

Study program: Business Economics and Finance			
Course name: International Finance			
Teacher(s): Nikola J. Gradojević			
Course status: Elective			
Number of ECTS credits: 6			
Course requirement: Enrollment			
Aim of the course The aim of the course International Finance is to master both theoretical and practical knowledge in the field of international finance with special emphasis on dynamic conditions of the business environment, which imply inevitable risk. A special focus is on risk identification in the context of the international business of enterprises, prediction of the exchange rate of the national currency in the foreign exchange market, as well as the use of modern methods, techniques and tools of risk management (financial derivatives and related contracts).			
Course outcome Students will learn how to apply modern methodology when evaluating the effects of investment activities at the international level, especially bearing in mind the importance of making optimal business decisions, and evaluating and predicting exchange rates and managing exchange rate change risk.			
Course content <i>Theoretical classes</i> <ul style="list-style-type: none"> - Global capital markets; - Theoretical views on international trade; - Regional economic integration; - The benefits of diversification and risk reduction in international investment; - Globalization and multinational companies; - Inflation and external equilibrium; - Foreign exchange systems and foreign exchange market; - Exchange rate and currency conversion; - Absolute and relative purchasing power parity; - Uncovered and covered interest rate parity; - Models of determining and forecasting exchange rates; - Efficiency of the foreign exchange market; - Financial derivatives of exchange rates; - Hedging; - Risks in international financial transactions. <i>Practice hours: Exercises</i> Analysis of real-life examples – case studies, work on the project, class discussions.			
Literature a) Required: Kovačević R. (2020). Međunarodne finansije, Faculty of Economics, Belgrade. Eiteman , D.K., Stonehill, A.I., Moffett, M.H. (2018), Multinational Business Finance, Pearson. b) Recommended: Copeland, L. (2014), Exchange Rates and International Finance, Trans-Atlantic Publications. Hull, J. (2014), Options, Futures, and Other Derivatives, Pearson.			
Number of active teaching hours	Theoretical classes: 3x15 = 45	Practice hours:2x15 = 30	
Teaching methods Lectures are auditory with the support of modern teaching aids and active participation of students. Practice hours include: Analysis of case studies from real life, work on the project, class discussions. Consultations.			
Evaluation of knowledge (maximum number of points: 100)			
Pre-exam obligations	<i>Points</i>	Final exam	<i>Points</i>
Class attendance - lectures	5	Oral exam	50
Class attendance – practice hours	5		
Project work	40		