Master of Business (Applied Finance) (BS16)

Year offered: 2010
Admissions: Yes
CRICOS code: 059599K
Course duration (full-time): 3 semesters (1.5 years) (PR online delivery not available full-time)
Course duration (part-time): 6 semesters (3 years)
Domestic fees (indicative): 2010: Full fee tuition $9,500 (indicative) per semester
International Fees (indicative): 2010: Full fee tuition $11,000 (indicative) per semester
Domestic Entry: February and July
International Entry: February and July
Total credit points: 144
Standard credit points per full-time semester: 48
Standard credit points per part-time semester: 24
Course coordinator: Dr Amanda Gudmundsson
Discipline coordinator: Mr Peter Whelan
Campus: Gardens Point

Overview
This course is designed for people with no or limited prior knowledge in finance who wish to change career direction or enhance their career options.

You will be introduced to managerial finance and economics, and move on to more advanced, practical studies in corporate finance, security analysis, portfolio management, trading and risk management. You will graduate with an understanding of the principles and practice of finance, and have substantial conceptual and applied finance knowledge, and be prepared for careers such as a financial adviser, investment banker, or financial or equity analyst.

You will have access to a fully equipped Securities Dealing Room on campus, the first of its kind in Queensland. Live financial data, via the Bloomberg and Datastream networks, will allow you to experience the financial markets in real time, without the risks involved in real transactions.

The course also extends your knowledge if you are a graduate from a professional association such as FINSIA and may assist with preparation for the Chartered Financial Analysts (CFA) program.

The Master of Business (Applied Finance) is fully compliant under ASIC’s RG146 training standard, which allows graduates to give financial product advice to retail clients. For specific information, please refer to ASIC’s RG146 document and RG146 register.

Course design

Students are required to complete 144 credit points of units. Students should follow the standard course progressions as outlined in the below course structures. Non-standardised course progression may result in unit selection difficulties. Students should contact the Brisbane Graduate School of Business for course progression advice.

Students seeking to exit early from the Master of Business course and graduate with a Graduate Diploma should lodge an application during the teaching period in which they expect to complete their studies. Completion of eight, 12 credit point units, where a minimum of six units are within the same discipline area, and as approved by the Subject Area Coordinator, is required for completion of the Graduate Diploma course.

Students who have completed an undergraduate degree in a Business related or other cognate degree directly related to the discipline area within the last five years, may be eligible for exemptions up to a maximum of 48 credit points. For further information on exemptions, please refer to the Master of Business overview.

Some applicants may require unit substitution where they have studied the equivalent of some introductory units in their undergraduate qualification. Choice of unit substitution is subject to approval by the Subject Area Coordinator.

Abbreviation
MBus(AppFin)

Other majors
See also separate entries for the following majors in this course: Accounting, Applied Finance, Human Resource Management, Integrated Marketing Communication, Marketing, Philanthropy and Nonprofit Studies, Professional Accounting, Public Relations and Strategic Advertising.

Professional recognition
Graduate will meet the academic component of requirements for Senior Associate membership of the Financial Services Institute of Australia, and are entitled to full ASIC RG146 Tier 1 accreditation to provide financial product advice. Graduates may also meet the academic component of the requirements for the professional level membership of the Finance and Treasury Association Limited-Certified Finance and Treasury Professional, depending on prior study and elective chosen.

Entry requirements (domestic and international students)
An undergraduate degree or equivalent in any field other than Finance, with an overall minimum Grade Point Average (GPA) of 4.0 (on a 7 point scale). Applicants interested in the Applied Finance specialisation who have an undergraduate degree in Finance should contact the Graduate School of Business to determine whether an advanced Applied Finance program can be devised.

**English language requirements**
In addition to the above academic entry requirements, standard English language requirements apply. See the details for ‘all degrees’ at: http://www.studentservices.qut.edu.au/apply/internat/english.jsp

**Pathways programs (international students)**
Pathways units are designed for academically qualified students who do not meet the language requirements.

The Postgraduate Business Pathway program allows international students who have obtained IELTS 6.0 with no sub-band lower than 5.0 to enter some majors of the Master of Business (BS16) and Master of Business Advanced (BS17) on the condition they undertake two Communication units (QCD111 and QCD211) in the first semester of their postgraduate business course. This option is applicable to following Majors: Strategic Advertising, Applied Finance, Events Marketing and Management, Integrated Marketing Communication, International Business, Marketing and Public Relations.

