



AFIN310

Issues in Applied Finance

S2 Evening 2018

Archive (Pre-2019) - Dept of Applied Finance and Actuarial Studies

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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

Unit Convenor

Abhay Singh

abhay.singh@mq.edu.au

Contact via afin310@mq.edu.au

E4A 220

Wednesday 10.30-11.30am (please make prior appointment)

Teaching Assistant

TBA

afin310@mq.edu.au

Contact via afin310@mq.edu.au

N/A

None: Queries via email only

Credit points

3

Prerequisites

3cp in ACST or AFIN units at 300 level

Corequisites

Co-badged status

Unit description

This unit gives students the opportunity to test how their finance skills can be applied in practice by exposure to industry professionals who will cover a broad range of topics in Applied Finance. The topics selected go beyond traditional corporate finance and investment finance, and include coverage of the latest issues and real world scenarios. The application and limitation of financial concepts and theories, and the transformation of financial services, will be covered, as well as what this means for students as they embark on their careers in the industry. The projects completed in the unit are carefully set in conjunction with the industry professionals, giving students the opportunity to show evidence of demonstrated learning and the application of finance knowledge from a broader perspective.

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:

Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.

Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.

Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.

Learn the financial planning process in Australia and the duty of care required from a financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.

Develop a good understanding of recent developments in financial service sector, have a good knowledge about private equity and venture capital markets and FinTech.

General Assessment Information

- It is the responsibility of students to view their marks for each within session assessment on iLearn within 20 working 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 marks (not including the final exam mark) will not be addressed.
- Assessment criteria for all assessment tasks will be provided on the unit iLearn site.

Assessment Tasks

Name	Weighting	Hurdle	Due
Online Quiz	0%	No	Week 3
Assignment	30%	No	4pm, 14th September 2018
In-Class Test	30%	No	3rd October 2018
Final Exam	40%	No	Check Timetable

Online Quiz

Due: **Week 3**

Weighting: **0%**

The online quiz will consist of 5 to 10 multiple choice questions and will be available on ilearn in week 3. It will remain open for this week only. It will be based on material covered in the first 2 weeks. There is no time limit to complete this quiz. Please use this online quiz as an indicator of whether you are progressing satisfactorily in the unit. If you are having difficulties, please see the unit convenor or consider withdrawing from the subject before the census date.

On successful completion you will be able to:

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.

Assignment

Due: **4pm, 14th September 2018**

Weighting: **30%**

This assignment contains two parts with different percentage allocation and is based on the following topics: **Project Finance, Equity Analysis** and **Business and Industry Analysis**.

This task will comprise two parts:

Part-1 (Group Task): Project Finance Topic (Financial Modelling)

To be completed in a group of minimum 4 and maximum 5 (strictly enforced). This part has a weighting of 30% of the assignment.

Part-2 (Individual Task): Based on Equity Analysis and Business and Industry Analysis

This section to be completed individually. This part has a weighting of 70% of the assignment.

You will need to submit a **soft copy** of the written component via the Turnitin link provided on the course page in iLearn, and the modelling component via the special link also provided in the ilearn space. Your assessment and the mark will be returned to you via Grade Mark within the course's ilearn space.

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 to cases in which an application for disruption of studies is made and approved. No submission will be accepted after solutions have been posted.

On successful completion you will be able to:

- Understand the practical applications of theories and techniques in finance and in

particular to be aware of the assumptions for the theories and their limitations in practice.

- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.

In-Class Test

Due: **3rd October 2018**

Weighting: **30%**

The in-class test will be based on material covered in the first six weeks of the course. It will be held at the lecture venue starting at 6:30pm sharp. The in-class test will be closed book where you are not permitted to bring any reference material.

On successful completion you will be able to:

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.

Final Exam

Due: **Check Timetable**

Weighting: **40%**

Further information will be communicated in Week 12 and individual emails regarding exams hints etc prior to this week will not be answered. The duration of the exam will be 2 hours and will be closed book.

*"You are are **not permitted** to bring any reference material."*

On successful completion you will be able to:

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Learn the financial planning process in Australia and the duty of care required from a financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.

- Develop a good understanding of recent developments in financial service sector, have a good knowledge about private equity and venture capital markets and FinTech.

