


BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY School of Business

COURSE OUTLINE FOR: <i>Business Finance</i>	FMGT3550
TAUGHT BY: School of Business	Option : International Trade &
Program: International Trade & Transportation	Transportation

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

Instructor: <i>Graham R. Hughes</i>	Phone: 451-6841
Office No. SE6-318	Fax: 439-6700
Office Hours: AS POSTED	

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. Students will conduct interviews with businesses and use periodicals and various financial web sites as source material.

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</u>	Date:	<u>August 1999</u>
	Instructor		
Approved by:	<u></u>	Date:	<u>Sept, 2000</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

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.

Assignment Details

- The assignment will constitute 30% of the marks for this course.
- Please see the assignment handout for details of how the assignment is to be completed.
- Marks will be assigned on the basis of the in-class presentation and the supporting materials provided by the students.

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

Week of	Material to be Covered
Sept. 4 th Sept. 11 th	Overview of finance and how it relates to international trade
Sept. 18 th Sept. 25 th Oct. 2 nd	Foreign exchange transactions, Currency Risk and methods of managing it
Oct. 9 th Oct. 16 th	Financial planning – constructing a cash budget and financial forecasting Midterm Week
Oct. 23 rd Oct. 30 th Nov. 6 th	Payment Methods – Short-term financing options and medium to long-term financing options
Nov. 13 th Nov. 20 nd	Bonds, Guarantees, Credit Insurance – dealing with Country / Political Risk Countertrade, consignment and Commodity Swaps
Nov. 27 th Dec. 4 th	Exam review Final Exam Week