

FNCE10001 Finance 1

Credit Points:	12.50
Level:	1 (Undergraduate)
Dates & Locations:	2012, Parkville This subject commences in the following study period/s: January, Parkville - Taught on campus. Semester 1, Parkville - Taught on campus. Semester 2, Parkville - Taught on campus.
Time Commitment:	Contact Hours: Two hours of lectures and a 1-hour tutorial per week (Sem 1, 2) Summer: 24 hours of lectures and 12 hours of tutorials Total Time Commitment: Not available
Prerequisites:	A study score of at least 25 in English (any) or equivalent and Mathematical Methods in VCE Units 3 & 4 or equivalent OR MAST10012 Introduction to Mathematics (../view/current/MAST10012) OR Entry into the Bachelor of Commerce OR Entry into the Bachelor of Science
Corequisites:	None
Recommended Background Knowledge:	Please refer to Prerequisites and Corequisites.
Non Allowed Subjects:	Students who have completed FNCE20001 Business Finance (../view/current/FNCE20001) will not be permitted to enrol in this subject.
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/
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Subject Overview:	This subject introduces students to finance and provides them with fundamental principles and institutional knowledge to progress in the discipline. Topics include direct financing and security yields, banking and the money market, the bond and equity markets, offshore finance and foreign exchange, the behaviour of financial variables, interest rate risk management and derivative securities. These topics will be used to illustrate fundamental financial concepts such as risk, return, and present value.
Objectives:	# Provide an overview of a 'developed' financial system # Distinguish between the basic types of financial instruments and their main institutional users and issuers

	# Appreciate basic concepts in finance, including risk, return, arbitrage, primary claims and contingent claims # Apply financial mathematical techniques to financial instruments # Explain the operation of capital and derivatives markets reflect upon the process of financial innovation
Assessment:	Assignments not exceeding 2000 words (20%) and a 2-hour end-of-semester examination (80%). To pass this subject, students must pass the end-of-semester examination.
Prescribed Texts:	Financial Institutions and Markets (B Hunt and C Terry), (6th edn), Thomson, Australia, 2011.
Breadth Options:	This subject potentially can be taken as a breadth subject component for the following courses: # Bachelor of Arts (https://handbook.unimelb.edu.au/view/2012/B-ARTS) # Bachelor of Biomedicine (https://handbook.unimelb.edu.au/view/2012/B-BMED) # Bachelor of Environments (https://handbook.unimelb.edu.au/view/2012/B-ENVS) # Bachelor of Music (https://handbook.unimelb.edu.au/view/2012/B-MUS) # Bachelor of Science (https://handbook.unimelb.edu.au/view/2012/B-SCI) # Bachelor of Engineering (https://handbook.unimelb.edu.au/view/2012/B-ENG) You should visit learn more about breadth subjects (http://breadth.unimelb.edu.au/breadth/info/index.html) and read the breadth requirements for your degree, and should discuss your choice with your student adviser, before deciding on your subjects.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	# High level of development: interpretation and analysis; critical thinking; synthesis of data and other information; accessing data and other information from a range of sources. # Moderate level of development: oral communication; written communication; problem solving; statistical reasoning; application of theory to practice; evaluation of data and other information. # Some level of development: collaborative learning; team work; use of computer software.
Notes:	# Students who have completed FNCE20001 Business Finance (../view/current/FNCE20001) will not be permitted to enrol in this subject. # Students who have not completed VCE Mathematical Methods (either) Units 3 and 4 may complete MAST10012 Introduction to Mathematics (../view/current/MAST10012) in order to satisfy this prerequisite.
Related Breadth Track(s):	Your Money or Your Life Real Estate and the Australian Dream Fundamentals of Finance and Accounting Ethics & Investing Economics & Finance