Delivery and Resources

Classes

Lecture: See timetable <https://timetables.mq.edu.au/2018/>

The campus map is downloadable from the following link http://www.ofm.mq.edu.au/maps_campus.html

Classes in AFIN310 are composed of a three-hour lecture delivered by industry practitioners. Unit materials are learnt by attending lectures and through independent learning. The lectures provide a general overview of the topics highlighting some concepts and techniques. Students are strongly advised to study any additional reading material furnished by the unit convenor, the guest lecturers and further explore all relevant concepts.

Students should attend a three-hour lecture every week. Lecture slides will sometimes be available before the lecture on iLearn and in some instances after the lecture. The notes get distributed at the discretion of the guest lecturer.

Students should attend all the lectures as the lecture recordings will not be provided for this unit. Students who are unable to attend classes should consider to enrol in the next session.

Prizes

The Financial Services Institute of Australasia, FINSIA, has kindly sponsored a prize of \$500 for the most outstanding student in AFIN310.

Required and Recommended Texts and Materials

There are no required or recommended texts for AFIN310. Notes for each of the lectures will be made available in iLearn. If required, additional readings will also be provided either via iLearn and eReserve.

Please note that you will be needed to complete the following module from the CFA website and upload the completion report to ilearn.

<http://www.cfainstitute.org/learning/products/onlinelearning/Pages/61587.aspx?WPID=BrowseProducts>

Technology Used and Required

iLearn is an online program available at <https://ilearn.mq.edu.au/login/MQ/> through which students will be able to access resources such as lecture notes to assist them throughout the semester. The discussion forum environment will be extensively used to allow students to interact with each other.

Unit Web Page

Course material is available on the learning management system at <http://ilearn.mq.edu.au>

You are strongly encouraged to visit the website regularly and use it as a resource centre to assist with your learning.

If you are unable to access the internet site because you are not aware of or have forgotten your username and password, please contact the IT helpdesk. All information is available at <http://informatics.mq.edu.au/help/>

With regards to assistance in using iLearn, please visit the following link.

http://www.mq.edu.au/iLearn/student_info/index.htm

You can follow the tabs on the left, i.e., “Getting Started” and “Access iLearn.”

Please remember to logout when you have finished using iLearn. Failure to do so could result in unauthorised access to your iLearn account.

Learning and Teaching Activities

The teaching strategy in AFIN310 recognises that students learn independently and assume responsibility for the learning process and with academic integrity.

Students are expected to participate in the unit by attending lectures, reading the provided material and thoroughly revising the lecture notes. You are also supposed to use the full suite of research databases available from the library including reference to journal articles and industry reports.

What we aim to achieve in AFIN310 is deep (as opposed to the surface) learning. Thus, learning is interpreted as making sense or abstracting meaning. Learning involves relating parts of the subject matter to each other and the real world. Further education is understood as comprehending the world by understanding and reinterpreting knowledge.

This unit also gives you the opportunity to go beyond your discipline and exposes you to different areas of finance, including discussion of the latest financial regulation from ASIC and other bodies that will become essential when starting your career in the workforce.

Unit Schedule

Dates	Lecture Topics
Week 1 1 st August	Equity Analysis - 1
Week 2 8 th August	Equity Analysis - 2
Week 3 15 th August	Business and Industry Analysis
Week 4 22 nd August	Financial Modelling 1
Week-5 29 August	Financial Modelling 2

Week 6 5 September	Venture Capital Investment
Week 7 12 September	FinTech
17-Sep	<i>Session-2 Recess</i>
24-Sep	<i>Session-2 Recess</i>
Week 8 3 rd October	<i>In-Class Test 90 mins – 6.30pm to 8pm (Students to arrive and be seated by 6pm)</i>
Week 9 10 th October	Markets and Trading Strategy
Week 10 17 th October	Financial Planning – Part 1 and Introduction to Regulatory and Compliance Issues: Licensing and Financial Services
Week 11 24 th October	Financial Planning - Part 2
Week 12 31 st October	Quantitative investing – Part 1
Week 13 7 th November	Quantitative investing – Part 2
12 th November	<i>Exam Commences</i>

Learning and Teaching Activities

Lectures

Lectures – Large group learning (3 hours for each teaching week) Lectures are intended to provide an overview of conceptual frameworks and issues in applied finance that are critical to the core themes of the unit.

