

Victoria International Applied Finance programme
School of Economics and Finance

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

Trimester 1 2008

COURSE OUTLINE

Contact Details

The course coordinator is Roger Bowden, room RH310. Preferred contact is by email, at Roger.Bowden@vuw.ac.nz

Block Release Times

Block 1 9:30am Tuesday, April 22nd – 12.30 pm Thursday April 24th, 2008
Block 2 9:30am Friday, June 13th – 12.30 pm Sunday, June 15th, 2008.

A detailed schedule of each block release course will be supplied closer to the April and June sessions. **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 organised 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.

Readings

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.

Expected Workload

Total point-equivalent workload assessed as 200 hours. During the 6 weeks of term prior to each block release, students will need to allow at least 14 hours per week for study, research and preparation of assignments for this course. The two block releases each involve approximately 18 hours of work.

Materials and Equipment

The student should have access to, and reasonable familiarity with, the Excel package. Hand held calculators may also be useful from time to time.

Assessment Requirements

To pass, a student must obtain an average mark of at least 50% over total course assessment. The following schedule of assessment applies:

Exams:	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.	60%
Assignments:	Two major assignments counting together for 40%. <u>The first assignment is due Wednesday, April 9, 2008.</u> <u>The second assignment is due Wednesday, May 28, 2008.</u>	40%
Total Assessment:		100%

Assignments should be typed and contain graphs, tables, appendices where appropriate. English is the *lingua franca* of the international financial markets and the ability to convey ideas in coherent English in well presented formats is an essential part of the learning and testing process.

Penalties

Each of the two major 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 will be taken as the date of delivery or the day of postmark, if by post. There will be a final cut off date (normally one week after due date) advised for each assignment, after which no assignment can be accepted.

The major assignments will each carry a specified word limit and the word count must be given (e.g. in MS Word use *tools/word count* or *file/properties/statistics*). 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

Students must attend all sessions of both block release courses.

Communication of Additional Information

Additional information including assignment questions, details of the block course schedule, feedback on course assessments, etc will be provided primarily via email and post. Students are responsible for ensuring that the VIAF Senior Administrator, (email: viaf-programme@vuw.ac.nz), has their up to date email and postal addresses, as well as ensuring your details are correct on Student Records.

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 Programme director immediately, preferably by email, 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 on the ground floor (EA005). This counter is the first point of contact for:

- 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.

Notice of Turnitin Use

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. *At the discretion of the School, handwritten work may be copy typed by the School and subject to checking by Turnitin.* You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

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 or go to www.victoria.ac.nz/home/about/policy/students.aspx

For information on the following topics, go to the Faculty's website www.victoria.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

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 students 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 penalized 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:

www.victoria.ac.nz/home/studying/plagiarism.html

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 6015. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.