






ACADEMIC SERVICES

MODULE SPECIFICATION

Part 1: Basic Data					
Module Title	Financial Instruments				
Module Code	UMACRJ-15-M	Level	M	Version	2
UWE Credit Rating	15	ECTS Credit Rating	7.5	WBL module?	No
Owning Faculty	FBL	Field			
Department	Accounting and Finance	Module Type	Standard		
Contributes towards	MSc Finance				
Pre-requisites	None		Co- requisites	None	
Excluded Combinations	None		Module Entry requirements	None	
First CAP Approval Date	QMAC 2008		Valid from	September 2008	
Revision CAP Approval Date	26 March 2015		Revised with effect from	September 2015	

Review Date	September 2021
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Part 2: Learning and Teaching	
Learning Outcomes	<p>On successful completion of this module students will be able to:</p> <ul style="list-style-type: none"> • Understand the institutional context of investment (A) • Understand the nature of each financial instrument from a theoretical perspective (A) • Value each instrument and appreciate its risk by means of a range of tools (A and B) • Compare and contrast competing valuation techniques (A and B) • Engage in the basic macroeconomic, industry and company analysis of equities (A and B) • Understand the relationship between risk and return (A and B) • Combine assets in a basic approach to portfolio management (A and B) • Appreciate the institutional context of financial instruments (A) <p>In addition the educational experience may explore, develop, and practise <u>but not formally discretely assess</u> the following:</p> <ul style="list-style-type: none"> • Computer spreadsheet skills
Syllabus Outline	<ul style="list-style-type: none"> • An introduction to international financial markets • The macroeconomics of financial markets

	<ul style="list-style-type: none"> • The time value of money and risk and the risk/return trade-off • Asset allocation and management • Stock market, industry and company analysis • Equity instruments and valuation • Money market instruments • The term structure, fixed income instruments and valuation • Forwards, futures, and options • Swaps, convertibles and hybrids • Investment in property and other asset classes 																																	
Contact Hours	The module comprises 2 hours of lectures and one hour workshops each week.																																	
Teaching and Learning Methods	<p>The aim of the module is to provide students with an overview of the valuation of various financial instruments, and an introduction to how they might be combined in portfolios. The module reviews theoretical models of valuation and considers how they might be applied in a real world context. Real-life, practical examples will be introduced to help engage the students in investment analysis decisions.</p> <p>Students will be encouraged to produce sensible valuations by selecting from competing instrument valuation techniques. Students will be confronted with a series of practical exercises which will not only enable them to build up a range of valuation and other analytical techniques, but will enable them to place investment decisions within their institutional context. Some workshop may take place in the trading room, depending on availability. Lecture notes and workshop questions will be available on Blackboard. To enhance the learning, students are expected to follow daily financial news.</p> <p>Students will be actively encouraged to make themselves familiar with the study skills web pages and in particular to read widely around the subject matter. Active use will be made of the Blackboard facilities.</p>																																	
Key Information Sets Information	<p>Key Information Set - Module data</p> <table border="1" data-bbox="459 1220 1369 1570"> <tr> <td colspan="5"><i>Number of credits for this module</i></td> <td>15</td> </tr> <tr> <th>Hours to be allocated</th> <th>Scheduled learning and teaching study hours</th> <th>Independent study hours</th> <th>Placement study hours</th> <th>Allocated Hours</th> <td></td> </tr> <tr> <td>150</td> <td>36</td> <td>114</td> <td>0</td> <td>150</td> <td></td> </tr> </table> <p>The table below indicates as a percentage the total assessment of the module which constitutes a -</p> <p>Written Exam: Unseen written exam Coursework: Written assignment</p> <table border="1" data-bbox="571 1818 1262 2049"> <tr> <td colspan="2">Total assessment of the module:</td> <td></td> </tr> <tr> <td>Written exam assessment percentage</td> <td></td> <td>70%</td> </tr> <tr> <td>Coursework assessment percentage</td> <td></td> <td>30%</td> </tr> <tr> <td>Practical exam assessment percentage</td> <td></td> <td>0%</td> </tr> <tr> <td></td> <td></td> <td>100%</td> </tr> </table>	<i>Number of credits for this module</i>					15	Hours to be allocated	Scheduled learning and teaching study hours	Independent study hours	Placement study hours	Allocated Hours		150	36	114	0	150		Total assessment of the module:			Written exam assessment percentage		70%	Coursework assessment percentage		30%	Practical exam assessment percentage		0%			100%
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Reading Strategy	<p>Students will be encouraged to make full use of the print and electronic resources available to them through membership of the University. These include a range of electronic journals and a wide variety of resources available through web sites and information gateways. The University Library's web pages provide access to subject relevant resources and services, and to the library catalogue. Many resources can be accessed remotely. Students will be presented with opportunities within the curriculum to develop their information retrieval and evaluation skills in order to identify such resources effectively.</p> <p>The core text will be</p> <p>Reilly F. K. and Brown, K. C. 2012, "Analysis of Investments & Management of Portfolios", (10th Edition), South-Western.</p> <p>Subject to confirmation in Module handbook. Students will be expected to purchase the core text.</p> <p>The textbook will be supplemented from time to time with specific references to articles in academic and professional journals such as <i>European Journal of Finance</i>, <i>Journal of Finance</i>, and the <i>Journal of Portfolio Management</i>.</p> <p>Students will be expected to utilise a range of reading and other materials to undertake further independent research to extend their familiarity and appreciation of the subject and to help them prepare for the in-course assessment and examination in this module. To this end, extensive use will be made of Blackboard, additionally, students will also be encouraged to utilise the study skills web pages</p>
Indicative Reading List	<ul style="list-style-type: none"> • Students will be actively encouraged to expand their knowledge and understanding through additional reading. Indicative sources of further reading include: <ul style="list-style-type: none"> ○ Veale, S. R (2001), <i>Stocks, Bonds, Options, Futures</i>, 2nd Edition, Prentice Hall. ○ Hull J. C. (2014) <i>Options, Futures, and Other Derivatives</i>, 9th Edition, Prentice Hall. ○ McDonald R. L, (2012) , <i>Derivatives Markets</i>, 3rd Edition, Pearson..

Part 3: Assessment

Assessment Strategy	<ul style="list-style-type: none"> • The module will be assessed by means of an unseen written exam (70%) and a written coursework assessment (30%). Both forms of assessment address the knowledge and understanding learning outcomes; the coursework develops and assesses a range of learning outcomes but with particular emphasis on the transferable skills, while the examination emphasizes, in particular, the cognitive and subject specific skills. • Non-assessed formative feedback will be provided on group work activities and individual practical problems • The assessment criteria for the coursework assignment (and how they relate to the stated learning outcomes) will be communicated to students when they are notified of the topic.
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Identify final assessment component and element	Component A	
% weighting between components A and B (Standard modules only)	A: 70%	B: 30%
First Sit		

Component A (controlled conditions) Description of each element	Element weighting (as % of component)
1. Written exam (2 hours)	100%
Component B Description of each element	Element weighting (as % of component)
1. individual assignment (2000 words)	100%

Resit (further attendance at taught classes is not required)	
Component A (controlled conditions) Description of each element	Element weighting (as % of component)
1. Written exam (2 hours)	100%
Component B Description of each element	Element weighting (as % of component)
1. individual assignment (2000 words)	100%
If a student is permitted a retake of the module under the University Regulations and Procedures, the assessment will be that indicated by the Module Description at the time that retake commences.	