



UNIVERSITY
of
TECHNOLOGY,
MAURITIUS

School of Accounting Finance and Economics

MSc BANKING AND FINANCE

PROGRAMME DOCUMENT

VERSION 3.1

CODE

July 2013

A. Programme Information

The MSc degree in Banking and Finance has been reviewed to cater for the needs of the rapidly expanding and ever evolving financial services sector. This programme provides a thorough postgraduate education and imparts recent graduates and those employed in the financial services sector with a sound understanding of theoretical and applied issues in banking, domestic and international finance and world capital markets. In addition to that, a module pertaining to the legal aspects in Banking and Finance has been introduced in conjunction with the development of new and sophisticated financial products in a thoroughly competitive and complex financial environment. The programme is designed to prepare graduates for careers in the banking and financial services sector. Further, it can lead to research into the area of banking and finance.

B. Programme Aims

The aim of the programme is to impart the knowledge and skills that students need for a successful career in banking, finance or in a related field. It provides students with a comprehensive analytical framework based on current and most recent theories.

C. Programme Objectives

The objectives are :

- To develop an understanding of the banking operations and environment, their place in the economy, and the structure and behaviour of banks and other financial institutions in the market.
- To analyse a variety of perspectives on how banks and financial markets operate, grounded in economic and financial theory and practice.
- To apply a wide variety of analytical techniques for finance and understand some of the models techniques used in financial markets
- To develop expertise in the relevant empirical skills to undertake analysis of problems encountered in real-life situations.

PART I - Regulations

D. General Entry Requirements

As per UTM's Admission Regulations, and 'Admission to Programmes of Study at Masters Degree Level'.

E. Programme Entry Requirements

Admission decisions will be made by the School of Business, Management and Finance on a case to case basis.

Candidates must either be:

Graduates of a recognised university or other institutions of higher education with at least a second class honours degree or holders of an approved professional qualification deemed equivalent to an honours degree.

Or

Other honours graduates or holders of an equivalent qualification may be admitted if they produce evidence which satisfies the School Board of their competence to pursue the programme;

Or

Applicants who do not satisfy any of the requirements as per Regulations 3 or the above but who submit satisfactory evidence of having passed examinations or have acquired managerial experience which are deemed by the Academic Council to be equivalent to any of those listed.

Overseas candidates whose first language is not English and who do not hold a degree or equivalent professional qualification taught in English will be required to produce evidence of their competence in English.

F. Programme Mode and Duration

Full time: 1 year

Part Time: 2 Years

G. Teaching and Learning Strategies

Students are expected to spend one hour weekly on self-learning and seek for tutorial assistance.

Semester: 15 weeks (Excluding Exam Period).

H. Student Support and Guidance

Candidates will have to submit a dissertation at the end of the final semester of the programme. The dissertation should be around 15000-20000 words and should comply with the UTM dissertation guidelines. The themes for the the dissertation titles should be in the relevant field and will have to be approved by the post graduate dissertation committee.

I. Attendance Requirements

As per UTM's Regulations and Policy.

J. Credit System

1 module = 3 credits

Dissertation = 12 credits

K. Student Progress and Assessment:

All modules will carry 100 marks and will be assessed as follows (unless otherwise specified):

- Assessment will generally be based on a written examination of three hours and a continuous assessment carrying between 30% and 50% of the total marks. However, some modules may be assessed through 100% coursework.
- The continuous assessment may include class tests, assignments or class seminars.
- The overall pass mark for a module shall be 40%. Where a module is assessed by both, coursework and exams, a minimum of 40% should be attained in both Coursework, and Examination

L. Evaluation of Performance

The percentage mark contributes a 100 percent weighting towards the degree classification.

Postgraduate		
Overall Marks	Grade	Remarks
$70 \leq X < 100$	A	Excellent
$60 \leq X < 70$	B	Very Good
$50 \leq X < 60$	C	Good
$40 \leq X < 50$	D	Satisfactory
$X < 40$	F	Referred

M. Award Classification

Classification

Master Degree with Distinction	:	$CPA \geq 70$
Master Degree with Merit	:	$60 \leq CPA < 70$
Master Degree	:	$40 \leq CPA < 60$
No Award	:	$CPA < 40$

Minimum Credits Required for Award of:

Master's Degree:	45
Postgraduate Diploma:	33
Postgraduate Certificate:	18

N. Programme Organisation and Management

Programme Coordinator:

Contact Details:

