

VERTICAL LEARNING CURVE

International Finance

Course Description

2/5/2010



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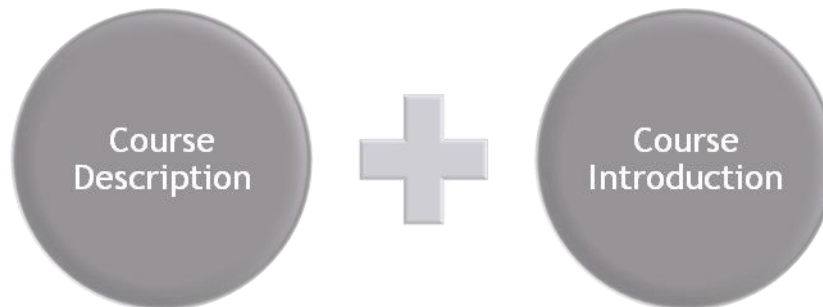
International Finance

Overview

This course provides the student the knowledge and skills needed to manage the complexities of financing exports, imports, and direct foreign investment. Primary topics include the nature or behavior of foreign exchange rates and managing the impacts of exchange rates on short-term and long-term international business activities and performance objectives.

This course has [12 modules](#), each focusing on a unique topic with unique objectives for your knowledge, skill, and values. Modules are given *different* priority, and so are not always equal in length, difficulty, or grading weight. Failing a module will result in immediate repetition of that module.

To enroll in this course, you must read this **Course Description** and the [Course Introduction](#).



Course Outline

Module	Issues + Resources
1	Introduction to International Finance <ul style="list-style-type: none"> ▪ Introduction to the Topic in Company Context ▪ Size and Scope of International Business ▪ Size and Scope of Foreign Exchange Markets ▪ How Foreign Exchange Affects International Business ▪ Why the Company Needs Expertise in International Finance ▪ Pretest ▪ Resources
2	Foundations of International Finance <ul style="list-style-type: none"> ▪ Forex Practice Game ▪ Organizations ▪ Learning from Past Experiences ▪ Learning from Experts at the CME ▪ Resources
3	Financial Markets <ul style="list-style-type: none"> ▪ History of Forex Markets ▪ Understanding the Forex Marketplace ▪ Currency Trading ▪ Resources
4	Factors that Affect Exchange Rate Movements <ul style="list-style-type: none"> ▪ The Problem of Foreign Exchange (FX or Forex) Changes ▪ Getting Started in Trading Currencies ▪ Principles of Forecasting ▪ Currency "Crises" ▪ Interest Rates - IRP ▪ Inflation - PPP ▪ Economic Growth ▪ Government Actions ▪ Resources
5	Addressing Foreign Exchange Risks <ul style="list-style-type: none"> ▪ The Speculator ▪ Adjusting Prices ▪ Dealing in Single Currency ▪ Leads and Lags ▪ Forward Contracts ▪ Futures ▪ Options ▪ Swaps ▪ Hedging Principles ▪ Resources
6	Forecasting Exchange Rates <ul style="list-style-type: none"> ▪ Fundamental Forecasting ▪ Technical Forecasting ▪ Using Experts ▪ Resources
7	Measuring Exposure to Forex Risks

- Inflows Exposure
- Outflows Exposure
- Netting
- Economic or Business Exposure
- Resources

8 Managing Exposure, Hedging Methods

- Arguments Regarding Hedging Risks
- Types of Exposure
- Assess & Manage Transaction, Economic, and Translation Exposure
- Applying this Module to the Company Business

