



# Lincoln University

## BA 343 – International Banking

### COURSE SYLLABUS

Fall 2019

- Instructor:** Professor Themis D. Pantos, Ph.D.  
**Lecture Schedule:** Thursday, 3:30 PM – 6:15 PM  
**Credits:** 3 units / 45 lecture hours  
**Level:** Mastery 2 (M2)  
**Office Hours:** Monday, 1:00 PM – 4:00 PM or by appointment  
**e-mail:** [tpantos@lincolnuca.edu](mailto:tpantos@lincolnuca.edu)  
**Textbook:** International Money and Finance (2017). Melvin & Norrbim, 9th edition ISBN-13: 978-0128041062, ISBN-10: 0128041064  
**Tools:** A basic handheld calculator is required. Other mobile device calculator will not be allowed. Supplemental materials (such as periodical, article, or case study) will be provided in class.  
**Prerequisite:** BA 140 or BA 303  
**Last Revision:** August 7, 2019

### CATALOG DESCRIPTION:

An in-depth examination of the development and expansion of international banking; legal aspects of international banking; Eurocurrency/Eurodollar; syndication techniques; letters of credit / bankers' acceptances; foreign exchange; offshore banking; Swiss banking; the global debt crisis and debt rescheduling. (3 units)

### LEARNING OBJECTIVES

The objectives of the course are to gain a practical understanding of the global financial market, in particular, foreign exchange markets, exchange rate determinations, tools, and tactics used in the financial management of multinational corporations. Emphasis will be placed on trade finance for import-export businesses.

**COURSE LEARNING OUTCOMES<sup>1</sup>**

	<b>Course LO</b>	<b>Program LO</b>	<b>Institutional LO</b>	<b>Assessment activities</b>
1	Demonstrate an understanding of foreign exchange market and determination of exchange rates.	PLO 1	ILO 1b, ILO 2b	Midterm exam, final exam, in-class discussions, homework assignments
2	Analyze balance of payments and identify potential risks and policy implications.			
3	Select an appropriate portfolio management strategy	PLO 2	ILO 1b, ILO 2b, ILO 4b	Midterm exam, final exam, in-class discussions, homework assignments
4	Be able to make coherent forecasts of exchange rate fluctuation and identify effective risk management strategies.			
5	Be able to formulate a trading strategy and identify resources needed for its effective implementation	PLO 5	ILO 4b, ILO 5b	Midterm exam, final exam, in-class discussions, homework assignments

**INSTRUCTIONAL METHODOLOGY:**

This is a direct classroom instruction course. The course will be conducted in the form of lectures and discussions on each topic shown in the class schedule below.

Assignments and projects require students to actively use resources of the library. Detailed guide to business *resources of the library* as well as the description of Lincoln University approach to *information literacy* are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

**COURSE REQUIREMENTS:**

While in class, students are expected to conduct themselves in a professional manner. Professionalism includes regular attendance, participation in class discussions, civil conduct, and ethical behavior, etc. If a student is observed coming to class late often, being disrespectful to peers, texting or using mobile devices, or carrying on personal conversations during lecture, the grade will be reduced based on a demerit system and the student would be subject to disciplinary penalties from the University.

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<sup>1</sup> Detailed description of learning outcomes and information about the assessment procedure are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

**Homework assignment:**

Every student needs to read the PowerPoint Slides according to the syllabus timetable in preparation for the upcoming class session. Higher education is about learning how to learn. So, in acquiring new knowledge, always pay attention to the learning objectives of each chapter or topic. In addition, you will enhance your understanding by solving the chapter problems to be assigned in class. Of course, you are welcome to bring questions to class for discussion by reading ahead of each classroom lecture. Achievement is assured when done repetitively.

**GRADING POLICY:**

Your performance in this course will be evaluated under the following Grading Scale Model:

Midterm Exam:	30%	A = 90-100
Final Examination:	50%	B = 80 - 89
Assignments:	20%	C = 70 - 79
Total:	100%	D = 60 - 69
		F = 0 - 59
<b>COURSE ASSESSMENT METHODS</b>		<b>GRADING SCALE</b>

The mid-term and final exams will include both types of theoretical and empirical questions and problems that are similar to the term assignments. They are designed to test both theory and problem solving. There will be NO “make-up credit” or “extra credit” work during and after the semester. The instructor reserves the right to modify the grading system based on class performance and notification to the students about any change during the semester. You are responsible for keeping apprised of any change in syllabus. If you plan to be sick on exam days, please do the exam a day earlier before getting sick.

**Scholastic Dishonesty**

Scholastic dishonesty will not be tolerated. Students who violate rules of academic dishonesty are subject to disciplinary penalties, including failure in the course and/or other actions from the University.

The key to success in this course is communication and interaction. Thus, we will have to work as a team. First, we will create a positive learning environment where everyone can participate without fear. Second, relevant reading and problem assignments will be presented and discussed in class. When in doubt, ask.

**COURSE SCHEDULE**

<b>Weeks</b>	<b>Topics</b>
Week 1	Course introduction and global financial markets
Week 2	Chapters 3: Balance of payment
Week 3	Chapter 4: International market instruments
Week 4	Chapters 9: Financial Management of MNC’s, emphasis on trade finance
Week 5	Chapter 5: Eurocurrency market & Chapter 8: Foreign exchange risk and forecasting
Week 6	Chapter 6: Exchange rates, interest rates and interest parity
Week 7	Chapter 7: Purchasing power parity
Week 8	Mid-Term Examination (Closed Book) 2 Hours
Week 9	Special topic: International capital markets for stocks and bonds
Week 10	Special topic: Multinational cash management
Week 11	Chapter 10: International portfolio management

Week 12	Chapter 11: Direct foreign investment, international lending, syndication and Offshore Banking
Week 13	Special topic: Currency Options and The Greeks of the Options (Delta, Kappa, Theta, Vega)
Week 14	Special topic: The Global Debt Crisis and Restructuring
Week 15	Final Examination (Closed Book) 2 Hours

**ADDENDUM: SUPPLEMENTAL COURSE MATERIALS:**

The PowerPoint slides are designed to give students a head start in learning course materials in a concise and coherent fashion. They are not intended to substitute, but complement, the textbook and classroom lectures. Don't just read; you need to absorb and understand the body of knowledge through a synthesis of critical thinking and problem solving skills. Thus attending classroom lectures and completing exercises and assignments are critical to your success.