

**DR. BABASAHEB AMBEDKAR OPEN UNIVERSITY**

**SCHOOL OF COMMERCE & MANAGEMENT**

**M.B.A. SEMESTER – IV (SPECIALIZATION) (FINANCE)**

**1. INTERNATIONAL FINANCIAL MANAGEMENT**

<b>Sr. No.</b>	<b>Unit</b>
1	<p><b>International Financial Management -Introduction</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Aspects of international financial management</li> <li>• Features of international financial management</li> <li>• Nature of international financial management</li> <li>• Scope of international financial management</li> <li>• International institutions</li> <li>• International financial services</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
2	<p><b>International Flow of Funds (Balance of Payments)</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Balance of Payment</li> <li>• Causes of disequilibrium in balance of payment</li> <li>• Why is the balance of payment vital for country?</li> <li>• Elements of balance of payments</li> <li>• Importance of balance of payment</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
3	<p><b>Development In International Monetary System</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Need of IMFS</li> <li>• Evolution of IMFS</li> <li>• Elements of weaknesses of IMFS</li> <li>• Exchange rate regimes</li> <li>• Convertibility</li> <li>• The stage of international monetary system</li> <li>• Keywords</li> </ul>

	<ul style="list-style-type: none"> <li>• Exercise</li> </ul>
4	<b>Exchange Rate Mechanism</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Measuring exchange rate</li> <li>• Factors influencing exchange rate</li> <li>• Type of exchange rate system</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
5	<b>Foreign Exchange Rates and Markets</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Type of exchange rate</li> <li>• International arbitrage &amp; interest rate parity</li> <li>• Characteristics of foreign exchange market</li> <li>• Function of foreign exchange market</li> <li>• Structure of foreign exchange market</li> <li>• Market participants of foreign exchange market</li> <li>• Type of transaction &amp; settlement in forex market</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
6	<b>Markets of Currency Futures and Options</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Exchange traded derivatives</li> <li>• Over the counter derivatives</li> <li>• Options</li> <li>• Call options</li> <li>• Put options</li> <li>• American options</li> <li>• European option</li> <li>• Asian options</li> <li>• Swaps</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
7	<b>Management of Economic Exposure</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Currency exposure</li> <li>• Main purpose of economic exposure management</li> <li>• Managing economic exposure</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
8	<b>Management of Transaction Exposure</b>

	<ul style="list-style-type: none"> <li>• Introduction</li> <li>• Methods of Transaction Exposure</li> <li>• Current/Non-current Method</li> <li>• The values of current assets and liabilities are converted at the exchange rate that prevails on the date of the balance sheet.</li> <li>• Monetary/Non-monetary Method.</li> <li>• Current Rate Method</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
9	<p><b>Management of Translation Exposure</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Methods of Translation Exposure</li> <li>• Current/Non-current Method</li> <li>• Monetary/Non-monetary Method.</li> <li>• Current Rate Method</li> <li>• Keywords</li> <li>• Exercise</li> </ul>
10	<p><b>Foreign Direct Investment and Political Risk</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• political risk</li> <li>• Type of foreign direct investment</li> <li>• Advantages &amp; disadvantages of foreign direct investment</li> <li>• Method of foreign direct investment</li> <li>• Keywords</li> <li>• Exercise</li> </ul>