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## General Information

<table>
<thead>
<tr>
<th>Unit convenor and teaching staff</th>
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<tbody>
<tr>
<td><strong>Convenor</strong></td>
<td></td>
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<tr>
<td>Kim Hawtrey</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:kim.hawtrey@mq.edu.au">kim.hawtrey@mq.edu.au</a></td>
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<tr>
<td><strong>Refer to iLearn</strong></td>
<td></td>
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<tr>
<td>Angela Chow</td>
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</tr>
<tr>
<td><a href="mailto:angela.chow@mq.edu.au">angela.chow@mq.edu.au</a></td>
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<table>
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<tr>
<th>Credit points</th>
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<table>
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<th>Prerequisites</th>
<th>ACST603 or ECON649</th>
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<table>
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<th>Corequisites</th>
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<th>Co-badged status</th>
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### Unit description

This unit applies finance theory to the context of operational decision-making and risk management in banking and financial intermediation. The major decision areas for banking management are covered within a regulatory and corporate responsibility framework. The major global financial risks of financial intermediation considered are interest rate risk, credit risk, liquidity risk, foreign exchange risk and market risk.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at [http://students.mq.edu.au/student_admin/enrolmentguide/academicdates/](http://students.mq.edu.au/student_admin/enrolmentguide/academicdates/)

## Learning Outcomes

1. Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.
2. Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.
3. Be able to apply relevant techniques to measure and manage those risks.
4. Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions.

**General Assessment Information**

It is the responsibility of students to view their marks for each within session assessment on iLearn within 20 working days of posting. If there are any discrepancies, students must contact the unit convenor immediately. Failure to do so will mean that queries received after the release of final results regarding assessment marks (not including the final exam mark) will not be addressed.

Assessment criteria for all assessment tasks will be provided on the unit iLearn site.

**Assessment Tasks**

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Due</th>
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</thead>
<tbody>
<tr>
<td>Essay</td>
<td>20%</td>
<td>16 March 2017</td>
</tr>
<tr>
<td>Mid semester test</td>
<td>20%</td>
<td>6 April 2017</td>
</tr>
<tr>
<td>In-class group presentation</td>
<td>10%</td>
<td>25 May 2017</td>
</tr>
<tr>
<td>Final exam</td>
<td>50%</td>
<td>Final exam period</td>
</tr>
</tbody>
</table>

**Essay**

Due: **16 March 2017**

Weighting: **20%**

Essay

Due: **16 March 2017 (6-9pm)**

Weighting: **20%**

In-class hand-written essay

No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for disruption of studies is made and approved. No submission will be accepted after solutions have been posted.

Please use this assessment as an indicator of whether you are progressing satisfactorily in the unit. If you are having difficulties, please see the Unit Convenor and consider withdrawing before the census date on Friday of week 4.

This Assessment Task relates to the following Learning Outcomes:
• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions

• Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions

This Assessment Task relates to the following Learning Outcomes:

• Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.

• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.

Mid semester test

Due: 6 April 2017
Weighting: 20%

Mid semester test

Due: 6 April 2017 (6-8pm)
Duration: 2 hours
Weighting: 20%

Multiple choice test

No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for disruption of studies is made and approved. No submission will be accepted after solutions have been posted.

This Assessment Task relates to the following Learning Outcomes:

• Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.

• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions

• Be able to apply relevant techniques to measure and manage those risks

This Assessment Task relates to the following Learning Outcomes:
• Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.
• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.
• Be able to apply relevant techniques to measure and manage those risks.

In-class group presentation
Due: 25 May 2017
Weighting: 10%

Due: 25 May 2017 (6-9pm)
Weighting: 10%

No extensions will be granted. Students who have not submitted the task prior to the deadline will be awarded a mark of 0 for the task, except for cases in which an application for disruptions to studies is made and approved.

Group work learning outcome: Students will be able to explain and critically evaluate the assigned section of selected material from Lange & Saunders chapter 18.

This Assessment Task relates to the following Learning Outcomes:
• Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions

Final exam
Due: Final exam period
Weighting: 50%

Due: Final exam period
Weighting: 50%

Duration: 2 hours

Final (closed book) exam comprising multiple choice and essay style questions.

