

# International Corporate Finance

Dr. Jonathan Hochberg

## WHAT DO YOUR STUDENTS GAIN FROM THE STUDY AND FROM COMPLETING THIS SUBJECT

Studying this subject will give you knowledge and insights on corporate financial management issues faced by managers operating in the global financial markets. Foreign operations and international financing possibilities entail additional opportunities, risks, and complexities that must be understood by both financial and strategic managers. The purpose of this course is to analyze the critical factors, risks, and decisions that relate to both the short-term and long-term financial position of the firm in an internationalized setting and discuss strategies for dealing with these added complexities.

After completing this subject, you will be able to:

- Understand the history and evolution of the financial context of international business, including the development of foreign exchange markets.
- Gain knowledge of the exposures and risks faced by a firm doing business in multiple currency environments
- Know how to hedge or mitigate foreign currency risks.
- Know about funding options for international operations and how foreign investment decisions are made.

Studying this subject will mainly give you an opportunity to continuously **consult your lecturer, an expert on the topic, about real problems, practical cases and situations**, and to design a solution to these problems in the form of practically oriented case study (essay) elaborated under the lecturer's guidance. As the consultations are not held in groups but only between you and the lecturer, you **can consult also sensitive company issues**, including specific data etc., without any worries about sharing this information with other students.

## EXAMPLES OF FIELDS AND TOPICS TO BE CONSULTED WITH THE LECTURER

- Chapter 1: The International Monetary System
- Chapter 2: Foreign Exchange (FX) Markets
- Chapter 3: FX Exposure and Management
- Chapter 4: Financing the Global Firm
- Chapter 5: International Investment Decisions
- Chapter 6: Managing Global Financial Crises and Thesis

## COMPLETION OF THE SUBJECT

In order to complete the subject, students elaborates an **essay** in which they **address a specific topic from their practice** related to the given subject, or one of the **model topics prepared by the lecturer** (see below). The essay should contain **7-10 pages in the A4 format**, comprising at least **8 standard pages of text**. The evaluation of the essay is done by the lecturer and expressed in percentage. **50% and more** means that the student has **completed the subject successfully**.

## MODEL TOPICS FOR THE ESSAY

The assignment for the course is a full international business plan for entry into another country. The plan should include an executive summary and International Business Plan and Entry Strategy:

1. Business Goals: Products or Services to be sold, target Sales and Budget, Timeline etc.
2. Market Research: Market Size, Competition Analysis etc.
3. Entry Mode: Partners, Distributors, Own Entity etc.
4. Financing & Insurance.



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5. Strategy Document
6. Political, economic and commercial risk analysis.
7. Financial projections.

#### STUDY LITERATURE AND OTHER RESOURCES

Supporting study materials elaborated by the lecturer (available online in the study system)

#### E-books available online:

[Multinational Business Finance \(Pearson Series in Finance\)](#) 15<sup>th</sup> ed. by David Eiteman, Arthur

#### Other study literature (Authors: Name, Publisher, Year of publishing, ISBN):

[International Finance: Theory and Policy, Global Edition](#) by Paul R. Krugman, Maurice Obstfeld, et

#### Other useful resources (videos, online professional groups, blogs, discussions etc.):

<https://www.dfc.gov/>

<https://www.imf.org/en/Home>

[https://www.ifc.org/wps/wcm/connect/corp\\_ext\\_content/ifc\\_external\\_corporate\\_site/home](https://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/home)