- Telephone Number: 207 52 50
- Email: safe @umail.utm.ac.mu

Part II - Programme Structure

O. Msc Banking and Finance – Full Time

YEAR 1							
Semester 1				Semester 2			
Code	Modules	Hrs/Wk L/T	Credits	Code	Modules	Hrs/Wk L/T	Credits
ACCF 5301	<i>Banking and Financial markets</i>	2+1	3	ACCF 5303	<i>Risk Management in Financial institutions</i>	2+1	3
ACCF 5101	<i>Financial Reporting and Analysis</i>	2+1	3	ECON 5201	<i>Monetary Economics</i>	2+1	3
ACCF 5201	<i>Corporate Financial Management</i>	2+1	3	ACCF 5102	<i>Strategic Cost Management</i>	2+1	3
ACCF 5302	<i>Consumer and Corporate Banking</i>	2+1	3	ACCF5304	<i>International Finance and Derivatives Markets</i>	2+1	3
QUAN 5201	<i>Quantitative analysis in Banking and Finance**</i>	2+1	3	ACCF5305	<i>Financial Regulation and Governance.</i>	2+1	3
LLAW 5115	<i>Legal aspects of International Banking and Finance</i>	2+1	3	DISS 5000	<i>Dissertation*</i>		12
DISS 5000	<i>Dissertation*</i>						

*Dissertation starts in Semester 1. Credits are earned at the end of Semester 2.

** Assessment 100% coursework.

P. Msc Banking and Finance – Part Time

YEAR 1							
Semester 1				Semester 2			
Code	Modules	Hrs/Wk L/T	Credits	Code	Modules	Hrs/Wk L/T	Credits
ACCF 5301	<i>Banking and Financial markets</i>	2+1	3	ACCF 5302	<i>Consumer and Corporate Banking</i>	2+1	3
ACCF 5101	<i>Financial Reporting and Analysis</i>	2+1	3	QUAN 5201	<i>Quantitative analysis in Banking and Finance**</i>	2+1	3
ACCF 5201	<i>Corporate Financial Management</i>	2+1	3	LLAW 5115	<i>Legal aspects of International Banking and Finance</i>	2+1	3

YEAR 2							
Semester 1				Semester 2			
Code	Modules	Hrs/Wk L/T	Credits	Code	Modules	Hrs/Wk L/T	Credits
ACCF 5303	<i>Risk Management in Financial institutions</i>	2+1	3	ACCF5304	<i>International Finance and Derivatives Markets</i>	2+1	3
ECON 5201	<i>Monetary Economics</i>	2+1	3	ACCF5305	<i>Financial Regulation and Governance.</i>	2+1	3
ACCF 5102	<i>Strategic Cost Management</i>	2+1	3	DISS 5000	<i>Dissertation*</i>		12
DISS 5000	<i>Dissertation*</i>						

*Dissertation starts in Semester 1 of Year 2. Credits earned at the end of Semester 2 of Year 2

** Assessment 100% coursework.

BLOCK MODE STUDY:

This programme may be conducted on a block-mode basis. Students attend a 1 month -long session for each of the 11 modules followed by a 3 months period to complete their dissertation.

Q. MODULE OUTLINE

ACCF 5301: Banking and Financial Markets

Concepts of Banking, the theory of the Banking Firm; domestic versus International Banking, International Banking, mergers and acquisitions in banking; the emergence of Global Banks; Multinational Banks; the impact of the International Financial System on Banking (e.g Debt; Globalisation, Exchange Rate volatility), Intermediation and disintermediation in Banking; the Euromarkets; Eurobond Markets, introduction to derivatives, Issues in International Banking such as the Debt Issue; Sovereign Lending; Techniques of Syndicated Lending, Supervision issues; The Basle Agreements and Capital Adequacy.

ACCF 5101: Financial Reporting and Analysis

This module provides an understanding of the role of Financial Reporting from the standpoint of a user, rather than a technical expert. Students will be introduced to regulatory reporting requirements, corporate governance and international accounting standards (IASC Framework; Local Regulatory Framework), enabling students to understand and use the Annual Reports from companies ; Accounting theory in particular agency theory; Statement of principles and current issues in financial reporting ; Balance Sheet and Income statement analysis and cash flow statement analysis; Financial ratio analysis , Inter-firm comparison, Trend analysis and using financial statements in valuation; Corporate failures & Credit Evaluation; Accounting for Social Responsibility ;

Rational for preparation of group financial statements; Constructions of consolidated balance sheet for group companies and consolidated cash flow statement; Segmental Reporting

ACCF 5201: Corporate Financial Management

This module deals with advanced issues in corporate financial policy and investment decisions. Topics include project evaluation, practical issues in capital budgeting, adjusted present value and real option methods of valuation capital structure theory and practice, dividend theory and policy and empirical evidences, share repurchase, financial slack, risk and return analysis and assets pricing models, capital raising, short and long term financing mergers and acquisition, corporate restructuring, cross-border investments, and behavioural corporate finance.

