

FNCE90022 Risk Management and Regulation

Credit Points:	12.50									
Level:	9 (Graduate/Postgraduate)									
Dates & Locations:	2011, Parkville This subject commences in the following study period/s: Semester 1, Parkville - Taught on campus. Semester 2, Parkville - Taught on campus.									
Time Commitment:	Contact Hours: One three-hour lecture per week Total Time Commitment: Estimated total time commitment of 120 hours per semester									
Prerequisites:	This subject is only available to those students who would satisfy the entry criteria for the Master of Applied Finance.									
Corequisites:	<table border="1"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>FNCE90019 Principles of Finance</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> <tr> <td>FNCE90020 Derivative Securities</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	FNCE90019 Principles of Finance	Semester 1, Semester 2	12.50	FNCE90020 Derivative Securities	Semester 1, Semester 2	12.50
Subject	Study Period Commencement:	Credit Points:								
FNCE90019 Principles of Finance	Semester 1, Semester 2	12.50								
FNCE90020 Derivative Securities	Semester 1, Semester 2	12.50								
Recommended Background Knowledge:	None									
Non Allowed Subjects:	None									
Core Participation Requirements:	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: http://www.services.unimelb.edu.au/disability/									
Coordinator:	Dr Andre Gygax, Dr Harald Scheule									
Contact:	Graduate School of Business and Economics Level 4, 198 Berkeley Street Telephone: +61 3 8344 1670 Online Enquiries (https://nexus.unimelb.edu.au/OnlineEnquiryForm.aspx?campaigncode=CMP-01311-VZ8293&cssurl=https://nexus.unimelb.edu.au/cssfiles/gsbe.css&redirecturl=http://www.gsbe.unimelb.edu.au/contactus/nexus/gsbe.html) Web: www.gsbe.unimelb.edu.au (http://www.gsbe.unimelb.edu.au)									
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:	On successful completion of this subject students should be able to: <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; 									

	<ul style="list-style-type: none"> # 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:	3-hour end-of-semester examination (70%) Assignments totalling not more than 3000 words (30%)
Prescribed Texts:	You will be advised of prescribed texts by your lecturer.
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 Postgraduate Certificate in Applied Finance