



AFIN899

Current Issues in Banking and Finance

S1 Evening 2019

Department of Applied Finance

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General Information

Unit convenor and teaching staff

Unit Convenor

Lurion De Mello

lurion.demello@mq.edu.au

Contact via Email

E4A 515

Please refer to iLearn

Credit points

4

Prerequisites

Admission to MBkgFin and 48cp at 600 level or above

Corequisites

Co-badged status

Unit description

This unit provides students with the opportunity to integrate and advance their knowledge of banking and finance with an international focus. The unit's research and case-based topics will equip students to apply their analytical, critical and interpersonal skills to complex and contemporary real world problems, and to develop their communication skills and professional judgment. The assessment tasks of this unit will enable students to further develop and reflect on the development of the graduate capabilities and how these have been achieved within their degree.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity

Create awareness of the new era of Fintech and its impact on financial and banking services.

Become aware of the current tools and techniques used in the hedge fund industry and

the quantitative methods used.

Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Apply financial modelling techniques relevant to the project finance industry.

General Assessment Information

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

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 Tasks

Name	Weighting	Hurdle	Due
<u>Tutorial Homework</u>	15%	No	See Task Description
<u>Assignment</u>	20%	No	5pm on 12th of April 2019
<u>In-Class Test</u>	25%	No	6pm 8th April 2019
<u>Final Exam</u>	40%	No	See Examination Timetable

Tutorial Homework

Due: **See Task Description**

Weighting: **15%**

Task Description:

This task will comprise of questions based on material covered in Week 1, Week 2 & Week 3 of the course. Each Week is worth 5% giving a total of 15% for the three weeks. The questions will be short answer type and some parts will require students to use MS Excel, and Thomson Reuters Eikon platform particularly it's Fixed Income module. Thomson Reuters is a data platform used in the industry and exposure to it will give you hands on experience that will add value to your skill set.

Due Date and Time:

Week 1 - 2nd March 2019 10.30am

Week 2 - 9th March 2019 10.30am

Week 3 - 16th March 2019 10.30am

Type of Collaboration: Individual **Submission:** via iLearn **Format:** Short Answer Questions
Length: N/A **Inherent Task Requirements:**

Ability to work in Microsoft Excel environment & completing Thomson Reuters Eikon training modules.

Late Submission:

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 special consideration is made and approved.

On successful completion you will be able to:

- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Assignment

Due: **5pm on 12th of April 2019**

Weighting: **20%**

Task Description:

This assessment targets the understanding of the operations of the Fixed Income Market. It comprises of analysing real market bond data obtained from the Thomson Reuters Eikon platform. **An assignment document with further details along with a marking guide will be uploaded on the ilearn site.**

Type of Collaboration: Individual **Submission:** via iLearn **Format:** Please refer to the ilearn Unit page **Length:** No precise requirement **Inherent Task Requirements:**
Ability to work in Microsoft Excel environment & in using Thomson Reuters Eikon.

Late Submission:

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 special consideration is made and approved. No submission will be accepted after solutions have been posted.

On successful completion you will be able to:

- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

In-Class Test

Due: **6pm 8th April 2019**

Weighting: **25%**

Task Description:

This assessment is based on material covered from week 1 to 6 of the course. You are not permitted to bring in any notes or reference material to the test. Any essential formulas will be provided.

Type of Collaboration: Individual **Submission:** completed during class time **Format:** Please refer to the ilearn Unit page **Length:** 2 hrs **Inherent Task Requirements:** None

Late Submission:

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 special consideration is made and approved.

On successful completion you will be able to:

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Final Exam

Due: **See Examination Timetable**

Weighting: **40%**

Task Description:

The final exam will be based on topics covered from Week 9 to Week 13. Further information will be communicated in week 12. It will be closed book.

Type of Collaboration: Individual **Submission:** At Exam Venue **Format:** Please refer to the ilearn Unit page **Length:** 2hrs and 30 minutes **Inherent Task Requirements:** None

Late Submission:

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 special consideration is made and approved.

On successful completion you will be able to:

- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and

the quantitative methods used.

- Apply financial modelling techniques relevant to the project finance industry.

