

BSc (Hons) International Business Finance – LM306 (Subject to Approval)

1. Objectives

This Programme is designed for those students seeking to work in the fields of business finance and financial services. The forces of globalization have rendered more complex and competitive the industries in which firms are operating. Consequently, it is vital that students are able to identify, analyse and solve the problems, as future managers or consultants in multinational companies. In this respect, the aim of this programme in International Business Finance is to provide students the basic skills and knowledge to embark on a finance-oriented career in the growing global economy. In addition, it will provide a stepping stone to students who are interested in enrolling on professionally recognised qualifications such as the Chartered Financial Analyst (CFA) programme.

2. General Entry Requirements

In accordance with General Entry Requirements for admission to the University for Undergraduate Degrees.

3. Programme Requirement

A Pass in Mathematics at Advanced Level.

4. Minimum Requirements for Awards

(i) Degree Award

Core & Elective Structure	Credits
CORE MODULES	
Finance & Accounting	81
Economics and Statistics	3
Computer Science & Engineering	3
Law	12
Management	3
GEM	3
ELECTIVES	0
Total	105

(ii) Diploma Award

The diploma is provided as a possible exit point in the programme at the end of Year 2. A student may opt for a **Diploma in International Business Finance** provided s/he satisfies the minimum requirements, as specified below.

Core Structure	Credits
CORE MODULES	
Finance & Accounting	45
Economics and Statistics	3
Computer Science & Engineering	3
Law	6
Management	3
Total	60

5. **Programme Duration**

	Normal	Maximum
Diploma:	2 years	3 years
Degree:	3 years	5 years

6. **Credits per Year:** Maximum 48 credits, Minimum 18 credits subject to Regulation 5.

7. **Minimum Credits Required for Degree Award:** 105

For the award of the **BSc (Hons) International Business Finance Degree**, the student must obtain at least 105 credits (see 4 above).

8. **Assessment**

Each module will be assessed over 100 marks (i.e. expressed as %) with details as follows (unless otherwise specified):

Assessment will be based on written examination (of 2 to 3-hour duration, as specified) and continuous assessment carrying a range of 20% to 30% of total marks including the following modules:

Module	Continuous Assessment	Written Examination
DFA2222(3)– Research Methods for Finance	30% (15% for class or lab-based test and 15% for individual assignment)	70%
DFA2034Y(3)-Investment and Security Analysis	30% (includes 15% for a class or lab-based test)	70%
DFA3012Y(5)– Options Strategies and Financial Modelling	30% (includes 15% for a class or lab-based test)	70%

Continuous assessment may be based on laboratory work and/or assignments and should include **at least one class test**. For all modules taught in semester 1, there will be a compulsory class test at the end of semester 1 of the given academic year unless stated otherwise in the Programme Structure. This is applicable to modules examined at the end of the academic year.

For a student to pass a module, an overall total of 40% for combined continuous assessment and written examination components would be required without minimum thresholds within the individual continuous assessment and written examination.

Most modules in the structure are **yearly modules** which are taught over a period of two semesters but examined at the end of the second semester only. There are continuous assessments over the period of two semesters and the written examination will be of a duration of 3 hours for a yearly module of 6 credits.

Some modules in the structure are run over 15 weeks and carry 3 credits. The assessment of such modules will consist of continuous assessment and an examination of a duration of 2 hrs at the end of the semester in which the module is run.

Practical Training (ACF 3000) of at least 4 months' duration must be satisfactorily completed for the award of the degree. Such requirement may be waived for part-time students currently in employment.

Submission Deadline for dissertation: end of March in the final year of the programme.

9. Termination of Registration

If the CPA of a student is < 40 for an academic year, s/he will have to repeat the entire academic year, and retake modules as and when offered. However, s/he will not be required, if s/he wishes, to retake module(s) for which Grade C or above has been obtained.

Students will be allowed to repeat only once over the entire duration of the Programme of Studies.

Registration of a student will be terminated if

- (i) the CPA < 40 at the end of an academic year and the student has already repeated one year of study; or
- (ii) the maximum duration allowed for completion of the Programme of Studies has been exceeded.

