



AFIN8006

Risk Management and Derivatives

Session 2, Special circumstances 2021

Department of Applied Finance

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Session 2 Learning and Teaching Update

The decision has been made to conduct study online for the remainder of Session 2 for all units WITHOUT mandatory on-campus learning activities. Exams for Session 2 will also be online where possible to do so.

This is due to the extension of the lockdown orders and to provide certainty around arrangements for the remainder of Session 2. We hope to return to campus beyond Session 2 as soon as it is safe and appropriate to do so.

Some classes/teaching activities cannot be moved online and must be taught on campus. You should already know if you are in one of these classes/teaching activities and your unit convenor will provide you with more information via iLearn. If you want to confirm, see the list of [units with mandatory on-campus classes/teaching activities](#).

Visit the [MQ COVID-19 information page](#) for more detail.

General Information

Unit convenor and teaching staff Unit Convenor Simon Wong simon.wong@mq.edu.au
Credit points 10
Prerequisites (Admission to MActPrac or MFin) or (ACST603 or ACST6003 or AFIN858)
Corequisites
Co-badged status
Unit description This unit examines current techniques for measuring and managing the financial risk faced by corporate and financial institutions, with an emphasis on the practical use of derivative financial products such as forwards, futures, swaps and options to manage risk.

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: Recognise the role of derivatives in financial risk management.

ULO2: Discover the fundamental principles of derivatives valuation and its application in managing risks.

ULO3: Evaluate alternative risk management strategies and tactics.

ULO4: Encourage peer learning, peer support and collaborative work in implementing appropriate risk management solutions for corporate risk scenarios.

General Assessment Information

Assessment criteria (including information about late submissions and extensions) for all assessment tasks will be provided on the unit iLearn site.

Assessment Tasks

Name	Weighting	Hurdle	Due
Mid Session Test	20%	No	Week 7
Group Assignment	20%	No	Week 10
Final Examination	60%	No	University Examination Period

Mid Session Test

Assessment Type ¹: Quiz/Test

Indicative Time on Task ²: 20 hours

Due: **Week 7**

Weighting: **20%**

A 90 minute mid session test will be held during the session.

On successful completion you will be able to:

- Recognise the role of derivatives in financial risk management.
- Discover the fundamental principles of derivatives valuation and its application in managing risks.

Group Assignment

Assessment Type ¹: Report

Indicative Time on Task ²: 20 hours

Due: **Week 10**

Weighting: **20%**

Students will work in groups to conduct quantitative and qualitative analysis on a topical issue in financial risk management.

On successful completion you will be able to:

- Recognise the role of derivatives in financial risk management.
- Discover the fundamental principles of derivatives valuation and its application in managing risks.

- Evaluate alternative risk management strategies and tactics.
- Encourage peer learning, peer support and collaborative work in implementing appropriate risk management solutions for corporate risk scenarios.

Final Examination

Assessment Type ¹: Examination

Indicative Time on Task ²: 20 hours

Due: **University Examination Period**

Weighting: **60%**

A two hour exam will be held during University Examination Period.

On successful completion you will be able to:

- Recognise the role of derivatives in financial risk management.
- Discover the fundamental principles of derivatives valuation and its application in managing risks.
- Evaluate alternative risk management strategies and tactics.

¹ If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
- the [Writing Centre](#) for academic skills support.

² Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

Delivery and Resources

	<i>Option, Futures, and Other Derivatives (Global Edition)</i> by John C. Hull, 10th Edition, Pearson.
	Course material is available on the learning management system (iLearn) Students should consult the web page frequently. Learning, teaching and other reference materials are posted to this site throughout the session.
	<ul style="list-style-type: none">• Access to the unit Web Site.• Word processing software for report writing.• Spreadsheets for applying quantitative models studied in the unit.

Unit Schedule

Please refer to iLearn

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au). 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](#)

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

To find other policies relating to Teaching and Learning, visit [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au) and use the [search tool](#).

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/admin/other-resources/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.