ACCF 5302: Consumer and Corporate Banking

Banking and Financial environment, Business Focus (Retail Banking ,Consumer Banking, Personal banking, Concept of Islamic Banking), Understanding Corporate Banking, Understanding Client Communities: Socio Economic Category ;Definition of communities based on SEC, Stages of Life Cycle and Introduction to Customer Relationship Management (CRM),Corporate Banking Products ,Key Elements in Product Design; Market Estimation, Financials, Process Design Elements , Implementation, Sales (Branch Sales ,Direct Sales ,Key Features of Liabilities Products, Key Features of Asset Products, Corporate Banking (Corporate Financing Needs : Working Capital Finance, Term Finance, Leasing, Equity and Debt. Credit Appraisal: Industry Analysis, Financial Analysis, Compliance Security - Stocks and Book Debts, Industrial Shares. Mode of Finance: Quantum, Tenor, Terms of Advance, Repayment.

QUAN 5201: Quantitative analysis in Banking and Finance¹

The purpose of this course is to provide students with an introduction to statistical techniques and their applications in the context of international business and money, banking and finance problems. In addition, the course is designed to enable students to study the principles of constructing econometric and non-econometric models and how these models can be used in various practical contexts. introduction to time series and cross-sectional econometrics including regression models, problems and their solutions in regression models, hypothesis tests in econometrics and statistics, questionnaire research and data analysis, stationarity, causality, and co integration in time series econometrics., ARIMA, GARCH modeling.

LLAW 5115: Legal aspects of International Banking and Finance

Evolution of the international banking regulation and supervisory system, Basel Committee and international regulatory standards, Islamic Banking Regulatory Framework, EU bank supervision, Banking consolidation and related EU directives Bank secrecy, constructive trusts, lender liability and depositor protection. Role of the Central Bank, The Banking Act, Legal principles affecting lending, Historical background and structure of international financial markets , The Financial Services Act , Money laundering and anti-terrorist financing, The

¹ Assessed by 100% course work

Financial Intelligence and Anti-Money Laundering Act , Bonds and insolvency issues, Regulatory aspects of bonds, the role of trusts, security issues in international finance, Structured finance and special contracts, Financial remedies, alternative dispute resolution, legal opinions and clearing and settlement , Private international law issues,tax treaties, Current issues in International Banking and Finance

ACCF 5303: Risk Management in Financial Institutions

The purpose of this module is to cover the modern approach to financial (market) and credit risk management for banks and financial institutions. We shall analyze the best practice techniques used to measure and manage these risks. We shall also cover the role of risk-management to guide business strategy and achieve shareholder value. Risk management will also be set in the context of the international prudential regulation of financial markets activity.

ECON 5201: Monetary Economics

Nature of a Monetary Economy: the functions and definitions of money. Money demand: historical perspective, Microeconomic Foundations of money demand; cash-in-advance constraint model, overlapping generations model, Money supply models and control of money supply. The transmission mechanism of monetary policy, Rational Expectations :New Classical Economics, the Phillips Curve, Policy Ineffectiveness Theorem, The Lucas Critique. Term structure of interest rates, Monetary policy, Inflation and Business cycle. The Design of Optimal Policy: Discretionary policy versus rules, Time inconsistency. credibility and reputation. Monetary Policy Institutions- Central Bank; Independence. transparency, accountability; role of the IMF. Monetary policy in an open economy setting: Exchange rate determination models and regimes, Monetary unions. Monetary Policy in Practice: international monetary policy strategy, MPC of the BOM.

ACCF 5102: Strategic Cost Management

Introduction to the Course, The Nature of Costs, Strategy and Cost Control, Performance Measurement, The Balanced Scorecard, Activity-Based Costing/management, Life Cycle Costing, Target Costing, Outsourcing, Budgeting, Inventory Differentiation Postponement, Value chain analysis, Lean Production Strategy and Management Accounting , Theory of Constraints and Throughput Accounting.

ACCF 5304: International Finance and Financial Derivatives

Financial decision-making and analysis in a multinational environment, currency valuation and exchange rates, effects of expectations and economic variables such as interest rates and inflation on exchange rates, exchange rate risks, International Parity Conditions, interest rate and market risks, internal risk management techniques, Hedging with forwards, swaps, futures and options.

ACCF 5305: Financial Regulation and Governance

Rationale for bank regulation, lender of last resorts, other regulatory tools, capital adequacy ratios, issues in capital regulation, subordinated debt, internal models, recent development in capital requirements, Basel deposit insurance, implementation and supervision, regulation and supervision in the third world and emerging market, organisation of regulation.

DISS 5000: Dissertation

The topic for the 15,000 words dissertation will have to be submitted to the Post Graduate Committee/ Programme Director and is expected to be in the related field.