**Articulation**
Students who have articulated from the Graduate Certificate in Business Applied Finance may receive exemptions for up to 48 credit points. Students may articulate to the Master of Business Applied Finance Advanced program and receive up to 144 credit point of exemptions.

**Applied Finance Unit Set (AFP)**

<table>
<thead>
<tr>
<th>Master of Business Applied Finance Compulsory Units</th>
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<tbody>
<tr>
<td>AYN456 Business and Corporations Law</td>
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<tr>
<td>EFN405 Managerial Economics</td>
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<tr>
<td>EFN406 Managerial Finance</td>
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<tr>
<td>EFN420 Introduction To Financial Management</td>
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<tr>
<td>EFN412 Advanced Managerial Finance</td>
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<tr>
<td>EFN415 Security Analysis</td>
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<tr>
<td>Plus 6 units from:</td>
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<tr>
<td>EFN410 Economic and Financial Modelling</td>
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<td>EFN414 International Finance</td>
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**Full Time, Semester 1 Entry**

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<tr>
<th>Year 1, Semester 1</th>
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<tbody>
<tr>
<td>EFN405 Managerial Economics</td>
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<td>EFN406 Managerial Finance</td>
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<tr>
<td>EFN420 Introduction To Financial Management</td>
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<td>AYN456 Business and Corporations Law</td>
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<tr>
<th>Year 1, Semester 2</th>
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<tbody>
<tr>
<td>EFN412 Advanced Managerial Finance</td>
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<td>EFN415 Security Analysis</td>
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<tr>
<td>plus 2 units from:</td>
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<tr>
<td>EFN414 International Finance</td>
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<tr>
<td>EFN421 Financial Planning and Strategies</td>
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<tr>
<td>Faculty of Business Postgraduate Option Unit</td>
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<tr>
<th>Year 2, Semester 1</th>
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<tbody>
<tr>
<td>4 Units from:</td>
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<tr>
<td>EFN410 Economic and Financial Modelling</td>
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<tr>
<td>EFN416 Treasury and Portfolio Management</td>
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<tr>
<td>EFN421 Financial Planning and Strategies</td>
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<tr>
<td>EFN501 Corporate and Commercial Lending</td>
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<tr>
<td>EFN505 Financial Risk Management</td>
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<tr>
<td>BSN404 Project 1</td>
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<tr>
<td>Faculty of Business Postgraduate Option Unit</td>
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**Full Time, Semester 2 Entry**

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<tr>
<th>Year 1, Semester 2</th>
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<tbody>
<tr>
<td>EFN405 Managerial Economics</td>
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<tr>
<td>EFN406 Managerial Finance</td>
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<tr>
<td>EFN420 Introduction To Financial Management</td>
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<tr>
<td>AYN456 Business and Corporations Law</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Year 2, Semester 1</th>
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<tbody>
<tr>
<td>EFN412 Advanced Managerial Finance</td>
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</tbody>
</table>
EFN415  Security Analysis  
plus 2 units from:  
EFN416  Treasury and Portfolio Management  
EFN421  Financial Planning and Strategies  
Faculty of Business Postgraduate Option Unit

**Year 2, Semester 2**

Four units from:

- EFN410  Economic and Financial Modelling  
- EFN414  International Finance  
- EFN421  Financial Planning and Strategies  
- EFN507  Advanced Capital Budgeting  
- EFN505  Financial Risk Management  
- BSN404  Project 1

**Applied Finance Unit Set (AFP) (for continuing students only)**

**Part A - Compulsory Units (48 credit points):**

- EFN405  Managerial Economics  
- EFN406  Managerial Finance  
- EFN420  Introduction To Financial Management  
- AYN456  Business and Corporations Law

**Part B - Applied Finance Studies (96 credit points)**

- EFN412  Advanced Managerial Finance  
- EFN415  Security Analysis  
  Plus six units from the following:  
  - EFN410  Economic and Financial Modelling  
  - EFN414  International Finance  
  - EFN416  Treasury and Portfolio Management  
  - EFN421  Financial Planning and Strategies  
  - EFN501  Corporate and Commercial Lending  
  - EFN505  Financial Risk Management  
  - EFN507  Advanced Capital Budgeting  
  - BSN404  Project 1  
  OR Elective Units (maximum of 2)

