



Unit Outline: BE923

Financial Markets and Institutions

School/Division: Business

Unit Title: Financial Markets and Institutions

Unit Code: BE923

Level: Advanced

Pre-requisites: Successful completion of any four core MBA units

Co-requisites: Nil

Exclusions: Nil

Credit Points: 15

ASCED Code: 080101

Objectives:

This unit is designed for students who wish to undertake a financial management strand in the Master of Business Administration. The unit aims to provide students with the in depth knowledge of the functions of financial markets and institutions and the functions of the financial system in the Australian economy and with the skills to manage financial risks in business. Students will be expected to develop and enhance the knowledge and skill in the area of financial management in a changing and challenging corporate environment.

Knowledge

- understand the economic functions of financial instruments, markets, institutions and the Reserve Bank of Australia
- comprehend the developments and challenges facing the Australian and international financial systems
- recognise risks in corporate financial management

Skills

- be able to critically examine different functions of financial instruments, financial markets and financial institutions in corporate



financial management

- possess the ability to analyse the behaviour and performance of the financial system as a financial environment in which a company operates
- acquire the skills to analyse and manage risks in corporate financial management.

Values

- Appreciate theoretical principles and latest developments in financial economics
- Foster a professional approach to corporate financial management
- Promote the skills of economic reasoning and argument in oral and written form.

Content:

- **PART 1 - Introduction to the financial system and its components:** financial instruments, financial markets, financial institutions, foreign markets and institutions, financial system and financial mathematics
- **PART 2 - Functions and operations of financial markets:** securities markets such as money market, bond (debt) market, stock (equity) market and foreign exchange market; derivative markets such as futures, options and swap markets
- **PART 3 - Functions and operations of financial institutions:** banks; non-bank financial institutions; the Reserve Bank of Australia, the evolution of the Australian financial system (regulation and deregulation), the evolution of the international financial system
- **PART 4 - Managing financial risks:** risks in financial markets and risks in financial intermediation such as interest rate risk, purchasing power rate, foreign exchange risk.

**Learning Tasks & Assessment:**

Learning Task	Assessment	Weighting
“Financial Markets and Institutions Watch”. This task to be completed on an individual basis.	Written evaluation of current articles from the financial press	20%
Essay- researching and writing an academic paper. This task to be completed on an individual basis	Essay	20%
Examination*-A formal supervised written examination	Examination*	60%

Note on Assessment

Requirements for attendance and information relating to assessable tasks that must be passed needs to be clearly outlined for each unit.

The School has adopted a policy that a minimum of 50% of assessable tasks will be required to be Verifiable Assessment. Verifiable Assessment refers to assessment which is conducted under the supervision of an academic staff member, e.g. an exam, presentation etc.

The assessment tasks deemed as verifiable are denoted with an asterisk. Students must achieve 50% in the verifiable tasks **in total** in order to pass the unit.

You are strongly advised to attempt ALL assessment tasks, as well as achieving 50% in total for the verifiable assessment component. Failure to attempt all tasks may result in you being ineligible for Supplementary Assessment as outlined in 1.11 of the Unit Description, and students who do not submit a task(s) or fail a task(s) in the teaching period will be identified as a ‘student at risk’ of unsatisfactory academic progress (outlined in 1.17 in the Unit Description) and will be directed to the School’s Intervention Program.

Adopted Reference Style

APA Australian MLA Chicago

Other (please specify)

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Prescribed Text

Viney, C. (2007). McGrath’s Financial Institution, Instruments and Markets (5th Ed.). Sydney: McGraw Hill.