FIN 7606

SEMINARS IN

INTERNATIONAL CORPORATE FINANCE

Spring 2009

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In its broadest sense, FIN 7606, Seminars in International Corporate Finance, covers recent advanced theoretical, empirical and practical developments in the field of "finance within an international business dimension / environment." Research into and analysis and evaluation of the various aspects of the firms that operate globally are the prime targets of the course. Corporate finance, investment, hedging strategies, and financial innovations of the multinational enterprises (MNEs) and/or the Transnational Corporations (TNCs) constitute major topics in this course. Overall, the course aims at developing skills conducive to furthering research and innovation pertinent to such global enterprises.

PRIMARY TEXTS:


BACKGROUND TEXTS:


**SUPPLEMENTARY MATERIAL:**

- Business Week
- Barron's
- Wall Street Journal
- Euromoney

**REFERENCE JOURNALS:**

A good number of journals are utilized. See the list of articles in the “course organization” section of this syllabus. The main ones are:

- Journal of Finance
- Journal of Financial and Quantitative Analysis
- Journal of Econometrics
- Journal of Financial Economics
- Review of Economics and Statistics
- Journal of the Royal Statistical Society, esp. Series C
- Econometrica
- Journal of Applied Statistics
- Global Finance Journal

**COMPUTER ENVIRONMENT:**

Any program languages (JAVA, C, C++, FORTRAN) or statistical packages including: TSP, SHAZAM, EVIEWS, SPSS, SAS, SORITEC, RATS, etc.

**PREREQUISITES:**

Completion of the Ph.D. core courses.

**PAPER:**

A research paper unique to this course and worthy of publication in at least a high quality journal is required. This will be discussed and arranged during the first two sessions and monitored / directed regularly thereafter. See also the “Note” at the end of this syllabus.

**COURSE ORGANIZATION:**

This section will be routinely updated. For the latest details of the reading materials and their sources, tentative timetable of the coverage, as well as assignments, exams, etc., see the course organization section of this syllabus.

The reading material will include, for the most part, very recent (2004-2009) articles on Global Finance from all premiere and high quality journals. These sources will evolve and get updated as the course continues. In brief, these items could be categorized in the following areas.
I. Introduction:

II. Exchange Rate Systems:

III. The Currency Factor and the Efficiency Issues:

IV. Hedging Foreign Exchange Exposure:

V. Long-Run International Investment:
   A. General
   B. Specific FDI Theory
   C. Diversification
   D. Country/Industry Applications

VI. International Portfolio Investment and Related Strategies:

VII. International Risk Assessment and Management:

VIII. Sovereign Debts:

IX. International Financial Markets:

X. International Equity and Financial Structure:

XI. International Trade:

XII. Current State-of-the Art in Practice:

Additional cases and problems may be assigned during the semester.

EXAMS AND GRADING:

The exam weighing scheme is as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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</thead>
<tbody>
<tr>
<td>Research Paper</td>
<td>50%</td>
</tr>
<tr>
<td>Exams &amp; Class Participation &amp; Presentations</td>
<td>50%</td>
</tr>
</tbody>
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Research Paper due: A week before the last session

PLEASE NOTE:

There will be NO make-up exams. The research paper should be unique to this course, should not have been used, and / or planned to be used in any other courses and /or for any other purposes.
FURTHER READINGS:

A reading list containing solely refereed journal articles that are pertinent to this course and that have recently appeared in premier and high quality journals is separately provided.

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