



AFCP8101

Financial System, Participants and Instruments

Term 2, Infrequent attendance, City 2021

Department of Applied Finance

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Notice

As part of [Phase 3 of our return to campus plan](#), most units will now run tutorials, seminars and other small group activities on campus, and most will keep an online version available to those students unable to return or those who choose to continue their studies online.

To check the availability of face-to-face activities for your unit, please go to [timetable viewer](#). To check detailed information on unit assessments visit your unit's iLearn space or consult your unit convenor.

General Information

Unit convenor and teaching staff

Shane Magee

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Contact via Email

Credit points

10

Prerequisites

Admission to Master of Applied Finance or Graduate Diploma of Applied Finance

Corequisites

Co-badged status

Unit description

This unit assesses the structure, instruments and participants in the Financial System. It covers the theory and practical application of financial instruments including debt, equity, hybrids and derivatives. It also articulates the roles and objectives of participants in the system, social contracts and regulation.

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: Evaluate concepts and models used by various financial market participants and apply relevant concepts and models to meet participants needs and actual business situations.

ULO2: Assess financial products and instruments and construct sound and justifiable solutions that meet the requirements of financial market participants.

ULO3: Develop solutions for financing issues using appropriate models and financial data sources.

General Assessment Information

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.

Assessment Tasks

Name	Weighting	Hurdle	Due
Financing proposal	40%	No	Week 7
Class activities	20%	No	See iLearn for due dates
Final assessment	40%	No	Week 11

Financing proposal

Assessment Type ¹: Case study/analysis

Indicative Time on Task ²: 30 hours

Due: **Week 7**

Weighting: **40%**

Assessment of financing transactions. Group and Individual tasks for each of up to 3,000 words.

On successful completion you will be able to:

- Assess financial products and instruments and construct sound and justifiable solutions that meet the requirements of financial market participants.
- Develop solutions for financing issues using appropriate models and financial data sources.

Class activities

Assessment Type ¹: Participatory task

Indicative Time on Task ²: 20 hours

Due: **See iLearn for due dates**

Weighting: **20%**

Tasks set with online classes including quizzes, online or recorded presentations, learning portfolio, analytical tasks and participation.

On successful completion you will be able to:

- Evaluate concepts and models used by various financial market participants and apply relevant concepts and models to meet participants needs and actual business situations.
- Assess financial products and instruments and construct sound and justifiable solutions that meet the requirements of financial market participants.

Final assessment

Assessment Type ¹: Practice-based task

Indicative Time on Task ²: 20 hours

Due: **Week 11**

Weighting: **40%**

A time-constrained task based on scenarios. Open book.

On successful completion you will be able to:

- Evaluate concepts and models used by various financial market participants and apply relevant concepts and models to meet participants needs and actual business situations.
- Assess financial products and instruments and construct sound and justifiable solutions that meet the requirements of financial market participants.
- Develop solutions for financing issues using appropriate models and financial data sources.

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

Recommended Text

McDonald, R.L., 2013, Derivatives Markets, Pearson New International Edition, 3rd Edition, Pearson, ISBN: 9781292021256

For information on textbook prices and online ordering, please refer to Pearson's at <https://www.pearson.com.au/products/detail?isbn=9781292021256>

The Pearson New International Edition is based on the U.S. 3rd Edition ISBN 9781292021256

Useful References

Bodie, Z., Kane, A., and Marcus, A.J., 2014, Investments, 11th edition, McGraw Hill.

McDonald, R.L., 2009, Fundamentals of Derivatives Markets, Pearson.

Viney, C., and Phillips, P.J., 2019, Financial Institutions, Instruments & Markets.

Learning and Teaching Activities

Strategy: Programs in the Applied Finance Centre adopt a deep teaching and learning strategy in which students acquire and retain knowledge and also are able to make sense of the issues and concepts and apply them in the “real world”. The program relies heavily on student engagement and participation by: (a) Continuous learning throughout the term. This is encouraged through a combination of students undertaking prescribed reading throughout the units and/or completion of practice problems, online activities, case studies, assignments, class discussions, etc and interaction via forums; and (b) Assessments, which enable the student to demonstrate his/her understanding of the learning objectives achieved through the continuous learning.

Student Participation: This is blended unit where students need to complete assigned activities before live Zoom sessions and block teaching. Students participate in this unit by: (a) Actively engaging with the videos and required readings of this unit; (b) Working systematically through and completing online activities; (c) Interacting in forums; and (d) Completing all assessment tasks.

Unit Schedule

Schedule

Week	Topic	Session Details
1	Introduction	Zoom webinar: 7 April 7pm-8pm
2	Valuation, risk and return	Zoom webinar: 14 April 7pm-8pm
3	The building block financial instruments	Zoom webinar: 21 April 7pm-8pm
4	Pricing forwards, futures and options	Zoom webinar: 28 April 7pm-8pm

5	Applications and further option pricing	Zoom webinar: 5 May 7pm-8pm Block class: 8 May 9am-5pm (Note: there are no classes on 9 May due to Mother's Day) Attendance options: CBD Campus or Zoom
6	Assignment preparation	
7	Debt and swap markets: Introduction	Zoom webinar: 19 May 7pm-8pm
8	Debt and swap markets: Applications	Block classes 29 May 10am-3pm 30 May 10am-3pm Attendance options: CBD Campus or Zoom
9	Debt and swap markets: Applications	
10	Revision	Zoom webinar: 9 June 7pm-8pm
11	Exam week	

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.

Changes since First Published

Date	Description
18/03/2021	Change to unit schedule.