

BUSA90315 Risk Management

Credit Points:	12.5
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	2015, Parkville This subject commences in the following study period/s: July, Parkville - Taught on campus.
Time Commitment:	Contact Hours: 30 hours Total Time Commitment: Not available
Prerequisites:	None
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>
Contact:	Program Services programservices@mbs.edu (mailto:programservices@mbs.edu)
Subject Overview:	This subject addresses what risk management is, why companies engage in risk management, and the tools available to manage risk. As part of this, the subject provides an introduction to basic derivative securities such as forward and futures contracts, options, interest rate and currency swaps, and credit derivatives. We deal with the issue of pricing derivative securities by simple arbitrage arguments, and develop a framework for analyzing and using financial derivatives in various applications. While the study of derivative securities is inherently quantitative, the subject also focuses on economic intuitions and interpretations behind derivative securities.
Learning Outcomes:	On completion of this subject, students should be able to: <ul style="list-style-type: none"> # Assess and measure the financial risk of commercial/industrial companies # Price future contracts # Price derivative contracts # Price swap contracts # Price credit derivatives # Price executive stock options # Use derivative securities to manage the financial risk of commercial/industrial companies
Assessment:	Contribution to class learning (10%) Throughout subject Midterm test (10%) 1 hour Middle of subject 2 Syndicate assignments (10%) each equivalent to individual 250-word assessment Staggered throughout subject Syndicate assignment (15%) equivalent to individual 750-word assessment End of subject Final examination (50%) Hurdle requirement 3 hours End of subject
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
Related Course(s):	Master of Business Administration Master of Business Administration