**Full Time, Semester 2 Entry (for continuing students only)**

**Year 1, Semester 2**

- EFN405  Managerial Economics  
- EFN406  Managerial Finance  
- EFN405  Managerial Economics  
- EFN406  Managerial Finance  
- EFN412  Advanced Managerial Finance  
- EFN415  Security Analysis  
  Plus two units from:  
  - EFN410  Economic and Financial Modelling  
  - EFN416  Treasury and Portfolio Management  
  - EFN421  Financial Planning and Strategies  
  - EFN501  Corporate and Commercial Lending  
  - EFN505  Financial Risk Management  
  - BSN404  Project 1

**Year 2, Semester 2**

- EFN412  Advanced Managerial Finance  
- EFN415  Security Analysis  
  Plus two units from:  
  - EFN410  Economic and Financial Modelling  
  - EFN416  Treasury and Portfolio Management  
  - EFN421  Financial Planning and Strategies  
  - BSN404  Project 1

**Elective**

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**Published on: 16 May 2011**

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### UNIT SYNOPSES

#### AYN456 BUSINESS AND CORPORATIONS LAW
This unit will introduce students to the Australian legal environment and develop students’ knowledge and understanding of the basic principles of business law and the Australian corporations legislation. Students will be encouraged to develop their research and analytical skills relevant to contemporary business and corporate practice.

**Antirequisites:** AYN410 and AYN412  
**Credit points:** 12  
**Campus:** Gardens Point  
**Teaching period:** 2010 SEM-1 and 2010 SEM-2

#### BSN404 PROJECT 1
This unit is designed to permit the student to undertake a research project, subject to the approval of the Course Coordinator.

**Antirequisites:** MKN101, MKN102, MKN103  
**Credit points:** 12  
**Campus:** Gardens Point  
**Teaching period:** 2010 SEM-1, 2010 SEM-2 and 2010 SUM

#### EFN405 MANAGERIAL ECONOMICS
This unit addresses the following topics: managerial decision making in an economic environment; an introduction to economics, demand analysis, cost analysis, market strategy and the macroeconomic environment; issues including problems of resource allocation at the firm, in industry and in the economy.

**Antirequisites:** GSN203, GSN411, GSN414, GSN491, GSN492 and GSZ491  
**Credit points:** 12  
**Contact hours:** 3 per week  
**Campus:** Gardens Point  
**Teaching period:** 2010 SEM-1 and 2010 SEM-2

#### EFN406 MANAGERIAL FINANCE
This unit is an introduction to the world of finance and financial management. Topics include: the finance function, the role of the financial manager; the Australian financial environment; sources of funds; present and future value; time value of money; financial mathematics; introduction to valuation; cost of funds; the firm investment decision; investment evaluation techniques; capital budgeting;
portfolio theory; risk and return; capital asset pricing model; dividend policy; financial structure policy; futures; options.

Antirequisites: GSN413, GSN423 and GSZ413  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-1, 2010 SEM-2 and 2010 SUM

**EFN410 ECONOMIC AND FINANCIAL MODELLING**

This unit introduces students to the modelling techniques which are frequently used in a business and financial environment. Modelling is used as an aid to decision-making, as a means of forecasting important variables and as a planning and analysis tool. Various modelling exercises are used to illustrate the use of these modelling techniques in an economic and financial context.

Prerequisites: EFN412  Antirequisites: AYN419, EFN503  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-1 and 2010 SEM-2

**EFN412 ADVANCED MANAGERIAL FINANCE**

This unit expands on material introduced and developed in EFN406 Managerial Finance. Its objective is to examine the key decisions made by corporate financial managers (that is the investment, financing and dividend decisions). Topics include: the financing decision (capital stock, debt versus equity, lease versus debt, term structure versus default structure of interest rates; the dividend decision (dividends versus capital gains, franked versus unfranked income; firm valuation, free cash flow model; evaluation of takeovers; Risk and Return (diversification, the CAPM model, its practical application and its relationship to efficient market hypothesis; forwards, futures, options, warrants, convertibles and risk management using financial derivatives.

