



AFIN899

Current Issues in Banking and Finance

S2 Evening 2018

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

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Disclaimer

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General Information

Unit convenor and teaching staff

Unit Convenor

Lurion De Mello

lurion.demello@mq.edu.au

Contact via via Email

E4A 515

Please refer to iLearn

Credit points

4

Prerequisites

Admission to MBkgFin and 48cp at 600 level or above

Corequisites

Co-badged status

Unit description

This unit provides students with the opportunity to integrate and advance their knowledge of banking and finance with an international focus. The unit's research and case-based topics will equip students to apply their analytical, critical and interpersonal skills to complex and contemporary real world problems, and to develop their communication skills and professional judgment. The assessment tasks of this unit will enable students to further develop and reflect on the development of the graduate capabilities and how these have been achieved within their degree.

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:

Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity

Create awareness of the new era of Fintech and its impact on on financial and banking services.

Become aware of the current tools and techniques used in the hedge fund industry and

the quantitative methods used.

Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Apply financial modelling techniques relevant to the project finance industry.

General Assessment Information

Assessment criteria for all assessment tasks will be provided on the unit iLearn site.

This subject will be based on a broad range of topics in order to increase the students exposure to various areas one would work in the banking and finance field. The assessments are comprised of individual components and would require students to present their work in a coherent manner. The industry partners delivering the material will be available to take questions at the end of each seminar and clarifications surrounding any assessments should take place at the end of each seminar.

Questions may be posted on the iLearn course page however these will only be answered by the academic staff. The opportunity to post queries to the academic staff will close 5 days before the assignment due date. Students will be able to continue posting on the thread but the questions will not be answered by the academic staff. You are free to discuss matters amongst yourselves.

Please read the assignment question carefully and start planning early. Replies to online posts and emails will be responded to within 48hrs however we will only be respond to them during work hours and not on weekends. Repeated questions will not be answered so; please read the previous postings carefully.

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.

Any emails after the completion of the final exam relating to their fairness in the exam or their grade will not be answered. The outcome is only communicated via the official release of grades by the University. Any grade appeals and review of assessments should be done via the appropriate channels.

Grade Book

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 Tasks

Name	Weighting	Hurdle	Due
<u>Tutorial Homework</u>	15%	No	See Description
<u>Assignment</u>	20%	No	5 pm on 3rd Sept 2018
<u>In-Class Test</u>	25%	No	10th Sept 2018
<u>Final Exam</u>	40%	No	See Examination Timetable

Tutorial Homework

Due: **See Description**

Weighting: **15%**

These tasks requires an individual attempt

The tutorial homework will be based on Week 1 (5%), 2 (5%) & 3 (5%) and worth 15% in total.

Due Date and Time

Week 1 - 5th August 5pm

Week 2 - 12th August 5pm

Week 3 - 19th August 5pm

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.

You will only need to submit a **soft copy** via the Turnitin link provided on the course page in iLearn. Your assessment will be marked only by the guest lecturer, with your mark available via Grade book.

On successful completion you will be able to:

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Assignment

Due: **5 pm on 3rd Sept 2018**

Weighting: **20%**

The assignment will be based on content covered in Week 1 and 2. The formatting and structure of the assignment will be discussed by the guest lecturer, and any additional information will be communicated via an ilearn announcement.

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.

You will need to submit a **soft copy** of any written components via the Turnitin link provided on the course page in iLearn, and other file types such as MS Excel spreadsheets via the special link provided in the ilearn space. Your assessment and the mark will be returned to you via Grade Mark within the course's ilearn space.

On successful completion you will be able to:

- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

In-Class Test

Due: **10th Sept 2018**

Weighting: **25%**

The in-class test will be based on material covered from week 1 to 6 of the course. It will be held at the lecture venue at the beginning of class. The duration is 2 hrs Please arrive at the venue 10 mins prior and have your student ID card out on your desk, writing materials ready, rulers and calculators. Mobile phones, watches and notes have to be kept in your closed bag and placed under your chair.

No extensions will be granted. Students who have not sit the test will be awarded a mark of 0, except for cases in which an application for disruptions to studies is made and approved.

You are permitted ONE A4 page of paper containing **only handwritten** reference material on both sides. The material may be handwritten or typed. The page will not be returned to you at the end of the test.

On successful completion you will be able to:

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

- Apply financial modelling techniques relevant to the project finance industry.

Final Exam

Due: **See Examination Timetable**

Weighting: **40%**

The final exam will be based on topics covered from Week 9 to Week 13. Further information will be communicated in week 12. The duration of the exam will be 2 hrs and 30mins and it will be closed book.

