AFCP8101
Financial System, Participants and Instruments
Term 2, In person-scheduled-infrequent, City 2023
Department of Applied Finance

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### General Information

<table>
<thead>
<tr>
<th>Unit convenor and teaching staff</th>
<th>Shane Magee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><a href="mailto:shane.magee@mq.edu.au">shane.magee@mq.edu.au</a></td>
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| Credit points | 10 |

<table>
<thead>
<tr>
<th>Prerequisites</th>
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<tbody>
<tr>
<td>Admission to Master of Applied Finance or Graduate Diploma of Applied Finance</td>
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<tr>
<th>Corequisites</th>
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<tr>
<th>Co-badged status</th>
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**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](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 Assessment Submission Penalty (written assessments)**

Unless a Special Consideration request has been submitted and approved, a 5% penalty (of the
total possible mark) will be applied each day a written assessment is not submitted, up until the 7th day (including weekends). After the 7th day, a grade of ‘0’ will be awarded even if the assessment is submitted. Submission time for all written assessments is set at 11.55pm. A 1-hour grace period is provided to students who experience a technical concern.

For any late submissions of time-sensitive tasks, such as scheduled tests/exams, performance assessments/presentations, and/or scheduled practical assessments/labs, students need to submit an application for Special Consideration.

### Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
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</thead>
<tbody>
<tr>
<td>Class activities</td>
<td>20%</td>
<td>No</td>
<td>Online quizzes due: 9 Apr, 16 Apr, 23 Apr, 14 May, 4 Jun</td>
</tr>
<tr>
<td>Assignment</td>
<td>40%</td>
<td>No</td>
<td>21 May</td>
</tr>
<tr>
<td>Final assessment</td>
<td>40%</td>
<td>No</td>
<td>University examination period</td>
</tr>
</tbody>
</table>

#### Class activities

Assessment Type: Participatory task  
Indicative Time on Task: 20 hours  
Due: Online quizzes due: 9 Apr, 16 Apr, 23 Apr, 14 May, 4 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: Case study/analysis  
Indicative Time on Task: 30 hours  
Due: 21 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 1: Practice-based task  
Indicative Time on Task 2: 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

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<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Session Details</th>
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<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>Zoom webinar: Wed 5 Apr 7:00pm - 8:30pm</td>
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<tr>
<td>2</td>
<td>Valuation, risk and return</td>
<td>Zoom webinar: Wed 12 Apr 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>3</td>
<td>The building block financial instruments</td>
<td>Zoom webinar: Wed 19 Apr 7:00pm - 8:30pm</td>
</tr>
<tr>
<td>4</td>
<td>Forwards, futures and options: Pricing and applications</td>
<td>Block Weekend: Sat 29 Apr 10:00am - 3:00pm; Sun 30 Apr 10:00am - 3:00pm Attendance: Online via Zoom</td>
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https://unitguides.mq.edu.au/unit_offerings/155535/unit_guide/print
### 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](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 Advocacy provides independent advice on MQ policies, procedures, and processes
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.