



East China Normal University
GEC International Summer School

FIN26 International Finance

Term: June 16th to July 18th, 2025

Class Hours: Monday through Friday, 110 minutes each day (2,750 minutes in total)

Instructor: Qilin Peng

Home Institution: TBD

Office Hours: TBD

Email: TBD

Course Description

This course focus on the theory and practice of international finance, introducing the concepts and theories of exchange rates and balance of payments, followed by macroeconomic policies in an open economy. This course focuses on the managerial aspects of international finance and discusses important issues with companies operating overseas. The course will start with a macroeconomic overview of the financial systems in which multinational corporations maneuver. This course will explain the mechanics of exchange rates and how central banks intervene in foreign exchange markets. The course introduces students to knowledge in international financial management and will be particularly valuable to those interested in pursuing financial management careers offered by multinational corporations. Students are encouraged to apply their knowledge to analyze a variety of real world problems frequently mentioned in the media and form their own opinions about pertinent issues arising from international trade and international financial transactions.

Prerequisite:None

Course Objectives



As the world has become more integrated due to deregulation of financial markets, product innovation and technology, capital markets have kept pace with this integration. The study of international finance has therefore become essential and builds upon the understanding of theoretical concepts of finance and their adaptation to the international context. The course also helps students examine the current economic landscape through topical discussions of current economic and political development and their impact on international finance.

Required Text

International Finance, Eun, Cheol S., Resnick, Bruce G., Sabherwal, Sanjiv (McGraw Hill, 6th Global Edition, 2011)

Course Hours

The course has 25 class sessions in total. Each class session is 110 minutes in length, for a total of 2750 minutes of in-class time. The course meets from Monday to Friday. ECNU awards 3 credits for this course. Different universities may count course credits differently. Consult officials at your own home institution.

Attendance

Summer school is very intense and to be successful, students need to attend every class. Occasionally, due to illness or other unavoidable circumstance, a student may need to miss a class. ECNU policy requires a medical certificate to be excused. Any absence may impact on the student's grade. Moreover, ECNU policy is that a student who has more than 3 absences will fail the course. Arriving late or leaving early will count as a partial absence.

Grading Policy

ECNU awards grades of A, A-, B+, B, B-, C+, C, D, and F. Most colleges and universities do not award transfer credit for grades of D or F.

In this course, grading will be based on the following:



Quizzes*2	10%*2=20%
Participation	10%
Midterm Exam	30%
Final Exam	40%

General Expectations

Students are expected to:

- Attend all classes and be responsible for all material covered in class and otherwise assigned. Any unexcused absence may impact a student's grade.
- Arrive to class on-time: Late arrivals are disruptive to your fellow students and to the conduct of the class.
- Complete the day's required reading and assignments before class.
- Review the previous day's notes before class; make notes about questions you have about the previous class or the day's reading.
- Refrain from texting, phoning or engaging in computer activities unrelated to class during class (不要用手机). It is highly disrespectful to the professor and to the class.
- Participate in class discussions and complete required written work on time.

Course Schedule

The planned schedule sketched out below may be modified to suit the interests or abilities of the enrolled students or to take advantage of special opportunities or events that may arise during the term.

Week 1

- *Day 1*
 - o *Introduction to international finance*
- *Day 2: International Monetary System & Balance of Payments*
 - o *Historical perspectives of the International Monetary System*
 - o *Gold standard*
 - o *Exchange rate regimes – pegs, fixed, floating, currency boards, etc*



- *Day 3: International Monetary System & Balance of Payments*
 - o *The Euro and European Monetary System*
 - o *Historical currency crises Balance of Payments*
- *Day 4: Foreign Exchange Markets & Exchange Rate Determination*
 - o *Function & structure of the foreign exchange market*
 - o *Spot & forward rate determination*
- *Day 5*
 - o *Tutorial/Discussion*
 - o *Reading Chapter 2&3*

Week 2

- *Day 1: Foreign Exchange Markets & Exchange Rate Determination*
 - o *Interest rate parity*
 - o *Foreign exchange futures & options*
- *Day 2: Foreign Exchange Exposure and Management*
 - o *Management of Transaction Exposure*
- *Day 3: Foreign Exchange Exposure and Management*
 - o *Management of Economic Exposure*
 - o *Management of Translation Exposure*
- *Day 4: World Financial Markets & Institutions*
 - o *International Banking and Money Market*
- *Day 5*
 - o *Tutorial/ Discussion*
 - o *Reading Chapter 8, 9&10*
 - o *Quiz 1*

Week 3

- *Day 1: World Financial Markets & Institutions*



- *International Bond Market*
- *Research paper 1st status updates*
- *Day 2: World Financial Markets & Institutions*
 - *International equity markets*
- *Day 3: World Financial Markets & Institutions*
 - *Interest Rate and Currency Swaps*
- *Day 4*
 - *Midterm Review Session*
- *Day 5*
 - *Midterm*

Week 4

- *Day 1: International Portfolio Investment*
 - *International diversification & portfolio risk reduction*
 - *Evaluation of risks & opportunities*
- *Day 2: International Portfolio Investment*
 - *Effects of Changes in the Exchange Rate*
 - *Home Bias*
- *Day 3: Financial Management of a Multinational Firm*
 - *Foreign Direct Investment and Cross-Border Acquisitions*
- *Day 4: Financial Management of a Multinational Firm*
 - *International Capital Structure and the Cost of Capital*
 - *International Capital Budgeting*
 - *Multinational cash management*
- *Day 5*
 - *Tutorial/Discussion*
 - *Reading Chapter 11, 12&13*
 - *Quiz 2*



Week 5

- *Day 1: International Trade & Taxation*
 - o *International Trade Finance*
- *Day 2: International Trade & Taxation*
 - o *International tax environment and transfer pricing*
- *Day 3: : International Trade & Taxation*
 - o *International corporate governance*
- *Day 4*
 - o *Final Exam Review Session*
 - o *Tutorial/Discussion*
- *Day 5*
 - o *Final Exam*

Academic Honesty

Students are expected to maintain high standards of academic honesty. Specifically, unless otherwise directed by the professor, students may not consult other students, books, notes, electronic devices or any other source, on examinations. Failure to abide by this may result in a zero on the examination, or even failure in the course.