

<b>FINA 4500.002: International Financial Management, Fall 2025</b>
<b>Tuesday and Thursday, 3:30 pm – 4:50 pm, BLB 005</b>
<b>Professor: Niranjan Tripathy</b>

### Contact / Access Information

UNT CANVAS Access: <https://unt.instructure.com>

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I prefer that you contact me directly via the above email ID, instead of emailing me through Canvas.

Office Hours (in person or scheduled Zoom call): Tuesday and Thursday 2:00 – 3:20 PM, and by appointments

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### About this Course

First of all, welcome to FINA 4500! In this course we will focus on a ***multinational corporation which makes its investment, financing and operating decision in an international setting***. You will learn about the international financial and currency markets and monetary system in which domestic and multinational firms operate. You will also learn about risks and opportunities faced by a corporation as a result of operating in an international environment. The quizzes will be deployed through Canvas, but will not require using a Lockdown Browser or web camera.

While this course will be taught face-to-face at UNT campus (BLB 005), all assignments and testing will be delivered remotely. Specifically, exams will be remotely administered through Canvas using Respondus Lockdown Browser with a webcam. Respondus Lockdown browser can be downloaded through your Canvas account. A web camera or a laptop with integrated camera is also required for all quizzes and exams.

### Course Objectives

While each chapter has a set of specific learning objective, upon successful completion of this course you should be able to achieve the following *general learning objectives*:

1. Determine the goals of a multinational corporation
2. Understand the theory of Comparative Advantage as a driver of international trade, and compare and contrast this theory with other such theories
3. Understand how to interpret foreign currencies quotes in Spot and Forward markets and how to trade based on these quotes.
4. Identify the determinants of currency prices and explain how these prices change in the foreign exchange markets;
5. Distinguish how various exchange rate systems affect currency prices in the foreign exchange markets;
6. Explain how a country's balance of payments affect currency prices in the foreign exchange markets;
7. Explain international parity conditions which link the prices of goods, interest rates, spot rates and forward rates throughout the world;
8. Explain the nature and source of exchange rate exposure;
9. Given a firm's nature of business and operating environment, evaluate the level of exchange rate exposure that firm may have;
10. Explain how exchange rate exposure may create risks and opportunities for domestic and multinational firms;
11. Explain ways in which national international political and economic events impact exchange rate exposure for domestic and multinational corporations;
12. Compare and contrast the basic characteristics of various financial instruments in the currency markets (eg. forward, futures contracts, and options contracts) and explain how these instruments may be used to earn speculative profits, or hedge against exchange rate exposure;
13. Explain various strategies a firm may use to manage exchange rate exposure.

**Background Skills / Knowledge**

1. **Finance:**
  - a. Time value of money
  - b. Opportunity costs of funds concept
  - c. Valuation principles for stocks and bonds
2. **Economics:**
  - a. Supply and demand curve analysis
  - b. Opportunity cost concept
3. **Accounting:**
  - a. Debits, credits and T-account conventions
  - b. Knowledge of the structure and content of balance sheets and income statements

**Texts & Materials**

1. International Financial Management, Abridged (12<sup>th</sup> Edition): Author: Jeff Madura; Publisher: Cengage Learning
2. A programmable financial calculator (TI-BAII Plus, HP-10B, HP-17B, HP-19B)
3. All material used in class can be accessed through Canvas: <https://unt.instructure.com>

**Course Grading**

Your grade in this course will be based on the total number of points you receive in three components: (1) Top seven scores out of eight chapter-specific quizzes consisting of multiple-choice question; (2) Four module-based exams; (3) an optional final comprehensive exam – for extra credit. Maximum number of points assigned to each component are shown below.

<i>Components of your Grades</i>	<i>Maximum Points</i>
Best Seven from Eight Online Quizzes – one per chapter (7 x 30 points each)	210
Exam 1 based on Module 1 (Chapters 1 and 2)	
Exam 2 based on Module 2 (Chapters 3, 4 and Chapter 5 (Forward contracts))	
Exam 3 based on Module 3 (Chapters 7 and 8)	
Exam 4 based on Module 4 (Chapter 5 (Futures & Options Contract) and Chapter 11)	
Total Scores from Four Midterm Exams (4 X 200)	800
Total	1010
Optional Final Comprehensive Exam for Extra Credit (Chapters 1, 2, 3, 4, 5, 7, 8 and 11)	100

All exams and quizzes will be deployed on Canvas. All exams will be deployed on Canvas through the Respondus LockDown Browser (which should be installed on your computer beforehand) with a web camera. While quizzes will also be deployed through Canvas, you do not require a lockdown browser to take the quizzes. You may use your notes during the quizzes and exams. You will have 90 minutes to complete the quizzes and 3 hours to complete the exams.

