


BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY School of Business

COURSE OUTLINE FOR: *Business Finance*
TAUGHT BY: School of Business
Program: *International Trade & Transportation*

FMGT3550
Option : *International Trade & Transportation*

Hours/Week: 3	Total Hours: 60	Term/Level: 3
Lecture: 1		
Lab: 2		
Other:	Total Weeks: 15	Credits: 4

Instructor: **Graham Hughes**
 Office No. SE6-318
 Office Hours: **AS POSTED**

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Pre-requisites: One of FMGT 2100 or 2190

Course Description and Goals:

This course familiarizes students with the role that finance plays in international business and industry. Students will obtain a basic understanding of the interrelationships of finance with the other functional aspects of international trade. It teaches students the common decision-making tools in finance to enable them to react intelligently under varying conditions within a business environment of ever increasing complexity. Special emphasis will be given to the services provided by financial institutions to firms that take part in international trade.

Evaluation:

Final Examination	40	%
Midterm	30	%
Assignment	30	%
Total	100	%

Course Learning Outcome

At the end of this course, the student will be able to:

- Explain the role that finance plays in international trade
- Be able to discuss the various sources of international funding, their mandate and objectives
- Understand the fundamentals of foreign exchange transactions and methods of hedging
- Discuss the major means of international trade payments and financing and how to apply them in business
- Recognize why international transactions are more likely to need financing
- Understand the risks associated with international transactions and how they may be managed using financial instruments available through various institutions

Course Record:

Developed by:	<u>Carol Edwards/ Graham Hughes</u>	Date:	<u>August 2000</u>
	Instructor		
Approved by:	<u></u>	Date:	<u></u>
	Associate Dean (signature)		

Text(s) and Equipment

Required: None

Reference/Recommended: Globe & Mail, Financial Post, Wall Street Journal, Economist, etc.
Financial web-sites on the Internet: (examples: cnnfn.com, economist.com)

Course Notes (Policies and Procedures)

- **Assignments:** Late assignments or projects will not be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.
- **Attendance:** The attendance policy as outlined in the current BCIT Calendar will be enforced.
- **Course Outline Changes:** The material specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.
- **Ethics:** BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.
- **Illness:** A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects or exams. At the discretion of the instructor, you may complete the work missed or have the work prorated (i.e. an average is given according to your performance throughout the course).
- **Makeup Tests, Exams or Quizzes:** There will be no makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for documented medical reasons or extenuating circumstances.
- **Labs:** Lab attendance is mandatory.

* This schedule is subject to change at the discretion of the instructor.

Week of	Material to be Covered
Sept. 3 Sept. 10 Sept. 17	TRADE FINANCE - Overview of finance and how it relates to international trade FINANCING PRESENTATION - constructing a cash budget and financial forecasting
Sept. 24 Oct. 1 Oct. 8 Oct. 15	TRADE FINANCE RISK ANALYSIS AND MANAGEMENT PAYMENT METHODS AND FINANCING OPTIONS MID-TERM TEST
Oct. 22 27 Nov. 5	FOREIGN EXCHANGE TRANSACTIONS - factors affecting rates - calculations involving spot and forward rates
Nov. 12	EXPORT COSTING
Nov. 19 Nov. 26 Dec. 3	FACTORING & FORFAITING COUNTERTRADES AND CONSIGNMENT REVIEW
Dec. 10	FINAL EXAM WEEK