Week 6**

- 6.1 Interest Rate Parity Theory and classroom exercises and “Fisher Effect”, expectations theory and classroom exercises. Homework 2.
- 6.2 **Midterm exam**

**Week 7**

**Unit 3: INTERNATIONAL FINANCIAL MARKETS: Euromarkets and fixed income**

- 7.1 Euromarkets origin and types of bonds
- 7.2 Euromarkets origin and types of bonds

**Week**

- 8.1 Documentary: Rating agencies. **Case study 3**
- 8.2 Country-Risk and Emerging Markets

**Week**

**Unit 4. INTERNACIONAL FINANCIAL MARKETS: Equities**

- 9.1 International Equity Incomes Markets and Mergers
- 9.2 Types of instruments and ADR

**Week 10**

- 10.1 Stock Markets Indices
- Unit 5. Return and Risk**
- 10.2 Portfolio creation and diversification.



### **Week 11**

- 11.1 Sharpe Model
- 11.2 CAPM Model. Documentary: The power of money

### **Week 12**

#### **Unit 6. International Risk Management**

- 12.1 International Risk Management. Film: Margin Call
- 12.2 **Final Exam**

### **Course Materials**

#### ***Readings***

##### **Manual de Finanzas Internacionales**

José Luis Jiménez Caballero, Félix Jiménez Naharro  
Edita: Iris-copy, S.L.  
ISBN :978-84-944134-5-2

##### **Finanzas Internacionales**

José Luis Martín Marín y Cecilia Téllez Valle  
Ed. Thomson. 2006.  
ISBN: 84-9732-510-9

##### **Finanzas Internacionales para la empresa**

Juan José Durán Herrera y Fernando Gallardo Olmedo  
Madrid: Pirámide, 2013  
ISBN: 978-84-368-2643-2

##### **Finanzas Internacionales**

Ahmad Rahnema  
Barcelona: Deusto, 2007  
**ISBN 9788423424597**

##### **Finanzas internacionales**

Zbigniew Kozikowski; revisión técnica Benjamín García Martínez, Eduardo Villegas Hernández.  
México D.F.: McGraw-Hill Interamericana, 2007.  
ISBN: 9789701059173

##### **Manual de Sistema Financiero Español**

PAREJO, J.A.; RODRÍGUEZ, L.; CUERVO, A.; Y CALVO, A. (2010):  
Ariel Economía. 24ª edición. Barcelona.  
ISBN 9788434404915

##### **El tipo de cambio**

Juan Mascareñas, 2005



Universidad Complutense de Madrid.  
[www.ucm.es/info/jmas/infin/divisas.pdf](http://www.ucm.es/info/jmas/infin/divisas.pdf)

***Currency Trading in the FOREX and Futures Markets***

Carley Garner, 2012  
Pearson Education

***International Finance in Emerging Markets***

Hansanti, Songporn; Sardar M.N. Islam; Peter Sheehan: 2008  
Heidelberg, Physica-Verlag  
ISBN: 9783790820430

- AFI (2005): Guía del Sistema Financiero Español, Ed. Empresa Global, Madrid.
- BUSTELO, P., GARCÍA, C. y OLIVIE, I. (2000): *Crisis financieras en economías emergentes: enseñanzas de Asia Oriental*. Cooperación al desarrollo. Madrid.
- DURÁN HERRERA, JUAN JOSÉ y GALLARDO OLMEDO, FERNANDO: "Finanzas Internacionales para la empresa". Madrid: Pirámide, 2013, ISBN: 978-84-368-2643-2
- EICHENGREEN, B. (2000): *La globalización del capital: historia del sistema monetario internacional*. Antoni Bosch. Barcelona.  
GARNER, CARLEY (2012): "Currency Trading in the FOREX and Futures Markets". Pearson Education
- INTERNATIONAL FINANCE CORPORATE (IFC): Emerging Stock Market Factbook. Washington D.C. varios años.
- JIMÉNEZ, F. y JIMÉNEZ J.L. (1998): "Formas de acceso a la inversión en Mercados Emergentes". Las Finanzas del Fin de Siglo. Úbeda (Jaén).  
KOZIKOWSKI Z.: "Finanzas internacionales." revisión técnica Benjamín García Martínez, Eduardo Villegas Hernández. México D.F.: McGraw-Hill Interamericana, 2007. ISBN: 9789701059173
- MARTIN MARIN, J.L. y TÉLLEZ VALLE, C. (2006): Finanzas internacionales. Thomson. España.
- LAMOTHE, P. (1999): *Gestión de carteras de acciones internacionales*. Ediciones Pirámide. Madrid.
- MARTÍN MARÍN, JOSÉ LUIS y TÉLLEZ VALLE, CECILIA: "Finanzas Internacionales" Ed. Thomson. 2006. ISBN: 84-9732-510-9
- MASCAREÑAS, JUAN (2005): "El tipo de cambio". Universidad Complutense de Madrid.  
[www.ucm.es/info/jmas/infin/divisas.pdf](http://www.ucm.es/info/jmas/infin/divisas.pdf)
- MOBIUS, M. (1994): Guía del Inversor en Mercados Emergentes. Ed.Folio.
- MUÑOZ, M. (2007): El enigma chino. Espejo de Tinta. Madrid
- ONTIVEROS, E. y otros (1991): *Mercados Financieros Internacionales*, Biblioteca de Economía, Espasa Calpe, Madrid.
- PAREJO, J.A.; RODRÍGUEZ, L.; CUERVO, A.; Y CALVO, A. (2010): Manual de Sistema Financiero Español. Ariel Economía. 24ª edición. Barcelona. ISBN 9788434404915
- PEDROSA, M. (2002): Los mercados financieros internacionales y su globalización. Ed. Thomson
- RAHNEMA, AHMA: "Finanzas Internacionales". Barcelona: Deusto, 2007. ISBN 9788423424597
- SONGPORN, HANSANTI; ISALM, SARDAR M.N.; SHEEHAN, PETER (2008): "International Finance in Emerging Markets". Heidelberg, Physica-Verlag ISBN: 9783790820430
- TORRERO, A. (2001): *Internacionalización de las Bolsas y de las finanzas*. Pirámide. Madrid.



- UNCTAD (2011): *Global and Regional FDI Trends in 2010. Global Investment Trends Monitor*, número 5 de 17 de enero.
- VARELA, F. (1998): *Nuevos cauces de la Financiación Internacional*, Editorial Biblioteca Nueva.

#### **Internet Sources**

Banco Mundial. <http://www.worldbank.org>  
Fondo Monetario Internacional. <http://www.imf.org>  
Corporación Financiera Internacional (IFC). <http://www.ifc.org>  
Organización de Naciones Unidas (ONU). <http://www.un.org/spanish>  
OCDE. <http://www.ocde.org>  
Standard & Poor. <http://www.standardandpoors.com>  
Banco Central Europeo. <http://www.ecb.int/ecb/html/index.es.html>  
Banco de Pagos de Basilea. <http://www.bis.org/>