**Grading Scale:** The points from all quizzes and exams you have completed should be available on Canvas. I strongly recommend that you simply add up all your points from the quizzes and exams, to keep track of your total score or points. **Regardless of how Canvas reports your total score, percentage scores, or overall grades (or any other metrics), the following grading scale will be strictly applied to your total points to assign your final letter grade in this course. Please note that no additional adjustment will be made to curve up your final letter grade.**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>F</b>
900 points or more	800 – 899 points	700 – 799 points	600 – 699 points	599 points or less

**Best Seven of Eight Chapter-Based Quizzes (7 x 30 = Maximum of 210 Points)**

Each one of the eight chapters will have a quiz consisting of about 20 - 40 multiple choice questions. The quizzes will be deployed through Canvas, but will not require using a Lockdown Browser or web camera. The quizzes will remain open for multiple days (as shown below). However, once you start a quiz, you will have 90 minutes to complete it. You can attempt each quiz twice during its availability period. Your final score on each quiz will be higher of the two scores you receive from both attempts. While each quiz will be graded based on the number of questions in it, these scores will be converted to 30-point scale when calculating your total score. **The quiz with lowest score will be dropped.** You will receive a zero for any missed quiz. The quizzes will give you some idea of the kind of questions to expect in the mid-term and final exams. They should also serve as guide on which sub-topics within each chapter to concentrate on.

You may use your notes during the quizzes, but you are not to collaborate when taking them. All quizzes will be deployed on Canvas.

<i>Quiz Chapter &amp; Topics</i>	<i>Opens</i>	<i>Closes</i>
<b>Quiz 1:</b> Chapter 1 (Introduction & Overview)	Aug 19, 8:00 AM	Sep 11, 11:59 PM
<b>Quiz 2:</b> Chapter 2 (International Flow of Funds)		
<b>Quiz 3:</b> Chapter 3 (International Financial Markets) + Chapter 5 (Forward Contracts)	Sep 16, 8:00 AM	Oct 09, 11:59 PM
<b>Quiz 4:</b> Chapter 4 (Exchange Rate Determination)		
<b>Quiz 5:</b> Chapter 7 (International Arbitrage and Interest Rate Parity)	Oct 14, 8:00 AM	Nov 06, 11:59 PM
<b>Quiz 6:</b> Chapter 8 (Inflation, Interest Rates, and Exchange Rates)		
<b>Quiz 7:</b> Chapter 5 (Currency Derivatives (FX Futures and Option))	Nov 11, 8:00 AM	Dec 09, 11:59 PM
<b>Quiz 8:</b> Chapter 11 (Hedging Transactions Exposure)		

**Four Midterm Module-Based Exams (4 x 200 = Maximum of 800 Points)**

The four midterm exams will consist of multiple-choice questions. You will have three hours to complete each exam. No makeup exams will be offered. You will receive a zero for any missed exam. ***While each exam will be graded based on the number of questions in it, the midterm exam score will be converted to a 200-point scale when calculating your total score.*** Please consult the schedule below for examination dates. You may use your formula sheets and notes during the exams, but you are not to collaborate when taking them.

<i>Midterm Exams /Modules /Chapters</i>	<i>Opens</i>	<i>Closes</i>
<b>Exam 1:</b> Module 1 (Chapters 1 & 2)	Sep 11, 8 AM	Sep 11, 11:59 PM
<b>Exam 2:</b> Module 2 Chapters 3, 4 & 5 ( <i>FX Forward Contracts</i> ))	Oct 09, 8 AM	Oct 09, 11:59 PM
<b>Exam 3:</b> Module 3 (Chapters 7 & 8)	Nov 06, 8 AM	Nov 06, 11:59 PM
<b>Exam 4:</b> Module 4 (Chapters 5 & 11)	Dec 09, 8 AM	Dec 09, 11:59 AM

As noted earlier the ***four midterms exams***, will be remotely administered through Canvas using Respondus Lockdown Browser with Camera option. Respondus Lockdown browser can be downloaded through your Canvas account. Please make sure that Respondus LockDown Browser is installed on your computer before taking the exam. For instructions on downloading and installing the student edition of Respondus LockDown Browser, please go to: <https://clear.unt.edu/supported-technologies/respondus-lockdown-browser>. Additionally, a web camera or a laptop with integrated camera is also required for all remote exams. It is your responsibility to obtain a properly functioning camera for remote exams. Your test score will be invalid without a functioning camera.

