





5.00 credits	30.0 h	Q2
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Teacher(s)	Knaepen Denis ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	This course provides a deep analysis of the risks : market, credit and exchange rate. It proposes to measure them and hedge them. The course deals with the different measures for volatility and correlations and how optimal portfolio allocation can decrease the risk via diversification. Systemic risk and its different measurement will also be considered. The course relies on quantitative approaches.
Learning outcomes	<p>At the end of this learning unit, the student is able to :</p> <p><i>Having regard to the LO of the programme, this activity contributes to the development and acquisition of the following LO</i></p> <ol style="list-style-type: none"> 1. Have a good understanding of the major concepts and topics of international finance 2. Be able to examine factors encountered by finance managers of multinational corporations in making financing and investment decisions with a global perspective <p>1 On successful completion of this program, each student will acquire the following skills :</p> <ol style="list-style-type: none"> 1. Corporate citizenship 2. Communication and Interpersonal skills 3. Critical thinking skills 4. Teamwork and leadership
Evaluation methods	<p>Assessment method:</p> <ul style="list-style-type: none"> • In 1st session, 100% of final score for this course will be based on a written multiple choice exam (QCM) (duration: max. 2 hours) • In 2nd session, 100% of final score will be based either on a written multiple choice exam (QCM) OR an oral exam depending on the final number of students. The oral exam may take place through Microsoft Teams. The assessment method will be confirmed as soon as possible in July. • Any work assignment accomplished during the year will not be taken into account in the calculation of the final grade. Only the written or oral exam is taken into account. <p>About ChatGpt and artificial intelligence tools</p> <p>By submitting any type of assignment for an evaluation if requested to do so by the professor (example: a specific case study, a paper, a thesis and even during an oral exam via Teams), the use of Chatgpt or any artificial intelligence should clearly be indicated to the professor. In particular when submitting an assignment:</p> <ul style="list-style-type: none"> - you assert that it accurately reflects the facts and to do so you need to have verified the facts, especially if they originate from generative AI resources; - you assert that all your sources that go beyond common knowledge are suitably attributed. Common knowledge is what a knowledgeable reader can assess without requiring confirmation from a separate source; - you assert that you have respected all specific requirements of your assigned work, in particular requirements for transparency and documentation of process, or have explained yourself where this was not possible. <p>If any of these assertions are not true, whether by intent or negligence, you have violated your commitment to truth, and possibly other aspects of academic integrity. This constitutes academic misconduct.</p>

<p>Teaching methods</p>	<p>The methodology of this course is to combine theory and real business life experience.</p> <ol style="list-style-type: none"> 1) Presentation of theoretical background with reference to existing literature 2) Presentation of real-life examples and case studies leading to class discussions 3) Case study on which students will work on their own. The case study will be discussed at the beginning of each lesson. <p>Workload:</p> <ul style="list-style-type: none"> -Students should attend the classes to fully benefit from the teacher's experience and the class discussions -Students should spend 30 minutes each week on the case study to prepare for the class discussions -No specific homework is asked beyond that <p>Use of Microsoft Teams:</p> <ul style="list-style-type: none"> -Microsoft Teams will be used to communicate on administrative considerations as well as on going developments in the economic and financial markets. Moodle is not used.
<p>Content</p>	<p>For many years, most companies have been dealing with the challenge of having to grow their business on an international basis through export sales (international trade) or direct foreign investments (subsidiaries, JVs, etc). In the last decade, this strategy has become even more important as the world economy has become a true global market place for consumer and industrial goods as well as financial products and services.</p> <p>For small, medium and large public or private corporations having to maintain sufficient competitiveness, the key question is therefore how to implement a proper financial strategy in order to deal with the various risks and matters associated with doing business internationally or domestically in a globalized interconnected economy. But not only that: the collapse of the internet bubble, the financial scandals, the subprime crisis, the sovereign debt crisis, the market volatility potential, etc have demonstrated the extent to which the global real economy and the various financial markets are completely inter-connected together thereby affecting the financial management of every business, independently from its size and/or geographical location (and/or willingness to get exposed to international markets).</p> <p>The objective is to provide students with a clear understanding of what today's financial management of a firm in a globalized trade and capital markets environment is about i.e.:</p> <ul style="list-style-type: none"> -identify treasury and finance matters/risks associated with doing business in an international environment -understand the extent to which the business can be affected treasury and finance matters/risks -present and discuss financial and banking products/techniques in order to manage international risks and optimize treasury and finance decisions -understand the objectives and approach of Chief Financial Officers, Group Treasurers, Heads of M&A/Strategy, Investors relations, Corporate Bankers, Investment Bankers, Traders and Risk managers when dealing with the reality of doing business in a globalized world. <p>During the programme, students will develop the following capabilities:</p> <p>INTERNATIONAL IMPORTANCE + WORK EFFECTIVELY IN AN INTERNATIONAL AND MULTICULTURAL ENVIRONMENT</p> <p>The course is full of international examples where both organizational aspects and/or economical/geopolitical aspects are looked into. Global economy and multi-cultural financial elements are embedded in this course as well as the way organizations are dealing with those aspects in their international organization.</p> <p>RESPONSIBLE BEHAVIOUR, CORPORATE CITIZENSHIP</p> <p>During this course, the professor will always draw the student's attention on the market's practices and/or management misbehaviours that we identified as having played a role in contemporary financial crisis. Students will be encouraged to reflect upon those examples.</p> <p>KNOWLEDGE AND REASONING, CRITICAL THINKING</p> <p>The course will provide the student with a deep understanding of the latest financial market practices on an international basis in international risks assessment, hedging, funding management as well as treasury matters</p> <p>The student will have to combine different skills and knowledge in order to evaluate precisely the best financial strategy to pursue</p> <p>COMPREHENSIVE LEADERSHIP</p> <p>Throughout the course, the student will quickly understand that he/she needs to develop a leadership style based on learning, acquiring financial skills, exchanging ideas/knowledge with key people around the globe and finally decision-making in a VUCA environment</p>
<p>Bibliography</p>	<p>The main material for this is a (paper) syllabus of approximately 220 slides available for printing at DUC at the beginning of the course. There is no electronic version available</p> <p>The following textbook is recommended but not compulsory for students who want to have additional information</p> <p>"International Financial Management, 4th Ed., Authors/ Eun / Resnick, McGraw Hill"</p>

<p>Other infos</p>	<p>LECTURE SCHEME (INDICATIVE) Introduction to International Financial Management Understanding the international environment: Country risks, Banking risk, Economical and geopolitical risks The time value of Money – Interest rates – Bonds – Yield to Maturity - Inflation Interest Rate Exposure Management Foreign Exchange Exposure Management International Trade Finance: short term and long term type transactions (financing, structuring) International Cash Management: payments, cash pooling International Financial Markets - Equity Capital Markets - Debt Capital Markets -Bank financing International Tax considerations and how they impact International Financial Management</p>
<p>Faculty or entity in charge</p>	<p>CLSM</p>

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [120] in Management	GESM2M	5		
Master [120] in Business Management	GENT2M	5		
Master [120] : Business Engineering	INGE2M	5		
Master [120] in Management	GEST2M	5		
Master [120] : Business Engineering	INGM2M	5		