



# AFIN8037

## Capital Markets

Session 1, Weekday attendance, North Ryde 2020

*Department of Applied Finance*

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## General Information

Unit convenor and teaching staff

Unit Convenor

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Credit points

10

Prerequisites

(Admission to MAppFin or MAppFin(Adv) or MFin or MActPrac) or (ACST603 or ACST6003 or AFIN858)

Corequisites

Co-badged status

Unit description

This unit provides an overview of the operation of the capital markets with evidence from Australian and international markets. The financial institutions are described and the securities offered by these institutions are reviewed. Emphasis is placed on the financial instruments available to companies and investors from the equity, debt and derivative markets.

## 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:

**ULO1:** Distinguish between various sectors of the financial market and the nature of financial assets.

**ULO3:** Explain the characteristics of corporate funding sources and the processes involved in raising funds.

**ULO4:** Review the complex interactions between the banks, government and central

bank.

**ULO2:** Identify the factors responsible for trends in regulation, the role of and the growth in the sources and uses of funds of the banking sector and non-bank financial institutions.

**ULO5:** Work productively in a group to undertake financial analysis.

## Assessment Tasks

### Coronavirus (COVID-19) Update

Assessment details are no longer provided here as a result of changes due to the Coronavirus (COVID-19) pandemic.

Students should consult [iLearn](#) for revised unit information.

[Find out more about the Coronavirus \(COVID-19\) and potential impacts on staff and students](#)

## General Assessment Information

It is the responsibility of students to view their marks for each within-session-assessment on iLearn within 20 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 tasks (not including the final exam mark) will not be addressed.

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

### Late submissions and extensions

Tasks 10% or less – 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.

Tasks above 10% - 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.

## Delivery and Resources

### Coronavirus (COVID-19) Update

Any references to on-campus delivery below may no longer be relevant due to COVID-19.

Please check here for updated delivery information: [https://ask.mq.edu.au/account/pub/display/unit\\_status](https://ask.mq.edu.au/account/pub/display/unit_status)

**Classes** There are twelve lectures and one in-class Mid-Semester test conducted over thirteen weeks in the following classes. The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/> It is an assessment requirement of this unit that students attend classes.

**Required text and/or materials** C. Viney, Financial Institutions, Instruments and Markets, McGraw-Hill, Seventh edition, 2013. The textbook may be purchased from the Macquarie University Co-op Bookshop, and students are advised to use the book to improve their understanding of the lectures. Older versions will do just fine.

**Technology Used and Required** Non-programmable calculators will be allowed in the mid-term test and the final exam. Students are advised to bring their calculators to class. You are expected to show all workings for your calculations. All calculations should be to two decimal places, and rounding should be left till the end. Excessive and premature rounding will be penalised.

**Unit web page** The course material is available in <http://ilearn.mq.edu.au>. Students are advised to check the unit website regularly, and ensure that all material posted on the website can be accessed without difficulties. If you are unable to access any of the materials on the website, check with your classmates first before notifying your lecturer of the problem.

## Unit Schedule

### Coronavirus (COVID-19) Update

The unit schedule/topics and any references to on-campus delivery below may no longer be relevant due to COVID-19. Please consult [iLearn](#) for latest details, and check here for updated delivery information: [https://ask.mq.edu.au/account/pub/display/unit\\_status](https://ask.mq.edu.au/account/pub/display/unit_status)

Week	Date	Topic	Text Chapter
1	24.2.20	A modern financial system.	1
2	2.3.20	Commercial banks.	2
3	9.3.20	Non-bank financial institutions. <b>In class Test (5%) covering topic 1, 2.</b>	3
4	16.3.20	The share market and corporations.	4
5	23.3.20	Issuing new equity & Investing in the share market.	5 and Ch.6 sections 1-3
6	30.3.20	Performance measurement, share pricing & forecasting in the equity market.	Ch. 6 sections 4-6, Ch. 7
7	6.4.20	Short term debt	9
<b>Break</b>	<b>13.4.20</b>	<b>Mid Semester Break, until 24.4.20</b>	
8	27.4.20	Medium to long term debt.	10

Week	Date	Topic	Text Chapter
9	4.5.20	In class test (30%) covering topics from week 1 to 8, plus questions related to the assignment.	
10	11.5.20	Futures contract and forward rate agreements.	19
11	18.5.20	Options. <b>Assignment due (15%).</b>	12
12	25.5.20	Government debt, monetary policy, and the payments system.	13
13	1.6.20	An introduction to interest rate determination and forecasting.	

## 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.*)

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](mailto:globalmba.support@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/disruption\\_to\\_studies](http://www.businessandeconomics.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](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to help you improve your marks and take control of your study.

- [Getting help with your assignment](#)
- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

## 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](mailto: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/](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.

## Changes since First Published

Date	Description
08/02/2020	Changes to order of assessments