Syllabus

Course Description

Course Title	International Finance
Course Code	27346
Course Title Additional	
Scientific-Disciplinary Sector	ECON-09/B
Language	German
Degree Course	Bachelor in Economics and Management
Other Degree Courses (Loaned)	
Lecturers	
Teaching Assistant	
Semester	Second semester
Course Year/s	3
CP	6
Teaching Hours	36
Lab Hours	-
Individual Study Hours	
Planned Office Hours	
Contents Summary	This course provides an overview of the international financial environment in which multinational companies and financial institutions operate. Students acquire academic skills to understand and analyse the international financial markets. Many of the topics revolve around foreign exchange trading, the determination of exchange rates and their importance for speculative and hedging transactions.
Course Topics	Exchange rates and exchange rate systems: Students will learn about the different types of exchange rate regimes (fixed, flexible and hybrid systems) and analyse their impact on capital

	movements. They will learn how exchange rates are formed and what role central banks and market forces play in this process. Currency convertibility and exchange rate management: Students analyse historical and current examples of exchange rate management and their influence on economic development. Interest rate parity and purchasing power parity: The theoretical foundations of international finance are taught, in particular the conditions of interest rate parity (covered and uncovered interest rate parity) and purchasing power parity. Students learn how these concepts are used to explain exchange rate movements and arbitrage opportunities. The globalisation of financial markets: The increasing networking and liberalisation of financial markets is analysed. Topics include the role of financial innovation, the importance of cross-border capital flows and the challenges for national regulators. International financial markets and financial transactions: Students will gain insights into the structure and functioning of international capital markets, including the issuance and trading of bonds, equities and derivatives. They will learn how companies and countries use international financial markets to raise capital.
Keywords	Exchange rates and exchange rate systems, currency convertibility and exchange rate management, interest rate parity and purchasing power parity, globalisation of financial markets, international financial markets and financial transactions
Recommended Prerequisites	Knowledge of the importance of supply, demand and market equilibrium. Knowledge of the basic use and purpose of stocks and bonds. Knowledge of the concept of inflation.
Propaedeutic Courses	
Teaching Format	Courses in presence.
Mandatory Attendance	Not mandatory, but recommended
Specific Educational Objectives and Learning Outcomes	ILO (Intended Learning Outcomes) ILO 1 Knowledge and understanding

	ILO 1.1 Knowledge of the analytical method for estimating present values and discount factors for estimating the cost of capital and the valuation of bonds and equities ILO 1.2 Knowledge of the methods of medium and long-term financial forecasting and sensitivity analysis with simulation under uncertainty for risk management in corporate and international finance ILO 1.3 Knowledge and understanding of the international financial environment, multinational risk defence techniques and competitive strategies of global banks ILO 2 Ability to apply knowledge and understanding ILO 2.1 be able to apply key theories of capital, foreign exchange and commodity markets to current observable data, including international data ILO 3 Making judgements ILO 3.1 make a critical analysis of the facts and the situations to be dealt with ILO 3.2 select the most appropriate quantitative and qualitative methods of analysis ILO 3.3 combine information and analytical methods, including the use of modern software packages, in a logical argument to find a solution ILO 4 Learning skills ILO 4.1 critically analyse and integrate data, information and future experiences, including using advanced software packages
Specific Educational Objectives and Learning Outcomes (additional info.)	
Assessment	The assessment is the same for participating and non-participating students. The grade is based exclusively on a final closed book written examination (ILO 1.1 - 1.3, 2.1, 3.1 - 3.3, 4.1). Students have the option of taking a voluntary intermediate examination,

	which can account for up to 30% of the final grade. The final examination consists of three parts: A) Shorter and longer maths/open questions on lectures 1-9; B) Shorter and longer maths/open questions on lectures 11-18; C) Multiple-choice questions on lectures 1-18. The intermediate examination is a voluntary substitute for part A. This means that students have the following options: (i) Write the midterm exam, keep the result and then answer only parts B and C in the final exam; (ii) Write the midterm exam, discard the result and then answer parts A, B and C in the final exam; (iii) Skip the midterm exam and answer parts A, B and C in the final exam.
Evaluation Criteria	The examination consists of open questions and multiple-choice questions. Neither explanations nor calculations are required for multiple-choice questions. Open answers require brief explanations and/or calculations. The assessment is based on the correctness of the calculations and/or the quality of the reasoning in relation to the course content.
Required Readings	• Eckart Koch (2024), Internationale Wirtschaftsbeziehungen II: Das Weltfinanzsystem - Währungsordnungen, globale Finanzmärkte und Finanzkrisen. Springer Gabler Wiesbaden, 4th edition. ISBN 9783658433765 or 9783658433772 • Herbert Sperber and Joachim Sprink (2012), Internationale Wirtschaft und Finanzen, Oldenburg Verlag, 2nd edition. ISBN: 9783486718621 or 9783486716436
Supplementary Readings	
Further Information	
Sustainable Development Goals (SDGs)	Decent work and economic growth