Delivery and Resources

Classes

Lecture timings: See timetable <https://timetables.mq.edu.au/2019/>

The campus map is downloadable from <https://www.mq.edu.au/about/contacts-and-maps/maps>

Classes in AFIN899 are composed of a three-hour seminar. Unit materials are learnt by attending lectures, interactions with practitioners and through independent learning.

Students please note that due to confidentiality the lecture recordings will not be available to students so it is highly recommended that you attend class each week. Lecture slides will be distributed either prior or after the class and are at the discretion of the guest lecturer.

Required and Recommended Texts and Materials

There are no required or recommended texts for AFIN899. Notes for each of the topics will be made available via iLearn.

Technology Used and Required

Non-programmable calculators with no text-retrieval functionality are permitted. Calculators that have a full alphabet on the keyboard are not permitted. Graphics calculators are not permitted. Calculators need the following minimum functionality: xy or x , $1/x$, x and \log or \ln functions, and a memory. Non-programmable financial calculators are permitted but it is not a requirement to use a financial calculator.

iLearn is an online program available at <https://ilearn.mq.edu.au/login/MQ/> through which students will be able to access resources such as lecture notes and lectures to assist them throughout the semester. The discussion forum environment will be extensively used to allow students to interact with each other.

Unit Web Page

Course material is available on the learning management system at <http://ilearn.mq.edu.au>

You are strongly encouraged to visit the website regularly and use it as a resource centre to assist with your learning.

If you are unable to access the internet site because you are not aware of or have forgotten your username and password, please contact the IT helpdesk. All information is available at <http://informatics.mq.edu.au/help/>

With regards to assistance in using iLearn, please visit the following link.

http://www.mq.edu.au/iLearn/student_info/index.htm

You can follow the tabs on the left, i.e., "Getting Started" and "Access iLearn."

Please remember to logout when you have finished using iLearn. Failure to do so could result in

unauthorised access to your iLearn account.

Unit Schedule

Teaching Day	Topic
Week 1 25-Feb	Applied Fixed Income analysis: Corporate Bonds
Week 2 4-Mar	Applied Fixed Income analysis: Structured Credit Securities
Week 3 11-Mar	Applied Fixed Income analysis: Credit Portfolio Management
Week 4 18-Mar	Bank Treasury Risk Management
Week 5 25-Mar	Non-Traditional Investments
Week 6 1-Apr	Managing Risk using FX
Week 7 8-Apr	In-Class Test (2 hrs)
15-Apr	Session Recess
22-Apr	Session Recess
Week 8 29-Apr	Financial Modelling and Project Finance
Week 9 6-May	Energy Market Transition and Risk Management: Reliability and Security
Week 10 13-May	Systemic Risk in Australian Banking

Week 11 20-May	Quantitative Equity Portfolio Management
Week 12 27-May	Hedge Funds and Alternative Investment Strategies
Week 13 3-Jun	The Rise of Fintech
11-Jun	Exams commence

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central>). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#) (**Note:** *The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.*)

Undergraduate students seeking more policy resources can visit the [Student Policy Gateway](https://students.mq.edu.au/support/study/student-policy-gateway) (<https://students.mq.edu.au/support/study/student-policy-gateway>). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/study/getting-started/student-conduct>

Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) 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 student email address and will be

made available in [eStudent](#). For more information visit ask.mq.edu.au or if you are a Global MBA student contact globalmba.support@mq.edu.au

Supplementary exams

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

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 Services and 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.

Student Enquiries

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

If you are a Global MBA student contact globalmba.support@mq.edu.au

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

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and the quantitative methods used.
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets
- Apply financial modelling techniques relevant to the project finance industry.

Assessment tasks

- Tutorial Homework
- Assignment
- In-Class 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

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and the quantitative methods used.
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets
- Apply financial modelling techniques relevant to the project finance industry.

Assessment tasks

- Tutorial Homework

- Assignment
- In-Class Test
- Final Exam

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

Learning outcomes

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Assessment tasks

- Tutorial Homework
- Assignment

Changes from Previous Offering

There are no major changes from the previous offering.

Research and Practice

Students are exposed to practitioners who provide examples of some of the work that is undertaken in the industry. It provides students with opportunity to further investigate and research some of the material covered in the class. Students are made aware of some of the reference and research material used by the practitioners which adds further value in addition to the academic literature and industry reports available via the Macquarie University library.