



## MODULE SPECIFICATION

Part 1: Information			
Module Title	Equity, Bonds and Derivatives		
Module Code	UMACRJ-15-M	Level	Level 7
For implementation from	2021-22		
UWE Credit Rating	15	ECTS Credit Rating	7.5
Faculty	Faculty of Business & Law	Field	Accounting and Finance
Department	FBL Dept of Accounting Economics & Finance		
Module Type:	Standard		
Pre-requisites	None		
Excluded Combinations	None		
Co-requisites	None		
Module Entry Requirements	None		
PSRB Requirements	None		

Part 2: Description
<p><b>Educational Aims:</b> 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.</p> <p>The module reviews theoretical models of valuation and considers how they might be applied in a real world context including a discussion of securities markets and their organisation and functioning.</p> <p>The module aims to introduce students critically to financial instruments and alternative investments available on the market.</p> <p>Real-life, practical examples will be introduced to help engage the students in investment analysis decisions and stay updated with financial news.</p> <p>In addition to the Learning Outcomes, the educational experience may explore, develop, and practise but not formally discretely assess the following: Computer spreadsheet skills</p> <p><b>Outline Syllabus:</b> The Investment Process: the time value of money, return calculations, risk, and the risk/return trade-off Organization and Functioning of Securities Markets Global Market Investment Decision: the different types of investment instruments and asset classes</p>

## STUDENT AND ACADEMIC SERVICES

Equity instruments and valuation  
 Fixed-Income instruments and Term structure of Interest rates  
 Fixed-Income Analysis and Valuation  
 Introduction to Derivative Markets and Securities  
 Markets and valuation of forwards and futures contracts  
 Options contracts and valuation: Binomial Model and Black-Scholes Model  
 Options Strategies and use of options for portfolio management  
 Swaps, convertibles and other embedded derivatives  
 Financial innovations and instruments: CDS, CDOs, ABS, CMOs

**Teaching and Learning Methods:** The module comprises 3 hours teaching split into lectures, lectorials/workshops and tutorials each week.

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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.

Students will be actively encouraged to make themselves familiar with the library study skills web pages and in particular to read widely around the subject matter. Active use will be made of the Blackboard facilities.

### Part 3: Assessment

The module will be assessed by means of an unseen written exam (70%) and a written coursework assessment (30%). 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 in class group work activities and individual practical problems.

First Sit Components	Final Assessment	Element weighting	Description
Examination - Component A	✓	70 %	Written exam (2 hours within a 3 hour window)
Written Assignment - Component B		30 %	Individual assignment (2000 words)
Resit Components	Final Assessment	Element weighting	Description
Examination - Component A	✓	70 %	Written exam (2 hours within a 3 hour window)
Written Assignment - Component B		30 %	Individual assignment (2000 words)

### Part 4: Teaching and Learning Methods

Learning Outcomes	On successful completion of this module students will achieve the following learning outcomes:
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## STUDENT AND ACADEMIC SERVICES

	<b>Module Learning Outcomes</b>		<b>Reference</b>
	Evaluate the institutional context of investments.		MO1
	Evaluate the main characteristics of equity, fixed-income and alternative investments.		MO2
	Apply valuation techniques for equity and fixed-income securities		MO3
	Evaluate the main characteristics of derivatives and their markets.		MO4
	Apply valuation techniques for the pricing of derivatives		MO5
	Critically evaluate financial innovations and instruments		MO6
Contact Hours	<b>Independent Study Hours:</b>		
	Independent study/self-guided study		114
	<b>Total Independent Study Hours:</b>		114
	<b>Scheduled Learning and Teaching Hours:</b>		
	Face-to-face learning		36
	<b>Total Scheduled Learning and Teaching Hours:</b>		36
	<b>Hours to be allocated</b>		150
	<b>Allocated Hours</b>		150
Reading List	<p>The reading list for this module can be accessed via the following link:</p> <p><a href="https://uwe.rl.talis.com/modules/umacrj-15-m.html">https://uwe.rl.talis.com/modules/umacrj-15-m.html</a></p>		

### Part 5: Contributes Towards

This module contributes towards the following programmes of study:

Finance and Investment [Sep][PT][Frenchay][3yrs] MSc 2021-22

Finance and Investment [Sep][FT][Frenchay][1yr] MSc 2021-22

Finance [Sep][FT][BAV][1yr] MSc 2021-22