Prerequisites: EFN406  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-1 and 2010 SEM-2

**EFN414 INTERNATIONAL FINANCE**

This unit introduces the theory and practice of international finance, the relationship between domestic and international financial markets, international parity conditions and arbitrage, foreign exchange risk management, country and political risk management, international trade finance, international portfolio investment, multinational cost of capital and capital structure, international capital budgeting and foreign direct investment.

Prerequisites: EFN406  Antirequisites: EFN417  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-2

**EFN415 SECURITY ANALYSIS**

This unit deals with security analysis and portfolio management. The unit is both practical and theoretical.

Topics covered include: portfolio theory and the capital asset pricing model; bond and equity portfolio management; fundamental valuation techniques; portfolio hedging; active vs. passive investment strategies; and the evaluation of portfolio performance. The ultimate purpose of this unit is to provide the necessary tools for students to manage investment risk and return, select mispriced securities, design and administer investment portfolios, accomplish goals in portfolio management, and measure the performance of investment management.

Prerequisites: EFN406  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point

**EFN416 TREASURY AND PORTFOLIO MANAGEMENT**

This unit introduces the student to the treasury environment in which financial institutions operate. The key to the unit is the raising of funds and the management of interest rate risk. This unique hands-on unit allows students to develop these skills by trading in a simulated environment of international economic uncertainty. Students have trading parameters within which they should operate and decisions must be made concerning source of funds, term and duration, interest rate re-set, and risk management with derivatives. Trading will be conducted over a simulated four quarter year.

Prerequisites: EFN406  Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-1

**EFN420 INTRODUCTION TO FINANCIAL MANAGEMENT**

This unit is a preliminary study of financial information and financial markets and it includes a number of techniques required for analysing financial information.

Credit points: 12  Contact hours: 3 per week  Campus: Gardens Point  Teaching period: 2010 SEM-1 and 2010 SEM-2

**EFN421 FINANCIAL PLANNING AND STRATEGIES**

This unit aims to give students a solid grounding in the world of Financial Planning and Superannuation. This will involve gaining knowledge of financial markets and instruments as well as the appropriate regulatory framework.

Credit points: 12  Contact hours: 3  Campus: Gardens Point  Teaching period: 2010 SEM-1 and 2010 SEM-2

**EFN501 CORPORATE AND COMMERCIAL LENDING**

This unit covers the theory and practice of lending by commercial banks to firms. Topics include the nature of financial intermediation, basic loan structure, costs of lending, lender’s compensation, and loan terms and conditions.

Prerequisites: EFN412  Credit points: 12  Campus: Gardens Point  Teaching period: 2010 SEM-1
**EFN505 FINANCIAL RISK MANAGEMENT**

The unit covers the main areas of modern risk management. The focus is on measuring and managing risks in financial institutions. Particular attention is paid to developing understanding of the analytical techniques employed in the construction of hedging strategies and the interrelations between the main areas of risk management. The unit emphasises empirical applications and assessment of risk management techniques. Topics covered include the current state of prudential regulation of financial institutions, measurement and management of market risks, hedging strategies with derivatives and managing interest rate and exchange rate risks.

**Prerequisites:** EFN415  
**Credit points:** 12  
**Contact hours:** 3 per week  
**Campus:** Gardens Point  
**Teaching period:** 2010 SEM-1 and 2010 SEM-2

**EFN507 ADVANCED CAPITAL BUDGETING**

Topics in this unit include: capital investment analysis, the NPV rule, adjusted present value, replacement decisions, retirement decisions, unequal lives, optimal life, cost of capital, estimating beta, capital rationing, valuation of new issues, mergers and takeovers, analysis of financial and leverage leases, the impact of recent taxation changes on the financing, dividend and investment decisions of the firm, capital budgeting in an international context, access or infrastructure pricing, and real options. The course includes a series of case studies, problems and exercises, which require the student to apply the theory they have learned, to practical situations not covered in normal undergraduate courses. A basic understanding of spreadsheets is assumed.

**Prerequisites:** EFN406 and EFN412  
**Credit points:** 12  
**Contact hours:** 3 per week  
**Campus:** Gardens Point  
**Teaching period:** 2010 SEM-2