Master of Business (Applied Finance) - Advanced (BS17)

Year offered: 2010
Admissions: Yes
CRICOS code: 059600M
Course duration (full-time): 4 semesters
Course duration (part-time): 8 semesters
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
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) - Advanced 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 must undertake 192 credit points consisting of 144 credit points of prescribed units and 48 credit points of approved elective units. 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 Advanced 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
MBusAdv(AppFin)

Professional recognition
Graduate will meet the academic component of requirements for Senior Associate membership of the Financial Services Institute of Australasia, 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 (international students)
In addition to the above academic entry requirement, international students must meet the following English language proficiency levels for entry into the Faculty’s...
postgraduate coursework courses:

- IELTS: overall band score of 6.5 with no sub-band below 6.0; or
- TOEFL: 575 (paper-based), 230 (computerised) or 90 with at least 20 in all bands (Internet Based) (if TOEFL permitted by visa requirements).

International students who do not meet the above English proficiency entry level may be offered a Pathway entry option if they demonstrate an English language proficiency level not lower than the following:

- IELTS: overall band score of 6.0 with no sub-band below 5.0; or
- TOEFL: 550 (paper-based), 213 (computerised) ie 80 with at least 18 in all bands (Internet Based) (if TOEFL permitted by visa requirements).

Pathways programs (international students)
Pathways units are designed for academically qualified students who do not meet the language requirements. For information and entry requirements for Pathways, please see the Master of Business - Advanced overview.

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

Applied Finance Unit Set (AFQ)

Master of Business Applied Finance Advance Compulsory Units

- EFN405 Managerial Economics
- EFN406 Managerial Finance
- EFN420 Introduction To Financial Management
- AYN456 Business and Corporations Law
- EFN415 Security Analysis
- EFN412 Advanced Managerial Finance

Plus 6 units from:

- 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
Faculty of Business Postgraduate Option Units (maximum of 24 credit points)

Plus an additional 48 Credit Points from either:

1. Further advanced Finance Studies; OR
2. 48cp from another Business stream; OR
3. 48 cp Dissertation

Full-time, Semester 1 Entry

Year 1, Semester 1

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

Year 2, Semester 1

Four 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

Faculty of Business Postgraduate Option Unit

Year 2, Semester 2

48 Credit Points from either:

1. Further advanced Finance Studies
2. A 48cp minor from another Business stream
3. 48cp Dissertation

Full-time, Semester 2 Entry

Year 1, Semester 2
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, 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 structure, debt.
versus equity, lease versus debt, term structure versus default structure of interest rates; the dividend decision versus dividends versus capital gains, franked versus unfranked income; firm valuation, free cash flow model; evaluation of takeovers; Risk and Return versus diversification, the CAPM model, its practical application and its relationship to efficient market hypothesis; forwards, futures, options, warrants, convertible 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 and 2010 SEM-2

**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  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