



International Financial Management	
Course number	2531
Lecturer	Prof. Dr. Weber
ECTS	6
Number of semester hours	4
Type	Compulsory Module
Duration	1 Term
Prerequisites	Recommended: Basic knowledge of finance and willingness to refresh these topics if needed.
Type of exam	Written Exam (120 min.) Additional voluntary bonus achievements (improve grades below 1,0 or at least 4,0 by one small grade step §14 APO): A successful 10-minute presentation at the end of the semester (the organizational procedure will be announced at the beginning of the semester).
Objectives	Upon completion of this module, students will be able to: <ul style="list-style-type: none"> ▪ structure and evaluate key finance decisions from both an investor and corporate perspective in an international setting, ▪ apply no-arbitrage principles and the time value of money to international investment and financing decisions, ▪ analyze and compare interest rates, term structures, credit risk and bond valuation across markets, ▪ implement risk measurement, diversification and mean-variance portfolio selection using international asset classes and data, ▪ use CAPM and selected multi-factor models to derive expected returns, cost of capital and global risk drivers, ▪ critically assess market efficiency and behavioral finance and derive implications for investment decisions, ▪ compare equity and firm valuation approaches across countries and incorporate sensitivities, ▪ evaluate capital structure and payout policy under country-specific institutional settings, ▪ communicate results professionally, including transparent assumptions and limitations.
Content	The module provides an application-oriented foundation in finance with a strong international perspective. Building on core valuation and asset-pricing concepts, it discusses differences across capital markets, risk premia and corporate financing practices using cases and comparative data. Key topics include: <ul style="list-style-type: none"> ▪ no-arbitrage with international cases, ▪ interest rates, credit risk and bond valuation in a cross-country setting, ▪ risk measurement and diversification (systematic/unsystematic risk, portfolio formation) with international investment opportunities, ▪ mean-variance analysis (efficient frontier, optimal portfolios) and international diversification benefits with data applications, ▪ CAPM and multi-factor models (beta, factor premia, global return drivers) for expected returns and cost-of-capital estimates, ▪ market efficiency and behavioral finance based on international evidence, ▪ equity valuation (dividend/cash-flow models and multiples) including international valuation differences, ▪ corporate capital structure and cost of capital under country-specific institutional settings, ▪ payout policy (dividends, share repurchases) and international differences in payout strategies.

	Selected mathematical elements (e.g., sensitivities, risk and factor measures) are deepened and practiced in exercises and data-driven applications.
International applicability	The course is international in its very nature: valuation and asset-pricing concepts are applied to global capital markets. Differences across countries (e.g., interest-rate environments, credit markets, risk premia, financing and payout practices) are analyzed using international cases and comparative data.
Bibliography	Berk, J.; DeMarzo, P.: Corporate Finance, Global Edition, 6th ed. Brealey, R.; Myers, S.; Allen, F.: Principles of Corporate Finance, 2025 edition. Lecture slides, exercises, and case studies (provided via Moodle). In addition, selected peer-reviewed journal articles and current market/policy reports (e.g., IMF, World Bank, BIS, OECD) are provided to discuss international evidence, institutional differences, and model limitations.
Forms of instruction	Lectures
Workload	<ul style="list-style-type: none"> ▪ 60h contact time ▪ 120h self-study ▪ 180h workload
Language of instruction	English
Availability	Summer semester