

## FNCE90062 Capstone Studies in Finance

<b>Credit Points:</b>	12.5						
<b>Level:</b>	9 (Graduate/Postgraduate)						
<b>Dates &amp; Locations:</b>	2016, Parkville This subject commences in the following study period/s: Semester 1, Parkville - Taught on campus. 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>	Enrolment in Master of Management (Finance) and all Master of Management (Finance) foundation subjects and compulsory subjects plus at least one elective subject in the Master of Management (Finance). <table border="1" data-bbox="387 689 1485 837"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>FNCE90011 Derivative Securities</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	FNCE90011 Derivative Securities	Semester 1, Semester 2	12.50
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FNCE90011 Derivative Securities	Semester 1, Semester 2	12.50					
<b>Corequisites:</b>	Students must have completed or be concurrently enrolled in FNCE90011 Derivative Securities. <table border="1" data-bbox="387 920 1485 1068"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>FNCE90011 Derivative Securities</td> <td>Semester 1, Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	FNCE90011 Derivative Securities	Semester 1, Semester 2	12.50
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<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>	Assoc Prof Gregory Schwann						
<b>Contact:</b>	Email: <a href="mailto:g.schwann@unimelb.edu.au">g.schwann@unimelb.edu.au</a> (mailto:g.schwann@unimelb.edu.au)						
<b>Subject Overview:</b>	<p>This subject gives each student in the Master of Management (Finance) the opportunity to use the skills acquired in their coursework to analyze the financial outlook of an Australian listed company. Students will be assigned to teams for this work. Each team will be given a micro-cap company listed on the Australian Stock Exchange to analyze. The objective of the team analyses is an 'analyst report' on the company. To complete the report, each team must look at the company through three lenses. They must assess the company from:</p> <ol style="list-style-type: none"> <li>1. a value investor's perspective,</li> <li>2. a commercial banking perspective, and</li> <li>3. a mergers and acquisition perspective.</li> </ol> <p>Each perspective will form a section in the report. In the value investor section, the core challenge for the team is to develop a well-founded valuation of the company. In the commercial banking section, the team must determine the maximum amount of a commercial bank might be</p>						

	willing to lend the company based on the valuation and prudent banking criteria. In the mergers and acquisition section, each team must assess whether shareholder value might be enhanced by engaging in M&A activity. This could be merging with or acquiring another firm or selling, carving-out or spinning-off part of the existing firm. This is the most freewheeling section in the report because it asks each group to place their assigned company within the general business environment of Australia.
<b>Learning Outcomes:</b>	<p>On successful completion of this subject, students should be able to:</p> <ul style="list-style-type: none"> <li># Identify through the use of case studies and other mediums financial problems and evaluate these problems from a holistic view having regard to all stakeholders.</li> <li># Synthesize and apply discipline specific knowledge from the compulsory subjects common to the Master of Management (Finance) courses to the identification, measurement, management and reporting of financial problems and solutions.</li> <li># Apply strategic approaches to the resolution of financial problems confronting corporate entities, capital market participants and regulators.</li> <li># Develop research skills to assist in decision making and the formulation of valid and justifiable arguments to support suggested solutions to problems.</li> <li># Present high quality verbal and written presentations of a standard expected of industry practitioners.</li> <li># Develop skills related to working as part of a research team consistent with expectations of industry practitioners.</li> </ul>
<b>Assessment:</b>	Two 750 word mid-semester tests totalling 1,500 words (15%+15%, total 30%) (Weeks 6 and 10) A 20 minute group in class practice presentation during semester (5%) (Week 8-10) A 20 minute group presentation of final report scheduled during the final meeting (25%) (Week 12) A 5000 word group written report due at the end of semester. (40%) (Due 10 days after presentation)
<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>	<p>Master of Management (Accounting and Finance)  Master of Management (Finance)  Master of Management (Finance)</p>
<b>Related Majors/Minors/Specialisations:</b>	150 Point Master of Management (Finance)