10. List of Modules - BSc (Hons) International Business Finance

CORE MODULES

Code	Module Name	Hrs/Wk	Credits
		L+P	
ACF 2006(3)	Principles of Taxation	3+0	3
ACF 3000	Practical Training	-	0
ACF 3004(5)	Business and International Taxation	3+0	3
CSE 1010e(1)	Introduction to IT*	O.E.	3
DFA 1002Y(1)	Financial Theory and Practice	3+0	6
DFA 1020Y(1)	Accounting and Financial Analysis	3+0	6
DFA1233(1)	Quantitative Finance I	3+0	3
DFA 2033Y(3)	Quantitative finance II	3+0	6
DFA2034Y(3)	Investment and Security Analysis	3+0	6
DFA2035Y(3)	Business Finance Decision-making	3+0	6
DFA2036 (3)	Multinational Enterprise	3+0	3
DFA2137(3)	International Trade Financing	3+0	3
DFA2222(3)	Research Methods for Finance	3+0	3
DFA 3006Y(5)	International Finance	3+0	6
DFA3012Y(5)	Option Strategies and Applied Financial Modelling	3+0	6
DFA 3099Y(5)	Dissertation	-	6
DFA3136(5)	Regionalism and Developing Countries	3+0	3
DFA 3200(5)	International Accounting for Business	3+0	3
ECON 1194(1)	Economic Environment	3+0	3
MGT 1111(1)	Organisation & Management	D.E.	3
LAWS 1007Y(1)	Foundations of Mauritian Law	3+0	6
LAWS 3001Y(5)	International Economic Law	3+0	6
MGT3110(5)	International Business	3+0	3
MGT XXXX	Corporate Ethics and governance	3+0	3
MGT XXXX	Business Strategy	3+0	3

11. Programme Plan - BSc (Hons) International Business Finance

Note for modules carrying asterisk(s):

* These are 3-credit modules, which will be run during and examined at the end of the first semester.

** These are 3-credit modules, which will be run during and examined at the end of the second semester.

YEAR 1

Code	Module Name	Hrs/Wk L+P	Credits
CORE			
DFA 1020Y(1)	Accounting and Financial Analysis	3+0	6
DFA1233(1)	Quantitative Finance I**	3+0	3
MGT 1111(1)	Organisation & Management*	D.E.	3
DFA 1002Y(1)	Financial Theory and Practice	3+0	6
CSE 1010e(1)	Introduction to IT*	O.E.	3
ECON 1194(1)	Economic Environment*	3+0	3
LAWS 1007Y(1)	Foundations of Mauritian Law	3+0	6
ACF 2006(3)	Principles of Taxation**	3+0	3

YEAR 2

Code	Module Name	Hrs/Wk L+P	Credits
CORE			
DFA 2033Y(3)	Quantitative finance II	3+0	6
DFA2034Y(3)	Investment and Security Analysis	3+0	6
DFA2035Y(3)	Business Finance Decision-making	3+0	6
DFA2036 (3)	Multinational Enterprise	3+0	3
DFA2137(3)	International Trade Financing*	3+0	3
ACF 3004(5)	Business and International Taxation*	3+0	3
DFA2222(3)	Research Methods for Finance **	3+0	3
MGT XXXX	Corporate Ethics and governance	3+0	3

YEAR 3

Code	Module Name	Hrs/Wk L+P	Credits
CORE			
DFA 3006Y(5)	International Finance	3+0	6
LAWS 3001Y(5)	International Economic Law	3+0	6
DFA3012Y(5)	Option Strategies and Applied Financial Modelling	3+0	6
MGT3110(5)	International Business	3+0	3
MGT XXXX	Business Strategy	3+0	3
DFA 3200(5)	International Accounting for Business**	3+0	3
DFA3136(5)	Regionalism and Developing Countries*	3+0	3
DFA 3099Y(5)	Dissertation	-	6

Note 1: It is compulsory for students to complete a dissertation of 10,000 to 12,000 words. This dissertation should start in Year 3, carrying 6 credits.

Note 2: Students will have to complete a 3-credit General Education Module (GEM) over the three years of Programme of Studies. List of GEMs will be posted on Faculty Notice Boards at the start of every semester.

