

333-664 Risk Management and Regulation

Credit Points:	12.50
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	2009, This subject commences in the following study period/s: Semester 1, - Taught on campus. Semester 2, - Taught on campus.
Time Commitment:	Contact Hours: 36 hours per semester (Semester 1, Semester 2). Total Time Commitment: Not available
Prerequisites:	333-661 Principles of Finance, 333-662 Derivative Securities. This subject is only available to those students that would satisfy the entry criteria for the Master of Applied Finance.
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 Andre Fred Gygax
Subject Overview:	This subject covers financial institutions and risk management. Topics include: financial system structure and evolution, the banking industry, funds management and life insurance, regulation, trends in the financial system, value-at-risk, hedging and risk management with futures, interest rate forwards and futures, futures options, interest rate options, exotic options, derivative disasters.
Objectives:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Explain the risks arising from financial intermediation; # Evaluate risk management and pricing practices in financial institutions; # Describe the regulatory environment in which banks and other deposit taking institutions operate; # Compare international regulatory environments for banks and central bank roles; # Analyse the effects of regulation; # Analyse the key components of a bank's financial statements; # Describe the sources of market and credit risks for both financial and non-financial firms; # Analyse the products and mechanisms for hedging market and credit risks; # Apply techniques for hedging financial risks.
Assessment:	A 3-hour end-of-semester examination (70%) and assignments totalling not more than 3000 words (30%).
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 have improved the following generic skills:</p> <ul style="list-style-type: none"> # Oral communication # Written communication # Collaborative learning # Problem solving # Team work # Statistical reasoning # Application of theory to practice # Interpretation and analysis # Critical thinking # Synthesis of data and other information # Evaluation of data and other information # Using computer software # Accessing data and other information from a range of sources
Related Course(s):	Master of Applied Finance