I then outline the key decision areas in international financial management: foreign exchange risk management, managing working capital and the internal financial system, financing foreign units, capital budgeting, and evaluation and control. I emphasize the additional parameters that MNC financial executives must cope with, including multiple currencies, rates of inflation, tax systems, and capital markets, as well as foreign exchange and political risks. Suggested answers to The debate over outsourcing. What are the pros and cons of outsourcing? Also, firms may become multinational to keep domestic customers that have moved abroad or to exploit financial market imperfections. These are elaborated below. search for raw materials.
Focused on real-life decision making in an international context, this text demystifies and simplifies multinational financial management in a clear, conceptual framework. The approach is to treat international financial management as a natural and logical extension of the principles and valuation framework provided by domestic corporate financial management to account for Focused on real-life decision making in an international context, this text demystifies and simplifies multinational financial management in a clear, conceptual framework. 1 Introduction: Multinational Enterprise and Multinational Financial Management 2. 2 The Determination of Exchange Rates 52. 3 The International Monetary System 88. 4 Parity Conditions in International Finance and Currency Forecasting 138. 5 The Balance of Payments and International Economic Linkages 183. 6 Country Risk Analysis 214. Part II Foreign Exchange and Derivatives Markets 255. New Alternate Brief Edition available which will mirror the contents of the previously published Shapiro, Foundations of Multinational Financial Management 6th edition. ABOUT. About us.