Total Number of Core Yearly Modules:	12 (6 credits per module)
Total Number of Core Semester Modules excluding GEM:	10 (3 credits per module)
GEM:	1(3 credits)

As follows:

	CORE		ELECTIVE		GEM
	Yearly	Semester	Yearly	Semester	
Year 1	3	5	-	-	
Year 2	4	3	-	-	
Year 3	5	2	-	-	
TOTAL	12	10	-	-	1

Note: Electives are subject to: (i) Availability of resources & (ii) minimum critical mass of students for the elective.

12. Outline Syllabus

ACF 2006(3) - PRINCIPLES OF TAXATION

Principles & Practice of Income Tax relating to individuals; Societies and Companies; Value Added Tax; Administration and procedures in relation to assessments; Objections and appeals.

ACF 3004(5) - BUSINESS & INTERNATIONAL TAXATION

Principles & Practice; The Schedular System; Income Tax Matters Affecting Businesses; Capital Allowances; Treatment of Losses; Corporation Tax – System, Computation, Assessment; Corporation Tax – Losses; Capital Gains Tax; Value Added Tax; Taxation of International Businesses; Residence and its implications; Assessment of Companies Trading Internationally Overseas Subsidiaries; Foreign-Controlled Companies; Tax Treaty System; Double Taxation

CSE 1010e(1) - INTRODUCTION TO INFORMATION TECHNOLOGY

IT and Computers; Stepping in the Computer; Input and Output Devices; Secondary Storage; Programming; Systems Software; Applications Software; Systems Development; Computer Networks; The Internet; Computer Security; Software Utilities; Issues and Trends in IT.

DFA 1002Y(1) - FINANCIAL THEORY AND PRACTICE

The financial system; Capital markets; An Analysis of the Mechanisms of the Financial System in the economy: Theory and Current Statistics; Time value of money; Capital Budgeting: an introduction; Valuation of Financial Assets; Bond analysis: an introduction; Risk, Return and Diversification; Efficient Market Hypothesis; Multinational Finance: an introduction; Consumption, Investment and the Capital Markets; Theory of choice: utility theory given uncertainty; State Preference Theory; Objects of choice: Mean variance uncertainty; Asset Pricing Theory, Agency Theory, Portfolio Theory.

DFA 1020Y(1) - ACCOUNTING AND FINANCIAL ANALYSIS

The Role of Accounting Information; Recording and Summarising Transactions; Accounting Concepts & Preparing Final Accounts; Adjustments to Final Accounts; Capital v/s Revenue Expenditure; Bank Reconciliation Statement; Accounting Ratios & interpretation Techniques; Introduction to Group Accounting & related issues; Accounting for Internal Decision Making Techniques; Elements of Cost; Costing Methods & Techniques; Decision Making Techniques; Accounting for Manufacturers; Budgets; Regulatory Framework for Company financial Reporting; Understanding Published Annual Reports; Corporate Failures Prediction; Forecasting & Valuing Businesses; Earnings Management.

DFA1233(1)- QUANTITATIVE FINANCE I

Principles of Calculus; Matrix Algebra; Concepts of Probability; measures of location and spread; correlation analysis; Index numbers; Time series analysis of data: Exponential smoothing; Applications of Term Structure of Interest Rate; Applications of Market Prediction; Utility Functions; Annuities: future and present values; Amortization and Mortgage payments; Money-market securities; Yield calculations; Risk and return measures.

DFA 2033Y(3) – QUANTITATIVE FINANCE II

Simple and Multiple Regression Models: Assumptions, Estimation and Inference; Alternative Functional Forms; Breakdown of Classical Assumptions: Multicollinearity, Autocorrelation, Heteroscedasticity; Dummy Variables; Introduction to forecasting using Time Series Models, crosssectional and panel data

model ; Applications include: Business Projections, Seasonality in Business, CAPM, volatility of share returns, quality of earnings, capital structure and dividend policy and EMH testing.

