

## **Master of Applied Finance (Corporate Treasury)**

The Master of Applied Finance offers a unique approach to finance with an in-depth and rigorous learning experience. The program has two specialisations; Investing and Corporate Treasury. Alongside a foundation in the specialized knowledge and skills related to holistic applied finance areas, you will also have opportunities to deeply understand the real challenges facing organizations in managing businesses and specialize and apply what you've learned in practice. The Program is organized around three key themes:

### **Common Finance Subjects**

#### **Financial Statement Analysis for Business**

This subject examines the framework for financial statement analysis with discussion of the role of accounting information and intermediaries. Emphasis is on the appraisal and prediction of corporate financial performance from publicly available information such as accounting numbers, industry and economic statistics as well as other stock market data. Cases and problems are gradually introduced, provoking an analytical and creative thinking process ending with the evaluation and preparation of appropriate business strategies.

#### **Financial Institutions**

This subject reviews the global financial system and investigates the functioning of Australian financial institutions and markets. Particular content may include coverage of the evolution of the global monetary system and organisations; the international financial markets including Euromarket; the framework of Australian financial system; the role of regulation sectors; the operations of money market, capital market and derivative market; the banking industry and payment system; and the implication of monetary and fiscal policies on financial markets.

#### **Quantitative Economic Analysis**

This subject develops the fundamental concepts of econometrics used in applied economic work in the academic, business and government sectors. The subject covers the standard and non-standard econometric models based on time series, cross-section and qualitative data. Emphasis will be on applications of the econometric methodologies to empirical research.

#### **Advanced Managerial Finance**

This subject examines advanced aspects of corporate finance within the contemporary business environment. The subject first analyses the impact of capital markets, information asymmetries and principal-agent conflicts on practical decision-making in the firm. It then investigates several specialised areas receiving increased scrutiny from corporate stakeholders including financial distress and restructuring, corporate governance, managerial

compensation, organisational architecture and risk management, debt and equity strategies, mergers and acquisitions and emerging market corporate finance.

## **Risk Management**

The focus in this subject will be on providing protection against portfolio, financial and corporate risks that are common to any number of basic and advanced investment decisions. Topics covered include risk insurance; the function of a risk management program to satisfy shareholders, employees, regulators, and other important stakeholders; the continuing evolution of best-practice risk policies and methodologies and associated risk infrastructures; implementation and the efficient communication of an organisation-wide Enterprise Risk Management (ERM) approach that encompasses market, credit, liquidity, operational, legal and regulatory, business, strategic and reputation risks.

## **Socially Responsible Finance**

Contact Faculty of Business for subject description

### **Specialisation Subjects**

## **Financial Strategy**

This subject provides an introduction to the theory and practice of financial management. The financial manager plays a key role in the development of a company's strategic plan. In particular, he is concerned with providing advice on which investment opportunities should be undertaken and how they should be financed. Both of these decisions should be taken in the context of maximising the value of the investment made in the company by its shareholders. Investment of funds in assets determines the size of the company, its profits from operations, its business risk and its liquidity. Obtaining the best mix of financing and dividends determines the company's financial charges and its financial risk; which in turn impacts on its valuation. It is the aim of this course to examine many of these issues.

## **Multinational Financial Management**

This subject examines international finance and investment from the perspective of the multinational corporation. Topics studied include various aspects of the international monetary system, the Euromarkets, foreign exchange markets, internal and external exposure management techniques, currency futures and options, swaps, financing multinational corporation investment, multinational corporation investment decision making, political risk analysis and international taxation.

## **Banking Theory & Practice**

This subject examines bank management theory as applied to the practice of bank operations within the Australian banking sector. It entails comprehensive discussion on issues that are commonly involved within the banking environment such as the regulatory structure, risk

management, commercial lending, capital adequacy analysis, asset and liability management, liquidity management, and the latest developments within the banking world.

**Research Capstone Project | (12CP)**

## **Research in Financial Markets and Institutions**

This subject provides students with the skills and knowledge necessary to conduct applied research within the finance industry and to provide innovative solutions to both specialist and non-specialist audiences. Students are required to draw on their knowledge of relevant literature and research methodologies to collect and analyse data, interpret results and provide convincing recommendations to relevant stakeholders. Potential topics include: interest rate and/or foreign currency swap markets, futures and option pricing models, issues in valuation methodologies, microstructure, developments in either the equity or debt capital markets, the global financial crisis, securitisation, the evolution of infrastructure finance, resource project finance, capital adequacy of banks, issues in bank regulation, stock market exchanges, recent use of technology in markets, financial planning and credit risk measurement.

**In addition, you will choose any one elective from the approved list below:**

### **Banking, Lending and Securities**

This subject examines a bank's lending process and the securities associated with it. The subject includes comprehensive discussion of issues concerning lending within the banking environment, such as regulation of security offerings, principles of good lending, documents involved in lending, lending and the consumer credit code, new developments in lending and securities, and their impact on the banking sector.

### **Entrepreneurial Finance**

This subject deals with the financial management tools and techniques appropriate for small and medium-sized business enterprises. It includes the study of potential investors and their mindset at various stages in the firm's life cycle, thus covering sources, uses and management of funds from pre-purchase to public listing. A case study approach is employed. Issues addressed include valuation, performance measurement, obtaining and organising finance, financial planning, and cost of financial capital and exit strategies.

### **Portfolio Simulation**

This subject provides students with realistic stock market simulations in which they are able to trade shares, options, bonds, managed funds, and international stocks. The core of the subject is in the construction and administration of a simulated investment portfolio using an online method. Students are introduced to financial markets, order placement techniques, trading strategies and portfolio theory. Students experience the pressure of live markets and learn how to manage a portfolio. The subject bridges classroom theory with real-world practical experience.

## **Derivatives**

This subject will expose students to the main types of financial derivatives, such as options, futures, swaps and synthetic derivatives. It will explore the principles and practical use of derivatives, conceptual and analytical aspects of derivatives, their main characteristics and the most dangerous pitfalls in using them. This subject will also undertake an advanced analysis of investment theory with an emphasis on the integration of derivative use and strategies with other portfolio management skills. Individual topics include; binomial decision theory, trading strategies using complex derivative structures, interest rate futures and swaps, the Greeks, futures options, value at risk, credit derivatives, weather, energy, and insurance derivatives, securitisation and the credit crisis, and the way commodity prices are modelled and commodity derivatives are valued.

## **Economics for Modern Business**

The subject examines core economic concepts relevant to business and managerial analysis and decision making. These concepts are used both to provide an economic basis for consumer and business decision making, as well as to equip students with the skills to identify and analyse aspects of the contemporary economic environment relevant to the operations of business. It commences with a microeconomic examination of the behaviour of individual economic units and understanding of the operation of markets. We then explore macroeconomics and its application to the functioning of the economy overall. Here, we explore the interrelations amongst participants and markets in a modern open macro economy and emphasise relevant topics such as the labour market and unemployment, inflation and interest rates, trade and exchange rates, and government policy intervention.

## **Islamic Banking and Finance**

This subject is designed to provide students a basic understanding of the principles, nature and form of Islamic Banking and Finance. Various aspects of Islamic Banking and Islamic Finance will be discussed such as: Modes of Financing, Product Development, Shariah Standards & Rulings, Islamic Investment products, Islamic Capital Markets, Islamic Insurance(takaful) System and Islamic Risk Management, etc. A historical background as well as the challenges for Islamic Banking and Finance will also be discussed.