



GRADUATE ACCOUNTING AND COMMERCE CENTRE

DIVISION OF ECONOMIC AND FINANCIAL STUDIES

ACCG837: CAPITAL MARKETS

UNIT OUTLINE

July to Nov 2006

ACCG 837 CAPITAL MARKETS

UNIT OUTLINE

UNIT OBJECTIVE

The objective of this unit is to provide an overview of the operation of the capital markets in Australia. The financial institutions are described and the securities offered by these institutions are reviewed. Emphasis is placed on the financial instruments available to companies and investors from the equity, debt and derivative markets.

FORMAT

There will be eleven lectures and two exams.

The lectures will be:

Mon Room E4B 316, 9am to 12noon
Tue Room E4B 316, 2pm to 5pm
Tue Room C4A 312, 6pm to 9pm

The lecture notes, the multiple-choice questions (MCQ), and answers to selected essay questions are available on the unit web site.

Answers to the MCQ may contain error. It is important that students work through the MCQ, and examine the answers given. Do not blindly accept the answers. Correction will be posted on the unit website regularly as the error is discovered.

Students are advised to keep up to date with the MCQ and the essay questions, as at least 65% of the exam questions will be based on them.

Make sure you have the same version of material as that in the WebCT.

There will be a group project to be handed in during presentation. This will require you to research a topic (maximum 3000 words) related to Capital Markets in Australia and based on recent events no later than three years old.

You should form a group of 3 to 4 people, and submit a typed written page with names of students in the group and the proposed topic (select a few if you are unsure) for approval no later than Lecture 5. A 20-minute presentation of your group project will be conducted during lecture 11 and 12.

The exams are conducted during class time. The mid-semester exam will cover material from Ch 1 to 6, and the final exam will cover the remaining material. You are strongly advised to sit for the exam at the class time you have enrolled for, a change of exam time will be very difficult to arrange.

INSTRUCTOR

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UNIT WEB SITE <http://online.mq.edu.au>

STEPS:

LOGIN

Type in USERNAME and PASSWORD

Click on GACCRESOURCES

Click on ACCG837

Students are advised to check the unit website regularly, and ensure that all material posted on the website can be accessed without difficulties. If you are unable to access any of the material on the website, check with your classmates first before notifying your lecturer of the problem.

UNIT ASSESSMENT

Group Project (Presentation)	10%
Group Project (Written)	15%
Mid-session examination	35%
Final examination	40%

To pass the unit, you are required to:

1. obtain at least 37.5 out of 75 for the two exams, and
2. obtain an overall mark of at least 50%

CALCULATORS

Calculators will be allowed in the exams, and students are advised to bring their calculators to class.

If you are planning to use a programmable calculator, make sure that you obtain approval from the lecturer before using it in the exams. You are expected to show all workings for your calculations.

All calculations should be to two decimal places, excessive rounding will be penalised.

TEXT BOOK

C. Viney, Financial Institutions, Instruments and Markets, McGraw-Hill, Fourth edition, 2003

REFERENCE BOOK

B. Hunt, C. Terry, Financial Institutions and Markets, Thomson, Fourth Edition, 2005

LECTURE PROGRAM

	WEEK STARTING		CHAPTER
Lecture 1	31 st July 2006	The financial system	1
		The banking sector	2
Lecture 2	7 th Aug 2006	The banking sector	2
		Non-bank financial Institutions	3
Lecture 3	14 th Aug 2006	The sharemarket and the corporation	4
		Corporations issuing equity in the share market	5
Lecture 4	21 st Aug 2006	Investors in the share market	6
Lecture 5	28 th Aug 2006	Short-term debt	9
		Medium-to-longer term debt	10
		GROUP TOPIC DUE	
Lecture 6	4 th Sep 2006	Medium-to-longer term debt	10
		Government debt, monetary policy and the payments system	12
Lecture 7	11 th Sep 2006	Mid-Semester exam	Ch1 to 6
Lecture 8	2 nd Oct 2006	Government debt, monetary policy and the payments system	12
		An introduction to interest rate determination and forecasting	13
Lecture 9	9 th Oct 2006	Futures contracts and forward rate agreements	18
Lecture 10	16 th Oct 2006	Options markets	19
Lecture 11	23 rd Oct 2006	Presentation	
Lecture 12	30 th Oct 2006	Presentation	
Lecture 13	6 th Nov 2006	Final Exam	Ch 9, 10, 12, 13, 18, 19