AFCP8101
Financial System, Participants and Instruments
Term 2, In person-scheduled-infrequent, City 2022

Department of Applied Finance

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General Information

Unit convenor and teaching staff
Associate Professor
Shane Magee
shane.magee@mq.edu.au
Contact via Email

Credit points
10

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

Corequisites

Co-badge 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 of assessments

Unless a Special Consideration request has been submitted and approved, no extensions will be granted. There will be a deduction of 10% of the total available assessment-task marks made from the total awarded mark for each 24-hour period or part thereof that the submission is late. Late submissions will only be accepted up to 96 hours after the due date and time.

No late submissions will be accepted for timed assessments – e.g., quizzes, online tests.

Table 1: Penalty calculation based on submission time

<table>
<thead>
<tr>
<th>Submission time after the due date (including weekends)</th>
<th>Penalty (% of available assessment task mark)</th>
<th>Example: for a non-timed assessment task marked out of 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 24 hours</td>
<td>10%</td>
<td>10% x 30 marks = 3-mark deduction</td>
</tr>
<tr>
<td>24-48 hours</td>
<td>20%</td>
<td>20% x 30 marks = 6-mark deduction</td>
</tr>
<tr>
<td>48-72 hours</td>
<td>30%</td>
<td>30% x 30 marks = 9-mark deduction</td>
</tr>
<tr>
<td>72-96 hours</td>
<td>40%</td>
<td>40% x 30 marks = 12-mark deduction</td>
</tr>
<tr>
<td>&gt; 96 hours</td>
<td>100%</td>
<td>Assignment won’t be accepted</td>
</tr>
</tbody>
</table>

Special Consideration

To request an extension on the due date/time for a timed or non-timed assessment task, you must submit a Special Consideration application. An application for Special Consideration does not guarantee approval.

The approved extension date for a student becomes the new due date for that student. The late submission penalties above then apply as of the new due date.

Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class activities</td>
<td>20%</td>
<td>No</td>
<td>Online quizzes due: 10 Apr, 18 Apr, 24 Apr, 15 May, 5 Jun</td>
</tr>
<tr>
<td>Assignment</td>
<td>40%</td>
<td>No</td>
<td>22 May</td>
</tr>
</tbody>
</table>
### Class activities

**Assessment Type 1:** Participatory task  
Indicative Time on Task 2: 20 hours  
Due: **Online quizzes due:** 10 Apr, 18 Apr, 24 Apr, 15 May, 5 Jun  
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.

### Assignment

**Assessment Type 1:** Case study/analysis  
Indicative Time on Task 2: 30 hours  
Due: **22 May**  
Weighting: **40%**

Assessment of finance transactions. Individual task up to 4,000 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.
Final assessment

Assessment Type: Practice-based task
Indicative Time on Task: 20 hours
Due: University examination period
Weighting: 40%

A time-constrained task based on scenarios.

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


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

Useful References
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

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Session Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>Zoom webinar: Wed 6 Apr 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>2</td>
<td>Valuation, risk and return</td>
<td>Zoom webinar: Wed 13 Apr 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>3</td>
<td>The building block financial instruments</td>
<td>Zoom webinar: Wed 20 Apr 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>4</td>
<td>Forwards, futures and options: Pricing and applications</td>
<td>Block Weekend: Sat 30 Apr 10:00am - 3:00pm; Sun 1 May 10:00am - 3:00pm</td>
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<tr>
<td></td>
<td></td>
<td>Attendance: In person at Macquarie City campus (Sydney) or online via Zoom</td>
</tr>
<tr>
<td>5</td>
<td>Further option pricing</td>
<td>Zoom webinar: Thu 5 May 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>6</td>
<td>Assignment preparation</td>
<td>Zoom webinar: Wed 11 May 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>7</td>
<td>Debt and swap markets: Introduction</td>
<td>Zoom webinar: Wed 18 May 7:00pm - 8:30pm</td>
</tr>
</tbody>
</table>
Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (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
- Assessment Procedure
- Complaints Resolution 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). 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) 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

Academic Integrity

At Macquarie, we believe academic integrity – honesty, respect, trust, responsibility, fairness and
courage – is at the core of learning, teaching and research. We recognise that meeting the expectations required to complete your assessments can be challenging. So, we offer you a range of resources and services to help you reach your potential, including free online writing and maths support, academic skills development and wellbeing consultations.

Student Support

Macquarie University provides a range of support services for students. For details, visit http://students.mq.edu.au/support/

The Writing Centre

The Writing Centre provides resources to develop your English language proficiency, academic writing, and communication skills.

• Workshops
• Chat with a WriteWISE peer writing leader
• Access StudyWISE
• Upload an assignment to Studiosity
• Complete the 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

Macquarie University offers a range of Student Support Services including:

• IT Support
• Accessibility and disability support with study
• Mental health support
• Safety support to respond to bullying, harassment, sexual harassment and sexual assault
• Social support including information about finances, tenancy and legal issues

Student Enquiries

Got a question? Ask us via AskMQ, or contact Service Connect.

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**

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/03/2022</td>
<td>Changed due date for quiz 4.</td>
</tr>
</tbody>
</table>