

## **Victoria International Applied Finance Programme**

School of Economics and Finance

### **MMAF521 MACROECONOMICS AND FINANCIAL MANAGEMENT (MACROFIN)**

Trimester Two 2006

#### **COURSE OUTLINE**

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##### **Contact Details**

The course coordinator and lecturer is Roger Bowden. Room RH310. Preferred contact is by email. Email address is [roger.bowden@vuw.ac.nz](mailto:roger.bowden@vuw.ac.nz)

##### **Block Release Times**

9:30am Tuesday, 29<sup>th</sup> August – 1:00pm Thursday, 31<sup>st</sup> August, 2006  
and 9:30am Tuesday, 24<sup>th</sup> October – 1:00pm Thursday, 26<sup>th</sup> October, 2006.

A detailed schedule of each block release course will be supplied closer to the August and October sessions. The final test for the first block release will be held on Thursday, 31<sup>st</sup> August 2006 and the final test for the second block release will be held on Thursday, 26<sup>th</sup> October 2006.

**Attendance for all sessions of both block releases is compulsory.**

##### **Course Objectives**

Financial decisions are set against an ever changing backdrop of economic events, shocks, and developments. An understanding of macroeconomic theory and practice is essential for managers concerned with investment, risk management and corporate governance. So is the ability to translate macroeconomic understanding into financial practice. MMAF 521 *Macrofin* interprets the insights of macroeconomic theory for financial managers concerned with investment position taking, portfolio management, hedging, and risk management.

##### **Course Content**

The course is organized in two parts, corresponding to the two block releases:

**Part A : The macroeconomic environment** is a ‘one stop-one shop’ compendium of the theory and practice of closed and open economy macroeconomics, expectations and dynamics, business cycles, economic trade and development. The purpose is to introduce the

financial manager to the language, debates, and techniques of macroeconomic analysis. Part A spans chapters 1-6 of the course book

**Part B: Macroeconomic reality and financial management** exploits macroeconomic insights in the stochastic value management of financial functions, encompassing risk and position taking. Part B includes the equity market, interest rate markets, foreign exchange, commodities, and real estate, together with an integrated discussion of financial risk management in the macroeconomic context. It spans chapters 6-12 of the course book.

### **Expected Workload**

Total average workload of 200 hours. During the 6 weeks of term prior to each block release, students will need to allow approximately 14 hours per week for study, research and preparation of assignments for this course. The two block courses each involve approximately 18 hours of work.

### **Textbook**

The textbook (supplied) is

*Bowden, Roger (2004) Macroeconomics and Financial Management*, Wellington: Kiwicap Research.

This book is self contained and has references to further reading, including extensive web based resources.

### **Materials and Equipment**

It is necessary to bring a calculator to the block courses. During tests students will be allowed to use calculators, but not hand held or other computers.

### **Assessment**

The following schedule of assessment applies:

<b>Exams:</b>	One test at each block release session based on reading assigned for period leading up to the block release and material presented at the block release.	<b>60%</b>
<b>Assignments:</b>	Two major assignments that count together for 40%. <u>The first assignment is due Thursday 17<sup>th</sup> August 2006.</u> <u>The second assignment is due Thursday 12<sup>th</sup> October 2006.</u>	<b>40%</b>
<b>Total Assessment:</b>		<b>100%</b>

### **Penalties**

Each of the assignments will be marked out of a maximum that diminishes by 5% for every day late, with a weekend counting as one day. The date of submission shall be taken as the date of delivery or the day of postmark, if by post. There will be a final cut off date, one week after the due date for each assignment, after which no assignment can be accepted. The assignments will each carry a specified word limit. If an assignment exceeds the word limit, credit will be given only from the beginning of the assignment up to the word limit. No credit will be given for the portion of work extending beyond the word limit.

### **Mandatory Course Requirements**

To pass, a student must: (i) attend all sessions of both block release courses; (ii) obtain an average mark of at least 50% over total course assessment.

