



AFIN8037

Capital Markets

AFC term 1, Intensive attendance, North Ryde 2020

Department of Applied Finance

Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>General Assessment Information</u>	3
<u>Assessment Tasks</u>	3
<u>Delivery and Resources</u>	3
<u>Unit Schedule</u>	4
<u>Policies and Procedures</u>	5
<u>Changes since First Published</u>	7

Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff

Keith Woodward

keith.woodward@mq.edu.au

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:

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.

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.

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

Consultation: Teacher consultation times will be posted to iLearn.

Questions: Subject-related questions whose answer is useful to everyone should be posted to the iLearn discussion board. Questions of a personal nature can be sent to your teacher.

Extensions: No extensions will be granted to your assessments. Late tasks will be accepted up to 72 hours after the submission deadline. There will be a deduction of 20% 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 – 40% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved.

Marks in gradebook: 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.

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

Delivery and Resources

Classes

There are twelve lectures and one in-class Mid-Semester test conducted over the thirteen classes.

It is an assessment requirement of this unit that students attend classes.

Recommended text and 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 or any second hand market, and students are advised to buy 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 material 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

Lecture	Date & time	Topic	Readings
1	Morning Tue 7 Jan	A modern financial system	Ch.1 and lecture notes
2	Afternoon Tue 7 Jan	Commercial banks	Ch.2 and lecture notes
3	Morning Wed 8 Jan	Non-bank financial institutions. In-class test (5%) covering topics 1 and 2.	Ch.3 and lecture notes
4	Afternoon Wed 8 Jan	The share market and corporations.	Ch.4 and lecture notes
5	Morning Wed 22 Jan	Issuing new equity & investing in the share market.	Ch.5, Ch.6 sections 1-3 and lecture notes
6	Afternoon Wed 22 Jan	Performance measurement, share pricing & forecasting in the equity market	Ch.6 sections 4-6, Ch.7 and lecture notes

7	Morning Thu 23 Jan	Short-term debt.	Ch.9, and lecture notes
8	Afternoon Thu 23 Jan	Medium-to-long term debt.	Ch.10, and lecture notes
9	Morning Fri 24 Jan	Mid-session test (30%) covering topics 1 to 8, plus questions related to the assignment.	
10	Afternoon Fri 24 Jan	Futures contracts and forward rate agreements.	Ch.19, and lecture notes
11	Morning Tue 4 Feb	Options.	Ch.20, and lecture notes
12	Afternoon Tue 4 Feb	Government debt, monetary policy, and payments system.	Ch.12, and lecture notes
13	Morning Thu 6 Feb	An introduction to interest rate determination and forecasting.	Ch.13, and lecture notes

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/p) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/p>

[olicy-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

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 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

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.

Changes since First Published

Date	Description
25/12/2019	Staff contact updated.