**Optional Final Comprehensive Exams (Maximum of 100 Points)**

This optional comprehensive exam (for extra credit) will be offered at the end of the term as shown below.

Optional Final Comprehensive Exam Topics	Opens	Closes
Modules 1 – 4: Chapters 1, 2, 3, 4, 5 ( <i>FX Forward, Futures &amp; Options Contracts</i> ), 7, 8, 11	Dec 11, 8:00 AM	Dec 11, 11:59 PM

The exam will consist of multiple-choice questions from all 8 chapters covered in this course. Like the midterm exams, the final exam will be graded based on the number of questions in it, but the score will be converted to a 100-point scale, which will be added to your total score as extra credit. The grading scale presented earlier will be followed to assign letter grades.

The final exam will be remotely administered through Canvas using Respondus Lockdown Browser with Camera option. You will have three hours to complete the final exam. You may use your notes during the exams, but you are not to collaborate when taking them.

Here are some resources that will help you prepare for both the midterm and final exams.

1. Reach out to the Virtual Finance Tutor Lab. I will post details in an upcoming announcement.
2. Review quizzes that you have already completed from each chapter
3. Review the slides and in-class examples
4. Post your questions on the Group Discussion Board (which will be available on Canvas) and offer your answers to questions posed by others – to support a peer learning medium. I will follow the discussion and post my comments when needed.

**Module, Quiz, and Exam Schedule**

All testing in this course will be delivered online. Please note that while the quizzes and exams have specific open and closing dates, all chapter-related material (slides, notes, and practice problems and solutions) will open on the first day of class, and will continue to remain available for the rest of the term.

	<b>Date</b>	<b>Ch</b>	<b>Topics / Exams: FINA 4500, Fall 2024</b>
Module 1	Tue, 08/19	1	Course Overview; Intro to FX; Why study international finance; Valuation <b>Online Quizzes 1 &amp; 2 open on Canvas at 8 am</b>
	Thu, 08/21	1	Theories of International business - Comparative advantage theory
	Tue, 08/26	2	International Flow of Funds; Balance of Payments (BOP) accounting
	Thu, 08/28	2	Balance of Trade (BOT) issues: Economic policies and impact on BOT
	Tue, 09/02	2	Economic policies and impact on BOT
	Thu, 09/04	2	Economic policies and impact on BOT + <b>Review Exam 1</b>
	<b>Tue, 09/09</b>		<b>Online Quizzes 1 &amp; 2 close (11:59 pm)</b> <b>Online EXAM 1 (Chapters 1 &amp; 2): Opens 8:00 am, Closes 11:59 pm</b> <b>NO CLASS MEETING ON THIS DAY</b>
Module 2	Thu, 09/11		International financial markets: Introduction to Spot Market Quotes <b>Online Quizzes 3 &amp; 4 open on Canvas (8 am)</b>
	Tue, 09/16	3	Converting currencies using direct, indirect and cross quotes
	Thu, 09/18	3	Percentage change in direct and indirect quotes
	Tue, 09/23	3	Forward Markets
	Thu, 09/25	5	How FX Rates are Determined (Heavy economics orientation)
	Tue, 09/31	4	Exchange Rate Determination
	Thu, 10/02	4	Exchange Rate Determination + <b>Review: Exam 2</b>
	<b>Tue, 10/07</b>		<b>Online Quizzes 3 and 4 close (11:59 pm)</b> <b>Online EXAM 2 (Chapters 3, 4 5-Forward markets): Opens 8:00 am, Closes 11:59 pm</b> <b>NO CLASS MEETING ON THIS DAY</b>
Module 3	Thu, 10/09	7	Introduction to FX Arbitrage (Locational and Triangular) <b>Online Quizzes 5 and 6 open on Canvas (8 am)</b>
	Tue, 10/14	7	Interest Rate Arbitrage
	Thu, 10/16	7	Interest Rate Parity
	Tue, 10/21	8	Absolute Purchasing Power Parity (PPP) + Big Mac Analysis
	Thu, 10/23	8	R: Purchasing Power Parity (PPP)
	Tue, 10/28	8	International Fisher Effect (IFE)
	Thu, 10/30	8	<b>Review: Exam 3</b>
	<b>Tue, 11/04</b>		Online Quizzes 5 and 6 close at 11:59 pm <b>Online EXAM 3 (Chapters 7 &amp; 8): Opens 8:00 am, Closes 11:59 pm</b> <b>NO CLASS MEETING ON THIS DAY</b>
Module 4	Thu, 11/06	5	Futures and Options Contracts <b>Online Quizzes 7 and 8 open on Canvas at 8 am</b>
	Tue, 11/11	5	Futures and Options Contracts
	Thu, 11/13	5	Futures and Options Contracts
	Tue, 11/18	5/11	Futures and Options / Contracts Managing Transaction Exposure
	Thu, 11/20	11	Managing Transaction Exposure
	Tue, 11/25		Thanksgiving Holiday (Class does not meet)
	Thu, 11/27	11	Managing Transaction Exposure
	Tue, 12/02	11	<b>Review: Exam 4</b>
	<b>Thu, 12/04</b>		Online Quizzes 7 and 8 close at 11:59 pm <b>Online EXAM 4 (Chapters 5 &amp; 11): Opens 8:00 am, Closes 11:59 pm</b> <b>NO CLASS MEETING ON THIS DAY</b>
Finals	Tue, 12/09		<b>Review: Optional Final Comprehensive Exam</b>
	<b>Thu, 12/11</b>		<b>Online OPTIONAL FINAL EXAM (Comprehensive – Over all Chapters)</b> (Opens 8:00 am, Closes 11:59 pm)