DFA 2034Y(3) – INVESTMENT AND SECURITY ANALYSIS

Introduction to Portfolio Management: Market Indices, Uses of Indices, Mutual Funds, Growth Funds, Index Funds, Hedge Funds, Equity- Traded Funds, Closed-ended Funds versus Open-ended Funds; Different tools for risk and return measurements; Optimal Portfolio Theory: Risk and Return, Correlation structure and diversification; Portfolio management and Efficient Market Hypothesis: Technical and Fundamental Analysis and its implications on investment; Active and Passive Portfolio Management; Asset Allocation framework; Types of performance measurement tools; Applied Portfolio Models using Excel; Overview of Fixed income securities; Bond pricing and return measures; Risks associated with investing in Fixed Income Securities; Price volatility characteristics of fixed income securities; Convexity; Bond Immunisation Strategies

DFA 2035Y(3) - BUSINESS FINANCE DECISION MAKING

The business Finance Environment: The role of business finance, business organisation and role of directors, agency problem between shareholders and managers; Investment appraisal methods and risks; Risks and Return; Asset Pricing Models: APT and CAPM and Empirical Evidence; Capital Market Efficiency; Stock Market Anomalies; Gearing, Cost of Capital and Shareholder's wealth; Leasing; The dividend decision: Theory and Empirical Evidence; Corporate Restructuring (Mergers, Takeovers and Divestment); Bonds and the term structure of interest rates; Introduction to Derivatives: Forwards, Futures, Swaps and Options; International issues in business finance.

DFA 2036 (3) - MULTINATIONAL ENTERPRISE

Internalisation and non-equity of international involvement; transaction costs and the theory of the multinational enterprise; mergers and theory of FDI; conventional theory and unconventional multinationals: do new forms of multinational enterprise require new theories; the eclectic theory of the multinational enterprise and the international hotel industry; regional offices in multinational firms; industrial co-operation, joint ventures and the MNE in Mauritius; Macroeconomic theories of FDI: an assessment; foreign bank entry south Africa and Mauritius; Technology Transfer Relief; Anti-Avoidance Legislation, the OECD model, International Tax Planning.

DFA2137(3) - INTERNATIONAL TRADE FINANCING

Trade financing instruments: Documentary credit, courier trade, factoring, pre-shipment financing, post-shipment financing, buyers credit, suppliers credit; Export credit insurance; export credit guarantees; the role of government in trade financing: Central Bank refinancing schemes, EXIM Bank, Export credit insurance agencies, support from trade promotion organizations, export development corporations and state owned enterprise.

DFA 2222Y(3) - RESEARCH METHODS FOR FINANCE

The research proposal and issues; Plagiarism; Referencing; Validity and Cause and Effect Relationships in research; Questionnaire Designs: Content, Wording, Placement issues; Sampling Methods: Probability and Non-Probability Sampling; The Use of Software in Research: Coding, Data Preparation, Input, Descriptive Statistics (Mean, etc), Frequencies and Charts, Cross Tabulations, Correlations, Parametric testing and Non-parametric testing; Regression Analysis; Empirical Studies in Finance.

DFA 3006Y(5) - INTERNATIONAL FINANCE

The International Monetary System; Using Balance of Payments Data; The Foreign Exchange Market; International Parity Conditions; Foreign Currency Options; Measuring and managing foreign exchange exposure; Internal and external techniques of exposure management; Interest rate exposure; Capital and Ownership structure; Global cost of capital; Capital markets and other sources of funding for the global firm; Corporate strategy and Foreign Investment Decisions; Taxation issues; Political Risk Management; Managing Multinational Operations; Working Capital Management; Import and export Financing; issues in International Finance.

DFA 3012Y(5) - OPTION STRATEGIES AND APPLIED FINANCIAL MODELLING

The markets for options; Put-Call Parity Relationships; Theoretical Pricing Models: The binomial Model and the B-S Model; Index options; Stock options, Currency options; Option Values and Changing Market conditions (delta, theta, gamma, vega, rho); Hedging with options; Protective calls and puts; portfolio

insurance; Forward and Futures Markets and their use for hedging; Currency and Interest Rate Swaps; Value at Risk; Applied Financial Modelling: Options modelling and Value at Risk using Excel.

DFA 3099Y(5) - DISSERTATION

The assessment of final year project will be based on the implementation of a computerised solution to a real-life or research-oriented problem and the submission of a report. The length of the report should be in the range of 10,000–12,000 words.