Independent learning

Independent learning – learning by doing (about 6 hours each teaching week and 9 hours each week during the 2-week mid-semester recess) AFIN310 relies heavily on independent learning where students read the relevant material, attend lectures, revise the lecture notes, participate in iLearn discussion forums and extend themselves by doing additional reading and research using the library online databases and data sources. Additionally students are expected to keep themselves abreast by reading key financial newspapers and referring to Factiva and Business Source Premier available online via the library databases. Students should also be able to work through the MS Excel help built into the program and seek online help from other websites directed from the MS Excel help search. Students should be able to demonstrate the comprehension of the assignment questions by being consistent in responding to the either exact or similar questions to the assignments in the final examination.

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.*)

Undergraduate 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 \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-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 shown in *iLearn*, 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.

Supplementary Exam

Further information regarding supplementary exams, including dates, is available here http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/special_consideration

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 improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

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

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.

Graduate Capabilities

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Learn the financial planning process in Australia and the duty of care required from a financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.

Assessment task

- Final Exam

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.

Assessment tasks

- Assignment
- Final Exam

Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

Learning outcomes

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.
- Learn the financial planning process in Australia and the duty of care required from a

financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.

- Develop a good understanding of recent developments in financial service sector, have a good knowledge about private equity and venture capital markets and FinTech.

Assessment tasks

- Online Quiz
- Assignment
- In-Class Test
- Final Exam

Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication technologies as appropriate.

This graduate capability is supported by:

Learning outcomes

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.
- Learn the financial planning process in Australia and the duty of care required from a financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.
- Develop a good understanding of recent developments in financial service sector, have a good knowledge about private equity and venture capital markets and FinTech.

Assessment task

- Assignment

Engaged and Ethical Local and Global citizens

As local citizens our graduates will be aware of indigenous perspectives and of the nation's historical context. They will be engaged with the challenges of contemporary society and with

knowledge and ideas. We want our graduates to have respect for diversity, to be open-minded, sensitive to others and inclusive, and to be open to other cultures and perspectives: they should have a level of cultural literacy. Our graduates should be aware of disadvantage and social justice, and be willing to participate to help create a wiser and better society.

This graduate capability is supported by:

Learning outcomes

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.
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Assessment tasks

- Assignment
- In-Class Test

Socially and Environmentally Active and Responsible

We want our graduates to be aware of and have respect for self and others; to be able to work with others as a leader and a team player; to have a sense of connectedness with others and country; and to have a sense of mutual obligation. Our graduates should be informed and active participants in moving society towards sustainability.

This graduate capability is supported by:

Learning outcomes

- Understand the practical applications of theories and techniques in finance and in particular to be aware of the assumptions for the theories and their limitations in practice.
- Understand and evaluate the real world business applications of financial concepts like financial modelling, equity valuation, financial markets and trading.
- Apply Financial modelling skills relevant to the financial service sector industry by working in a team environment with your peers and learn to individually report your findings and recommendations.

- Learn the financial planning process in Australia and the duty of care required from a financial planner. Students are made aware of the latest regulation impacting the financial planning industry in Australia.
- Develop a good understanding of recent developments in financial service sector, have a good knowledge about private equity and venture capital markets and FinTech.

Assessment task

- Assignment

Changes from Previous Offering

The assessments now include a mid-semester test worth 30% and the final exam is worth 40%. There will be one assignment worth 30% consisting of two parts; part-1 will be a group task worth 30% of the assignment and part-2 will be an individual task worth 70% of the assignment. Students will not be able to bring in an A4 sheet of paper to the exam with pre-written notes. There will be no hurdle assessment, i.e., the double pass rule will no longer apply as was in previous semesters.

Research and Practice

This unit gives the students the opportunity to work individually and as a group on various assignments and projects delivered by industry professionals. Students are required to source information from resources usually referred to by industry professionals. Specifically students are guided to industry reports published by third parties and regulatory bodies that support the finance services and banking industry. It also exposes students in identifying key data sources used by the industry in writing various stock/share recommendation and company valuation reports. This unit gives you opportunities to conduct your own research based on skills obtained from using MS Excel and from exposure to different financial products. Being at the forefront of the legal environment gives one the chance to remain vigilant when giving advice to clients. One can also apply valuations techniques in their personal investment decisions which might enhance the performance of their assets. Please note however that under no circumstances is neither Macquarie University nor the lecturer liable for any losses suffered from the application of investment techniques learnt in this subject.

Changes since First Published

Date	Description
04/08/2018	I have removed references to iletecture as students thought it refers to recordings