### **Communication of Additional Information**

Additional information including assignment questions, details of the block course schedule, feedback on course assessments, etc will be provided by email or by post. Students are responsible for ensuring that the VIAF administrator, Bun Wong, has their up to date email and postal addresses.

**If you have, or become aware of, any health condition that could prevent you attending a VIAF compulsory block release, then you should notify the director immediately, preferably by email, [Dawn.Lorimer@vuw.ac.nz](mailto:Dawn.Lorimer@vuw.ac.nz).**

### **Faculty of Commerce and Administration Offices**

#### Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

#### Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar available in hard copy or under 'About Victoria' on the VUW home page at [www.vuw.ac.nz](http://www.vuw.ac.nz).

## **Student and Staff Conduct**

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps are to be taken if there is a complaint. For information about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor or refer to the statute on the VUW policy website at [www.vuw.ac.nz/policy/studentconduct](http://www.vuw.ac.nz/policy/studentconduct). The Policy on Staff Conduct can be found on the VUW website at [www.vuw.ac.nz/policy/staffconduct](http://www.vuw.ac.nz/policy/staffconduct).

## **Academic Grievances**

If you have any academic problems with your course you should talk to the tutor or lecturer concerned; class representatives may be able to help you in this. If you are not satisfied with the result of that meeting, see the Head of School or the relevant Associate Dean; VUWSA Education Coordinators are available to assist in this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website at [www.vuw.ac.nz/policy/academicgrievances](http://www.vuw.ac.nz/policy/academicgrievances).

## **Academic Integrity and Plagiarism**

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

*The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other student or staff.*

It is still plagiarism even if you re-structure the material or present it in your own style or words.

*Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.*

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website at [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).

### **Students with Impairments**

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities the same opportunity as other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services (DSS) to discuss your individual needs and the available options and support on a confidential basis. DSS are located on Level 1, Robert Stout Building, telephone (04) 463 6070, email [disability@vuw.ac.nz](mailto:disability@vuw.ac.nz). The name of your School's Disability Liaison Person is in the relevant prospectus or can be obtained from the School Office or DSS.

### **Student Support**

Staff at Victoria want students to have positive learning experiences at the University. Each Faculty has a designated staff member who can either help you directly if your academic progress is causing you concern, or quickly put you in contact with someone who can. Assistance for specific groups is also available from the Kaiwawao Māori, Manaaki Pihipihinga or Victoria International.

In addition, the Student Services Group (email [student-services@vuw.ac.nz](mailto:student-services@vuw.ac.nz)) is available to provide a variety of support and services. Find out more at [www.vuw.ac.nz/st\\_services/](http://www.vuw.ac.nz/st_services/).

VUWSA employs Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and Faculty delegates. The Education Office (tel. (04) 463 6983 or (04) 463 6984, email [education@vuwsa.org.nz](mailto:education@vuwsa.org.nz)) is located on the ground floor, Student Union Building.

### **Manaaki Pihipihinga - Māori and Pacific Mentoring Programme (Faculty of Commerce and Administration)**

This is a mentoring service for Māori and Pacific students studying at all levels. Weekly one hour sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade, and Room 210 and 211, Level 2, Railway West Wing. Sessions cover drafting and discussing assignments, essay writing, and any questions that may arise from tutorials and/or lectures. A computer suite networked to Cyber Commons is available for student use.

To register with Manaaki Pihipihinga, please contact one of the following:

Puawai Wereta  
Room 210, Level 2  
Railway West Wing  
Tel. (04) 463 8997  
Email: [Puawai.Wereta@vuw.ac.nz](mailto:Puawai.Wereta@vuw.ac.nz)

Fa'afai Seiuli  
Room 109 B  
14 Kelburn Parade  
Tel. (04) 463 5842  
Email: [Faafai.Seiuli@vuw.ac.nz](mailto:Faafai.Seiuli@vuw.ac.nz)