

School / Faculty: Federation Business School

Course Title: FINANCIAL MARKETS INSTITUTIONS

Course ID: BUECO2622

Credit Points: 15.00

Prerequisite(s): (Recommend STATS1900 OR BUECO1508 but not required) (BE507 or BUECO1507 or BUECO1509)

Co-requisite(s): Nil

Exclusion(s): Nil

ASCED Code: 081101

Grading Scheme: Graded (HD, D, C, etc.)

Program Level:

AQF Level of Program						
	5	6	7	8	9	10
Level						
Introductory	■	■	■	■	■	■
Intermediate	■	■	✓	■	■	■
Advanced	■	■	■	■	■	■

Learning Outcomes:

Knowledge:

- K1.** Distinguish the economic functions of financial instruments, markets, institutions and the Reserve Bank of Australia
- K2.** Examine the developments and challenges facing Australian and international financial systems
- K3.** Recognise the types of risks in corporate financial management
- K4.** Identify the main characteristics of the major financial instruments issued by the private and public sectors of the economy
- K5.** Appraise the principles of hedging strategies

Skills:

- S1.** Analyse the different functions of financial instruments, financial markets and institutions on corporate financial management
- S2.** Identify and explain the financial institutions and their role in the capital markets
- S3.** Apply established financial mathematical concepts to determine the price of marketable financial instruments
- S4.** Apply hedging strategies to manage interest rate, foreign exchange and share price risk

Course Outline (Higher Education)

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Application of knowledge and skills:

- A1.** Evaluate and critically analyse the impact of government and central bank decisions on the Australian financial system
- A2.** Estimate how changing economic activity will impact the Australian financial system
- A3.** Use initiative and judgement when analysing media articles/programmes related to financial market economics

Course Content:

Topics may include:

- A modern financial system: an overview;
- Money markets;
- Bond (or debt) markets;
- Stock(equity) markets;
- Foreign exchange markets;
- Derivative markets;
- Risk management strategies.

Values and Graduate Attributes:

Values:

- V1.** Appreciate theoretical principles and latest developments in financial market economics;
- V2.** Value learning as a life-long activity for self-development;
- V3.** Foster an analytical and critical approach to business issues;
- V4.** Have the capacity to make decisions on business problems;
- V5.** Develop a sustained interest in financial market economics.

Graduate Attributes:

FedUni graduate attributes statement. To have graduates with knowledge, skills and competence that enable them to stand out as critical, creative and enquiring learners who are capable, flexible and work ready, and responsible, ethical and engaged citizens.

Attribute	Brief Description	Focus
Knowledge, skills and competence	Regular individual or group in-class exercises will reinforce the need to relate the tutorial and workshop work to real world examples	High

Course Outline (Higher Education)

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Attribute	Brief Description	Focus
Critical, creative and enquiring learners	Regular individual or group in-class exercises and assignment completion by due deadlines promote self-reliance will develop reinforce the need to relate the tutorial and workshop work to real world examples	Low
Capable, flexible and work ready	To make an informed contribution to public debate on current issues relating to financial market economics	High
Responsible, ethical and engaged citizens	In class assignments and tutorials will reinforce the role of financial market economics in assisting firms, consumers and society to be more socially responsible in their outlook and behaviour.	Low

Learning Task and Assessment:

Learning Outcomes Assessed	Assessment Task	Assessment Type	Weighting
K1,K2 S1,S2 A2	Calculations and problem solving; Written paragraph type explanations.	Mid-term test	10-20%
K2,K3,K4, K5 S1,S2,S3,S4 A1,A2,A3	Individual application activities to develop and enhance knowledge and skills in financial market economics	Written assignment or case study	20-30%
K1,K3,K4,K5 S1,S3,S4 A1,A2	Calculations and problem solving; Written paragraph type explanations	Written Examination	50-70%

Adopted Reference Style:

APA