



APPLIES TO ACADEMIC YEAR 2011/2012

BØK 2620 Multinational Finance - RE-SIT EKSAMINATION

Programme

Re-sit examination

Responsible for the course

Knut Sagmo

Department

Department of Financial Economics

Term

According to study plan

ECTS Credits

15

Language of instruction

Norwegian

Introduction

Objective

To understand how international economic integration generates new business opportunities and risk for national as well as international firms. The international dimension extends the field of corporate finance into currency and interest rate risk topics based on deviations from the purchasing power and interest rate parity theorems. A key objective is to be able to distinguish between the concepts of currency exposure and risk at the corporate level.

Prerequisites

Basic courses in investments theory. Students are also required to having successfully completed the progression of courses in the Bachelor Finance program during the second year and the fall-term of the third year.

Compulsory reading

Books:

Eiteman, David K., Arthur Stonehill and Michael H. Moffett. 2010. Multinational business finance. 12th ed. Boston : Pearson. 650. Siste utgave brukes i undervisningen.

Recommended reading

Books:

Madura, Jeff. 2010. International corporate finance. 10th ed. Mason, Ohio : Thomson South-Western

Course outline

Chapter references to the textbook: Eiteman-Stonehill-Moffett; *Multinational Business Finance* , 11. edition (ESM):

- | | |
|--------------------------------|------------|
| 1. International Finance | ESM: 1- 3 |
| 2. Exchange Rate Theory | ESM: 4-5 |
| 3. Exchange-traded Derivatives | ESM: 6-7 |
| 4. Currency Trading | ESM: 8-10 |
| 5. Financing the Global Firm | ESM: 11-15 |
| 6. Foreign Direct investment | ESM: 16-17 |

Computer-based tools

Excel and Maple. Such tool are, however, not permitted on the examinations.

Course structure

The lecture series consists of 54 classroom-hours of teaching over 14 weekly lectures.. Students are required to write an individual term-paper on a topic central to multinational finance. Presence at three tutoring seminars related to the semester-thesis, is mandatory. A passing grade on two midterm exams and the term-paper is required in order to receive a final grade for the course. The midterm-examinations

will be held throughout the course and a final exam by the end of the semester. More information regarding the term-paper and the examinations will be provided in class.

Examination

Grade in course will be based on following activities:

Part 1 - Written exam - 6- hour individual written examination. Counts 70% of the final grade.

Part 2 - Termpaper - About 25 pages. (Attachments can be added). Counts 30% of the final grade.

Both written exam and the termpaper must be passed in order to complete the course and get a final grade. There will be arranged a re-sit in each part.

Examination code(s)

BØK 26202, written exam, counts 70% og BØK 26203, Project paper, counts 30% towards the final grade in BØK 2620 Multinational finance, 15 ECTS credits..

Examination support materials

BØK 26202 - written exam: BI-approved exam calculator and interest rate tables.

BØK 26203 - Project paper: all support materials are allowed.

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.
<http://www.bi.edu/studenthandbook/examaids>.

Re-sit examination

This course was lectured for the last time spring 2011. Re-sit exam will be offered every term up to and even spring 2013.

Additional information