9 Forex Effects on DFI and Capital Budgeting

10 Financing Imports and Exports

11 The Future of International Finance

12 Final Exam

Recommended Readings and Resources

- Online Library -
<http://www.questia.com/Index.jsp>
- The Free Management Library -
<http://www.managementhelp.org/>
- MBA Library -
[http://www.businessbookmall.com/MBA%20Internet%20Library.htm#Free MBA Prerequisites Books](http://www.businessbookmall.com/MBA%20Internet%20Library.htm#Free_MBA_Prerequisites_Books)
- B-Net Business Library – Foreign Exchange Papers
<http://search.bnet.com/search/exchange+rate+and+foreign-exchange.html?&c=1&s=20&m=20&o=0&i=0&t=0>
- An International Business & Trade Glossary for students in this course -
<http://management.about.com/cs/begintomanage/1/blglossary.htm>
AND
- <http://globaledge.msu.edu/ibrd/glossary.asp?Index=a>
- International Finance Architecture
<http://www.worldbank.org/ifa/>
- IMF Committees
<http://www.imf.org/external/np/exr/facts/groups.htm#IC>
- Columbia University Resources for International Data
http://www.columbia.edu/acis/eds/dset_guides/international.html
- Manage the Risks of Importing
<http://www.businesslink.gov.uk/bdottg/action/detail?type=RESOURCE&itemId=1077723275>
- Hong Kong Shanghai Banking Corporation
<http://www.hsbc.co.uk/1/2/business/needs/resource-centre/publications#foreign>
- Foreign Exchange Risk Management - HSBC
http://www.hsbc.ca/hsbc/business_en/fx-interest-risk/fx-risk-management
- [Everything International](http://faculty.philau.edu/russowl/russow.html)
<http://faculty.philau.edu/russowl/russow.html>
- [Virtual International Business and Economic Sources](#)
- [Transparency International](#)
- [International Business Resource Connection](#)
- Data Sets:
<http://www.bris.ac.uk/Depts/Economics/Growth/datasets.htm>
- Harvard Data Sources:
International Issues, Trade News
<http://www.cid.harvard.edu/cidtrade/site/datasources.html>
- <http://www.cid.harvard.edu/cidtrade/site/current.html>
- <http://www.cid.harvard.edu/cidtrade/issuemain.html>
- International Chamber of Commerce
<http://www.iccwbo.org/>
- Selected Readings from [Harvard University Center for International Development](#)
- [International Center for Trade & Sustainable Development](#)
- [IMF Staff Papers](#)
- [Journal of Economic Growth](#)
- [The McKinsey Quarterly](#)
- [The Harvard Business Review](#)
- [The Wall Street Journal](#)
- [Fortune Magazine](#)
- [The Economist](#)
- [The Economist Intelligence Unit](#)
- [U.S. News & World Report](#)
- Foreign newspapers and magazines
- [Review of International Economics](#)
- [World Bank Economic Review](#)
- [Thunderbird International Business Review](#)

- [Wealth of Nations](#)
- [National Trade Data Base](#)
- [Securities Exchange Commission](#)
- [United Nations](#)
- [World Economic Forum](#)
- [World Bank](#)
- [Global Edge](#)
- [Heritage Foundation](#)
- [Transparency International](#)
- [International Business Resource Connection](#)
- [Global Gateway](#)
- [Virtual International Business and Economic Sources](#)

Credits - Dan Reeder, Ph.D., CFA

500 West University
Shawnee, OK 74801

EDUCATION

Doctor of Philosophy in Finance, 1993

Oklahoma State University, Stillwater, Oklahoma

Dissertation Title: "The Wealth Impact of Private Placements of Debt where the Lender is Specified."

Masters of Business Administration, 1984

The University of Tulsa, Tulsa, Oklahoma, Emphasis: Accounting and Finance

Bachelor of Science in Business Administration with Honors, 1983

The University of Tulsa, Tulsa, Oklahoma, Emphasis: Finance

PROFESSIONAL EXPERIENCE

Oklahoma Baptist University, 1991-present

Geiger Professor of Finance, 2004-present

Dean, Paul Dickinson School of Business, 1999-2004

The School of Business consists of 11 full-time academic professionals and several occasional adjunct personnel. Responsible to the Vice-President for Academic Affairs for curricula, personnel, program review and assessment, and administration of the department. Responsible to the Executive Vice-President for budgetary planning and control. Initiated School of Business advisory board, the Board of Executives, designed to increase the visibility of the School of Business within the business community and to develop curriculum ideas relevant to today's business environment. Also initiated the Business Student Advisory Council. Taught six hours per semester in Finance, advised 30 students, and reviewed academic issues for students in the School of Business.