This Assessment Task relates to the following Learning Outcomes:
• Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions

• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions

• Be able to apply relevant techniques to measure and manage those risks

• Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions

This Assessment Task relates to the following Learning Outcomes:

• Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.

• Be able to apply relevant techniques to measure and manage those risks.

• Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions.

Delivery and Resources

AFIN803 - Banking and Financial Intermediation

UNIT OVERVIEW

Banking and finance institutions today have evolved into complex organisms that play a centrally important role in the modern economy. The management of financial corporations is a highly specialised task with many unique aspects. And the success (or failure) of banks carries the potential for significant ramifications in the markets for goods, services and labour across the wider macroeconomy.

This course: * outlines the structure of the Australian finance industry * studies the nature of the banking system and the issues it raises * analyses the risks of banking and how to manage them effectively * examines banking theory, especially performance and productivity * examines the role financial institutions can play in a country’s development * puts these in the context of official supervision and surveillance

The course is designed to equip those who will work in banking, securities or government. The learning outcomes focus on the application of finance techniques to analyse and manage risks in financial institutions. Outcomes integrate knowledge from other core units in the Master of Banking and Finance. Upon completion you will be equipped to demonstrate an advanced level of theoretical knowledge relevant to financial and banking systems, including regulations and procedures affecting the sector, capital budgeting practices, financial asset valuation
techniques, portfolio theory, risk and risk management. You will be able to critically evaluate and appraise complex banking and financial problems.

ENQUIRIES

Students can receive help with study skills, lecture content, essay resources, assessment, etc. If you have general enquiries about the course, or specific enquiries about course content, assessment etc please contact the lecturer. In the first instance, it is best to email and we will seek to reply promptly. If urgent, leave a message with your name and telephone number so that staff can call back.

CLASS TIMETABLE Students attend three classroom hours per week, comprising lectures using a mix of theory and practical applications, delivered in the following session: Thursday 6-9 p.m. Students are expected to attend the full quota of lectures; all the material covered in class is examinable.

BEFORE EACH CLASS: Download the lecture slides for that week from iLearn, prior to the session, print and bring with you to class.


Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central. Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html


Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.

In addition, a number of other policies can be found in the Learning and Teaching Category of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Results

Results shown in iLearn, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your
Unit guide AFIN803 Banking and Financial Intermediation

student email address and will be made available in eStudent. For more information visit ask.mq.edu.au.

Supplementary exams
Information regarding supplementary exams, including dates, is available at: http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/special_consideration

Student Support
Macquarie University provides a range of support services for students. For details, visit http://students.mq.edu.au/support/

Learning Skills
Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

• Workshops
• StudyWise
• Academic Integrity Module for Students
• Ask a Learning Adviser

Student Enquiry Service
For all student enquiries, visit Student Connect at ask.mq.edu.au

Equity Support
Students with a disability are encouraged to contact the Disability Service who can provide appropriate help with any issues that arise during their studies.

IT Help
For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University’s IT, you must adhere to the Acceptable Use of IT Resources Policy. The policy applies to all who connect to the MQ network including students.

Graduate Capabilities
PG - Discipline Knowledge and Skills
Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:
Learning outcomes

- Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.
- Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.
- Be able to apply relevant techniques to measure and manage those risks.

Assessment tasks

- Essay
- Mid semester test
- Final exam

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Be able to explain and use the techniques of financial management to analyse the performance of bank and non-bank financial institutions.
- Be able to apply analytical skills to the interpretation of risks confronted by financial institutions.
- Be able to apply relevant techniques to measure and manage those risks.

Assessment tasks

- Essay
- Mid semester test
- Final exam

PG - Effective Communication

Our postgraduates will be able to communicate effectively and convey their views to different social, cultural, and professional audiences. They will be able to use a variety of technologically supported media to communicate with empathy using a range of written, spoken or visual formats.

This graduate capability is supported by:
Learning outcome

• Be able to determine and critically evaluate the implications of strategic decisions for the profitability, liquidity, balance sheet structure and capital adequacy of financial institutions.

Assessment task

• In-class group presentation