### Grade-related Policies

**Late Work:** Canvas will not accept any late submission of quiz and exams. All unsubmitted quiz and exams will receive a grade of zero. An extended submission deadline will only be granted for university-excused absences (<https://policy.unt.edu/policy/06-039>) accompanied by documentation within 48 hours of the deadline.

**Grade Reporting:** CANVAS will post your quizzes and exam grades after you submit them. However, you can review the correct answers to the questions you missed only after the submission deadline. In case of clerical or technical errors in the Canvas grade report, I will revise the grades, and post an announcement soon after.

**Grade Disputes:** You are required to wait 24 hours after grades are posted before contacting me to dispute a grade. Within that time, I expect that you will have reviewed the assignment details and reflected on the quality of the work you turned in. If you would still like to meet, email me to set up a meeting (I cannot discuss grades over email). You should come to our scheduled meeting with specific examples that demonstrate that you earned a higher grade than you received. If you miss your scheduled meeting, you forfeit your right to a grade dispute. If you do not contact me to schedule a meeting within seven days of receiving your grade, you also forfeit your right to a grade dispute.

**Academic Dishonesty:** Academic dishonesty is defined in the UNT Policy on Student Standards for Academic Integrity. Any suspected case of Academic Dishonesty will be handled in accordance with the University policy and procedures. Possible academic penalties include a grade of “F” in the course. You will find the policy and procedures at <http://vpaa.unt.edu/academic-integrity.htm>

### How to Succeed in this Course

**Communication Policy:** My office hours offer you an opportunity to ask for clarification or find support with understanding class material. Come visit me via email, Zoom or face-to-face meetings! I encourage you to connect with me and/or my TA for support. Additional office hours, in person and virtually, will be offered as the semester concludes. Your success is our goal.

**UNT Policy on Disability Accommodation:** The University of North Texas makes reasonable academic accommodation for students with disabilities. Students seeking reasonable accommodation must first register with the Office of Disability Access (ODA) to verify their eligibility. If a disability is verified, the ODA will provide you with a reasonable accommodation letter to be delivered to faculty to begin a private discussion regarding your specific needs in a course. You may request reasonable accommodations at any time; however, ODA notices of reasonable accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of reasonable accommodation for every semester and must meet with each faculty member prior to implementation in each class. Students are strongly encouraged to deliver letters of reasonable accommodation during faculty office hours or by appointment. Faculty members have the authority to ask students to discuss such letters during their designated office hours to protect the privacy of the student. For additional information, refer to the [Office of Disability Access](http://www.unt.edu/oda) website (<http://www.unt.edu/oda>). You may also contact ODA by phone at (940) 565-4323. Students can also connect with the Office of Disability Access to begin the registering process (<https://studentaffairs.unt.edu/office-disability-access>).

**Supporting Your Success and Creating an Inclusive Learning Environment:** As members of the UNT community, we have all made a commitment to be part of an institution that respects and values the identities of the students and employees with whom we interact. UNT does not tolerate identity-based discrimination, harassment, and retaliation so we will work as a class to collaborate in ways that encourage inclusivity.

**Finance Tutor Lab:** Finance Tutor Lab is available to all students enrolled in undergraduate finance courses and students enrolled in FINA 5170. Tutoring is available in-person in BLB 006 and by accessing virtual tutor sessions through Zoom. For details on lab schedule and links to Zoom Virtual Meeting Room please visit: <https://cob.unt.edu/lab/tutor> (Links to an external site.). And also email: [FinaLab@unt.edu](mailto:FinaLab@unt.edu) for any questions or concerns.