Cargill Associate Professor of Finance, 1997-1999

Cargill Assistant Professor of Finance, 1991-1997

Oklahoma State University, 1987-1991 *Graduate Teaching Assistant, Finance Department*

Security National Bank, Sapulpa, Oklahoma, 1985-1987 *Internal Auditor*

COMMITTEE SERVICE, OKLAHOMA BAPTIST UNIVERSITY

Academic Council
Admissions Committee (Chair)
Athletics Council
Dean's Council
Dean Search Committee (Business)
Dean Search Committee (Nursing)
Planning and Analysis Committee

Faculty Council
Financial Facilities Management Council
Grade Appeals Committee (Chair)
Lily Foundation Grant Committee
Student Success Council
Traffic Appeals Board
Who's Who Committee

PROFESSIONAL MEMBERSHIPS

Association for Investment Management and Research

Oklahoma Society of Financial Analysts

Financial Management Association

Midwest Finance Association

American Finance Association

National Association of Investment Clubs

HONORS, AWARDS, AND UNIVERSITY RECOGNITION

Faculty Chairman, Oklahoma Baptist University, voted by the Oklahoma Baptist University Faculty, 1998-1999, 2006-2007

Master of Ceremonies, Fine Arts Christmas Chapel, Oklahoma Baptist University, 2001-present

Promising Teacher Award, Oklahoma Baptist University, 1995

Installed Cargill Professorship, Oklahoma Baptist University, 1992

Cherokee Indian Fellowship Award Recipient, United States Department of Education, 1990

Outstanding Graduate Teaching Assistant, Oklahoma State University, 1989

GSC Phoenix Award Nominee for Outstanding Doctoral Candidates, 1989

PROFESSIONAL CERTIFICATIONS AND ACCOMPLISHMENTS

Assistant Captain on Grading Team for CFA Exams, 2004-Present

Senior Grader, AIMR, 2000-Present

Grader, AIMR, 1999

CFA Institute Committee Volunteer 2000, 2001, 2007

Chartered Financial Analyst (CFA), September 1998

PROFESSIONAL PRESENTATIONS, PAPERS, TEXTBOOK REVIEWS (selected)

“The Use of Student Service Organizations to Improve Retention at a Small Liberal Arts University”. Manuscript in Progress, 2001

Textbook Review, “*Foundations of Finance*,” Keown, Martin, Petty and Scott, Prentice Hall, 2001

“The Use of Presentations at Investment Club Meetings to Enhance Communication Skills and Teach Portfolio Management”. Manuscript in Progress, 2000

“Modern Portfolio Theory”. *Baptist Foundation Board of Trustees*, 1996

Southwest Business Symposium, Paper Reviewer, *University of Central Oklahoma*, 1995

“Financial Institutions and Markets”. *Oklahoma Council for Economic Development*, 1994

“Financial Intermediaries and Investing”. *Oklahoma Council for Economic Development*, 1993

“The Wealth Impact of Private Placements of Debt”. *Oklahoma State University Graduate Symposium*, 1992

Templeton Investment Society (**TIS**), Sponsor, 1991-Present

TIS Profiled in the Magazine ***Better Investing***, 1996

Templeton Investment Society (**TIS**) was founded in 1991 by a group of 15 students with \$1,200 invested in three companies. Today TIS has approximately 100 members, including students, faculty and staff, and alumni of OBU, with over \$250,000 invested in 15 companies. The club meets monthly to hear reports on the existing portfolio and to consider possible new investments. The goals of **TIS** are to provide members with (1) learning opportunities to make informed investment decisions; (2) opportunities to earn a return on their investment; and (3) methods to incorporate ethical standards in the investing process. My role as sponsor is to provide guidance and leadership throughout this process and to maintain appropriate records for preparation of periodic valuation statements and annual tax statements for members.