

## 333-678 Financial Engineering

<b>Credit Points:</b>	6.250
<b>Level:</b>	Graduate/Postgraduate
<b>Dates &amp; Locations:</b>	2008, This subject commences in the following study period/s: Semester 1, - Taught on campus. Semester 2, - Taught on campus.
<b>Time Commitment:</b>	Contact Hours: 18 hours per semester (Semester 1, Semester 2). Total Time Commitment: Not available
<b>Prerequisites:</b>	333-662 Derivative Securities. This subject is only available to those students that would satisfy the entry criteria for the Master of Applied Finance or who have already completed 100 points in the Master of Financial Management.
<b>Corequisites:</b>	None
<b>Recommended Background Knowledge:</b>	None
<b>Non Allowed Subjects:</b>	None
<b>Core Participation Requirements:</b>	<p>&lt;p&gt;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.&lt;/p&gt;         &lt;p&gt;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: &lt;a href="http://services.unimelb.edu.au/disability"&gt;http://services.unimelb.edu.au/disability&lt;/a&gt;&lt;/p&gt;</p>
<b>Subject Overview:</b>	Financial engineering principles, valuation techniques, tax and regulatory issues involved in product development, analysis of specific products such as: Victorian Equity Trust, Tascorp Equity Bonds, Market Index Deposits, Converting Preference Shares, Convertible Notes, IOs - POs, Lyons.
<b>Assessment:</b>	A 2-hour end-of-semester examination (70%) and assignments totalling not more than 1500 words (30%).
<b>Prescribed Texts:</b>	None
<b>Breadth Options:</b>	This subject is not available as a breadth subject.
<b>Fees Information:</b>	Subject EFTSL, Level, Discipline & Census Date, <a href="http://enrolment.unimelb.edu.au/fees">http://enrolment.unimelb.edu.au/fees</a>
<b>Generic Skills:</b>	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> <li># Apply financial engineering techniques to develop new financial instruments .</li> <li># Provide advice on, and suggest methods for, overcoming a range of financing and agency problems in corporate finance and funds management.</li> <li># Analyse causes of financial market imperfections and opportunities for developing innovative financial solutions.</li> <li># Derive pricing models for a variety of innovative financial instruments.</li> <li># Develop hypotheses which can explain and help predict the success or failure of innovative financial instruments.</li> </ul> <p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> <li># Oral communication</li> <li># Written communication</li> <li># Collaborative learning</li> </ul>

	<ul style="list-style-type: none"><li># Problem solving</li><li># Team work</li><li># Statistical reasoning</li><li># Application of theory to practice</li><li># Interpretation &amp; analysis</li><li># Critical thinking</li><li># Synthesis of data and other information</li><li># Evaluation of data and other information</li><li># Using computer software</li><li># Accessing data and other information from a range of sources</li></ul>
<b>Related Course(s):</b>	Master of Applied Finance Master of Financial Management