You are permitted ONE A4 page of paper containing **only handwritten** reference material on both sides. The material may be handwritten or typed. The page will not be returned to you at the end of the final examination.

Where a Special Consideration application is approved, the student may be offered an alternative assessment or may receive a mark based on the percentage mark achieved by the student in one or more other assessment tasks, at the Unit Convenor's discretion.

Supplementary assessment will only take place during the supplementary examination period.

On successful completion you will be able to:

- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and the quantitative methods used.

Delivery and Resources

Classes

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

The campus map is downloadable from <https://www.mq.edu.au/about/contacts-and-maps/maps>

Classes in AFIN899 are composed of a three-hour seminar. Unit materials are learnt by attending lectures and through independent learning. The seminars 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 seminar every week. Seminar slides will be distributed either prior or after the class and are at the discretion of the guest lecturer.

Please note that due to the interactive nature of the subject the Echo360 recording is not likely to be captured as the practitioners are very unlikely to stand behind the podium just to capture the recording. Therefore it is important that you attend class each week (physically and mentally present).

Required and Recommended Texts and Materials

There are no required or recommended texts for AFIN899. Notes for each of the seminars will be made available in iLearn. If required, additional readings will also be provided either via iLearn and eReserve. Some exercises performed in class might be accompanied with some Excel files. These will be made available after demonstration in class.

Technology Used and Required

Non-programmable calculators with no text-retrieval functionality are permitted. Calculators that have a full alphabet on the keyboard are not permitted. Graphics calculators are not permitted. Calculators need the following minimum functionality: xy or $^$, $1/$ x and \log or \ln functions, and a memory. Non-programmable financial calculators are permitted but it is not a requirement to use a financial calculator.

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 and iletures 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 Activitie

The teaching strategy in AFIN899 recognises that students learn independently and assume responsibility for the learning process and with academic integrity. As masters student you are expected to participate in all class activities.

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 AFIN899 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 and banking, including discussion of the latest financial and banking regulation from ASIC, APRA, BIS and other bodies that will become essential when starting your career in the workforce. The unit will also touch on future of the finance and banking with the role of fintech and blockchain technology.

Unit Schedule

Teaching Day	Topic
Week 1 30-Jul	Australian Corporate Debt - Fixed and Floating Debt
Week 2 6-Aug	Structured Credit Securities
Week 3 13-Aug	Financial Modelling and Project Finance
Week 4 20-Aug	Liquidity: Who needs it?
Week 5 27-Aug	Quantitative Risk Models for Commodity Traders
Week 6 3-Sep	Systemic Risk in Australian Banking
Week 7 10-Sep	In-Class Test (2 hrs)
17-Sep	Session Recess
24-Sep	Session Recess
Week 8 1-Oct	Public Holiday (Labour Day NSW)

Week 9 8-Oct	Risk Management using Forwards and Futures
Week 10 15-Oct	Risk Management using Options
Week 11 22-Oct	Quantitative Equity Portfolio Management
Week 12 29-Oct	Hedge Funds and Alternative Investment Strategies
Week 13 5-Nov	The Rise of Fintech
12-Nov	Exams commence

Learning and Teaching Activities

Seminar

Seminar Style teaching (3 hours for each teaching week) Seminars are intended to provide an overview of how practitioners in the finance and banking industry apply some of 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) AFIN899 relies heavily on independent learning where students read the relevant material, listen to lectures, revise the lecture notes, participate in iLearn and class discussions. Students are expected to 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](http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<http://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 exams

Information regarding supplementary exams, including dates, is available at: http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/disruption_to_studies

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

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and the quantitative methods used.
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets
- Apply financial modelling techniques relevant to the project finance industry.

Assessment tasks

- Tutorial Homework
- Assignment
- In-Class Test

- Final Exam

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.
- Become aware of the current tools and techniques used in the hedge fund industry and the quantitative methods used.
- Apply risk management tools in fixed income and how strategies are developed using spreadsheets
- Apply financial modelling techniques relevant to the project finance industry.

Assessment tasks

- Tutorial Homework
- Assignment
- In-Class Test
- Final Exam

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

Learning outcomes

- Critically analyse the latest banking regulations and the tools necessary in managing bank liquidity
- Create awareness of the new era of Fintech and its impact on financial and banking services.

- Apply risk management tools in fixed income and how strategies are developed using spreadsheets

Assessment tasks

- Tutorial Homework
- Assignment

Changes from Previous Offering

There are no major changes from the previous offering.

Research and Practice

Students are exposed to practitioners who provide examples of some of the work that is undertaken in the industry. It provides students with opportunity to further investigate and research some of the material covered in the class. Students are made aware of some of the reference and research material used by the practitioners which adds further value in addition to the academic literature and industry reports available via the Macquarie University library.