

## FNCE90062 Capstone Studies in Finance

<b>Credit Points:</b>	12.50
<b>Level:</b>	9 (Graduate/Postgraduate)
<b>Dates &amp; Locations:</b>	2012, Parkville This subject commences in the following study period/s: Semester 2, Parkville - Taught on campus.
<b>Time Commitment:</b>	Contact Hours: One 3-hour lecture per week Total Time Commitment: Approximately 2.5 hours of personal study per hour of class time is required to achieve a satisfactory level of performance.
<b>Prerequisites:</b>	All Master of Management (Finance) foundation subjects and compulsory subjects plus at least one elective subject in the Master of Management (Finance).
<b>Corequisites:</b>	None
<b>Recommended Background Knowledge:</b>	None
<b>Non Allowed Subjects:</b>	None
<b>Core Participation Requirements:</b>	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: <a href="http://www.services.unimelb.edu.au/disability/">http://www.services.unimelb.edu.au/disability/</a>
<b>Coordinator:</b>	Assoc Prof Gregory Schwann
<b>Contact:</b>	Graduate School of Business and Economics Level 4, 198 Berkeley Street Telephone: +61 3 8344 1670 Online Enquiries Web: <a href="http://www.gsbe.unimelb.edu.au">www.gsbe.unimelb.edu.au</a> ( <a href="http://gsbe.unimelb.edu.au/">http://gsbe.unimelb.edu.au/</a> )
<b>Subject Overview:</b>	This subject will synthesize the ideas in the course by examining each of a set of four cases/ applied settings across three distinct classes. The case/applied setting will be considered from three perspectives: from the point of view of future retirees and other investors; from the point of view of the firm's managers and other employees; and finally from the point of view of an investment bank or other intermediary involved. The subject will be team taught by instructors from the three compulsory subjects common to the Master of Management (Finance) and Master of Management (Finance) (Advanced) courses (namely FNCE90018 Corporate Financial Policy, FNCE90056 Investment Management and FNCE90011 Derivative Securities). The subject will include practitioner presentations.
<b>Objectives:</b>	On successful completion of this subject, students should be able to: <ul style="list-style-type: none"> <li># Evaluate finance problems from a holistic view;</li> <li># Analyse the desirability of a project from the point of view of investors in the firm considering the project;</li> <li># Determine how the optimality of investing in the project is affected by the method of financing the investment, the method of distributing its future payoffs, hedging decisions with respect to those payoffs, and the executive compensation scheme used to incentivize the project's managers;</li> <li># Describe how a financial intermediary might optimally market the project to investors and firm managers; and</li> <li># Explain the implications for stock exchanges and capital markets of decisions to fund projects either privately or publically and either with domestic or overseas-sourced capital.</li> </ul>

<b>Assessment:</b>	A 1-hour mid-semester, in-class case analysis examination (35%) Individual assignment of 3,000 words, due during the official exam period (65%)
<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 have improved the following generic skills:</p> <ul style="list-style-type: none"> <li># The ability to recognize the implications for different parties (owners, managers and finance intermediaries) of any one financial decision;</li> <li># Critical and evaluative thinking in relation to conflicts between different classes of owners of a firm, between the owners and managers of the firm, and between the suppliers of financial capital and the suppliers of human capital to the firm;</li> <li># Negotiation skills through an understanding of the potentially very different importance placed by investors, managers and financial intermediaries on the various parts of a single financial problem (such as the maturity, interest rate and security of a new bond issue);</li> <li># Synthesis of data and other information through discussion of alternatives in financial decision making;</li> <li># Decision-making skills through making a single recommendation of the best choice in applied settings when the various parties affected by that decision do not share a set of common preferences; and</li> <li># Ethical thinking and work practice skills in financial decision making through the analysis of case studies and applied settings involving conflicts of interest between investors, managers and financial intermediaries.</li> </ul>
<b>Related Course(s):</b>	Master of Management (Finance) Master of Management (Finance)