

333-613 Foundations of Finance

Credit Points:	12.500
Level:	Graduate/Postgraduate
Dates & Locations:	2008, This subject commences in the following study period/s: Semester 1, - Taught on campus.
Time Commitment:	Contact Hours: Seminars or lectures and tutorials totalling 3 hours perweek (Semester 1). Total Time Commitment: Not available
Prerequisites:	None
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	<p><p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability</p></p>
Coordinator:	Dr.G.Gannon
Subject Overview:	This subject involves a study of the theoretical underpinnings of modern finance. Topics covered include choice under uncertainty, portfolio theory, asset pricing models, option pricing models, investment evaluation, corporate financial policy, agency theory.
Assessment:	A 1.5-hour mid semester examination (30%), a 3-hour end-of-semester examination (50%) and assignments totalling not more than 2000 words (20%).
Prescribed Texts:	None
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Generate portfolios that are mean-variance efficient. # Recognise arbitrage opportunities in bond markets # Apply no-arbitrage conditions to price options. # Discuss the factors that are important in a firms choice of capital structure. # Analyse the factors that are important in a firms choice of dividend policy. # Explain how a firm can engage in risk management. <p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> # Oral communication # Written communication # Problem solving # Statistical reasoning

	<ul style="list-style-type: none"># Application of theory to practice# Interpretation and analysis# Critical thinking# Synthesis of data and other information# Evaluation of data and other information
Related Course(s):	Master of Commerce - Finance