

## FNCE90033 Financial Engineering

<b>Credit Points:</b>	6.25																					
<b>Level:</b>	9 (Graduate/Postgraduate)																					
<b>Dates &amp; Locations:</b>	2016, Parkville This subject commences in the following study period/s: March, Parkville - Taught on campus.																					
<b>Time Commitment:</b>	Contact Hours: This intensive subject is taught over 18 hours Total Time Commitment: Estimated total time commitment of 60 hours per semester																					
<b>Prerequisites:</b>	ECON90033 Quantitative Analysis of Finance I <i>and</i> ECON90034 Economics of Finance <i>and</i> FNCE90047 Financial Markets and Instruments <i>and</i> FNCE90016 International Financial Management <i>and</i> EITHER ACCT90002 Financial Statement Analysis OR ACCT90004 Accounting for Decision Making <table border="1" data-bbox="387 768 1485 1232"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ECON90033 Quantitative Analysis of Finance I</td> <td>Semester 1, Semester 2</td> <td>12.5</td> </tr> <tr> <td>ECON90034 Economics of Finance</td> <td>Semester 1, Semester 2</td> <td>12.5</td> </tr> <tr> <td>FNCE90047 Financial Markets and Instruments</td> <td>Semester 1, Semester 2</td> <td>12.5</td> </tr> <tr> <td>FNCE90016 International Financial Management</td> <td>Semester 1, Semester 2</td> <td>12.5</td> </tr> <tr> <td>ACCT90002 Financial Statement Analysis</td> <td>Semester 1, Semester 2</td> <td>12.5</td> </tr> <tr> <td>ACCT90004 Accounting for Decision Making</td> <td>Summer Term, Semester 1, Semester 2</td> <td>12.5</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ECON90033 Quantitative Analysis of Finance I	Semester 1, Semester 2	12.5	ECON90034 Economics of Finance	Semester 1, Semester 2	12.5	FNCE90047 Financial Markets and Instruments	Semester 1, Semester 2	12.5	FNCE90016 International Financial Management	Semester 1, Semester 2	12.5	ACCT90002 Financial Statement Analysis	Semester 1, Semester 2	12.5	ACCT90004 Accounting for Decision Making	Summer Term, Semester 1, Semester 2	12.5
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<b>Corequisites:</b>	None																					
<b>Recommended Background Knowledge:</b>	None																					
<b>Non Allowed Subjects:</b>	None																					
<b>Core Participation Requirements:</b>	<p>&lt;p&gt;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.&lt;/p&gt;           &lt;p&gt;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: &lt;a href="http://services.unimelb.edu.au/disability"&gt;http://services.unimelb.edu.au/disability&lt;/a&gt;&lt;/p&gt;</p>																					
<b>Coordinator:</b>	Prof Kevin Davis																					
<b>Contact:</b>	Email: <a href="mailto:kevin.davis@unimelb.edu.au">kevin.davis@unimelb.edu.au</a> (mailto:kevin.davis@unimelb.edu.au)																					
<b>Subject Overview:</b>	Financial engineering principles, valuation techniques, tax and regulatory issues involved in product development, analysis of specific products such as: Victorian Equity Trust, Tascorp																					

	Equity Bonds, Market Index Deposits, Converting Preference Shares, Convertible Notes, IOs - POs, Lyons.
<b>Learning Outcomes:</b>	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> <li># Apply financial engineering techniques to develop new financial instruments;</li> <li># Provide advice on, and suggest methods for, overcoming a range of financing and agency problems in corporate finance and funds management;</li> <li># Analyse causes of financial market imperfections and opportunities for developing innovative financial solutions;</li> <li># Derive pricing models for a variety of innovative financial instruments;</li> <li># Develop hypotheses which can explain and help predict the success or failure of innovative financial instruments.</li> </ul>
<b>Assessment:</b>	1500 word assignment or equivalent, due within two weeks of the end of the teaching period (30%); 2-hour final examination (70%).
<b>Prescribed Texts:</b>	You will be advised of prescribed texts by your lecturer.
<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># Oral communication</li> <li># Written communication</li> <li># Collaborative learning</li> <li># Problem solving</li> <li># Team work</li> <li># Statistical reasoning</li> <li># Application of theory to practice</li> <li># Interpretation &amp; analysis</li> <li># Critical thinking</li> <li># Synthesis of data and other information</li> <li># Evaluation of data and other information</li> <li># Using computer software</li> <li># Accessing data and other information from a range of sources</li> </ul>
<b>Related Course(s):</b>	Master of Finance