DFA3136(5) -REGIONALISM AND DEVELOPING COUNTRIES

Why do countries engage in RTAs, trends in RTA formation, Economic Effects of RTAs, RTAs, economic growth and development, empirical methods to assess impact of RTAs, Interface between RTAs and WTO, RTAs regulatory activities outside WTO, negotiating RTAs, using international database to analyse RTAs, simulation exercise

DFA3200(5) -INTERNATIONAL ACCOUNTING FOR BUSINESS

The Context of International Accounting. International Accounting Harmonisation. Multinational Corporations: External Reporting and Disclosure. Setting Accounting Standards, Diversity in accounting practices; the IASB framework, Understanding financial statements prepared under IAS/IFRS:Revenue Recognition; Reporting Financial Performance; Presentation of Financial Statements: Property, plant and equipment, Investments, Inventories; Operating and Finance Leases; intangible assets; Earnings per Share. Rationale for Group Financial Statements; Fair Values and Goodwill; Accounting for Subsidiary Undertakings; Foreign Currency Translation and Transactions; Interpretation of financial statements of individual companies and groups.

ECON 1194(1) - ECONOMIC ENVIRONMENT

Demand and Supply. Production and Costs. Market Structures and Pricing of Financial Services. Regulation and Efficiency. Financial Market Failures. Information. Growth of Financial Services Industry. Macroeconomics Objectives and Policies. Money and Inflation. Monetary Policy and Financial Policy. Balance of Payments and Exchange Rate. Regional and Financial Integration.

MGT 1111(1) - ORGANISATION & MANAGEMENT

Management Concepts and Functions. Development of Management Theories. The Internal and External Environments of the Organisation. Social Responsibility and Ethics in Management. Managerial Decision Making. The planning process. The nature of Organisation Structure. Organisational Control. Contemporary issues in Management. Management in Future.

MGT XXXX - CORPORATE ETHICS AND GOVERNANCE

Brief overview of ethics philosophies (teleology, deontology, justice theories, ethical relativism – what constitutes good governance in the corporate world – stakeholder and stockholder theory – the social duty versus the economic duty of business – implications of Friedman’s theory – individual ethics versus corporate ethics – difference between codes of ethics and the legislation – how to distinguish between right and wrong behaviour – why moral questions arise in the business corporation – bribery in the context of business – gifts versus bribes – implications of gifts in the corporate world – why there is an ongoing debate on whether ethics can or should be taught - profit maximisation v/s other corporate objectives - personal v/s corporate ethics – whistle blowing – impact of poor governance on business.

MGT3110(5) - INTERNATIONAL BUSINESS

Globalisation; Differences in Political Economy; International Trade Theory; Foreign Direct Investment; Regional Economic Integration; Foreign Exchange; International Monetary system; Strategy of International Business; Entry Strategy and Strategic Alliance; Global Marketing and R & D; Financial Management in International Business; International Relations.

MGT XXXX - BUSINESS STRATEGY

Understanding Strategic Management concepts and applications, The Strategic Management Process, Mission and vision statement, Environmental scanning: SWOT analysis, Resource based view of the firm, Competitive Analysis, Porters five forces model; Identification of core competences and critical success factors; Growth strategies, competitive strategies & functional strategies; Strategic Analysis and choice;

Strategy implementation (organisation structure, employee empowerment, reward systems, culture, leadership); Strategic control and continuous improvement, Case study techniques.

LAWS 1007Y(1) - FOUNDATIONS OF MAURITIAN LAW

The Historical Background of Mauritian Law – Impact of English Law and French Law and other Legal Systems – Features of a mixed law system. Various branches of law – Public law and Private Law and sub division thereof; Civil Process and Criminal Process; Organisation of Courts; The legal profession and Judiciary; Meaning of Law; Nature of law; Law and Social Sciences; Law and Morality and other Normative System; Sources of Law; Constitution, Legislation, Subsidiary legislation, Customs, Books of Authority, Common Law and Equity; Case-law – Interpretation of cases; Statutory interpretation; Legal Thoughts and Legal Reasoning; Les droits subjectifs – les droits patrimoniaux et les droits extrapatrimoniaux, les sources de droits; Les personnes physiques et les personnes morales; Introduction au droit des contrats et à la responsabilité délictuelle.

LAWS 3001Y(5) - INTERNATIONAL ECONOMIC LAW

Relations; GATT; WTO; Regulation of Imports and Exports; International Economic Organisation; BIRD; World Bank; IMF; International Contracts; Financing of International Trade; Letters of Credit and other mode of payment; Transport; Insurance and Bill of Lading; Resolution of Disputes; LOME/COTONOU Convention; Regionalisation European Union/NAFTA; COMESA/SADC.

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