REGULATIONS AND SYLLABUS FOR THE DEGREE OF
MASTER OF SCIENCE IN FINANCE.

1.0 Introduction
The Master of Science (M.Sc) degree in Finance is designed to assist students enhance their managerial effectiveness within the fields of Finance, Accounting, Investments, Banking and Insurance. The programme is practical and career-oriented, while maintaining high standards of rigour and scholarship. It provides new skills, analytical tools and perspectives, which provide a sound basis for financial management, accounting, investments, banking and insurance. Students are to be drawn from the Eastern and Central African region and beyond. The M.Sc degree in Finance offers a unique opportunity for students to develop an appreciation of the causes and significance of current developments in the financial and corporate sectors, and to study advanced theory and practice relating to finance, accounting, insurance, banking and insurance. The programme caters for those that have undergone prior training in Finance, Accounting, Banking, Insurance, Economics, Mathematics, statistics and engineering. Teaching goes beyond theoretical concepts to practical knowledge based on cases and real life experiences; hence shared experiences by the diverse student body are an integral part of the M.Sc programme.

The strength of the M.Sc degree in Finance is founded on the long history of the UON School of Business since 1972, experienced lecturers with a wide variety of backgrounds, and diversity in the student body in terms of backgrounds and nationalities. The School of Business is renowned for its work in management strategy, international business, marketing, finance and accounting. Indeed, graduates of the school of business are highly regarded by employers in the public and private sectors, and excellent opportunities exist for internships, work placements and graduate careers. Our location in the city of Nairobi –the region’s foremost business and financial centers – offers many key advantages to our students, and we have close links with many investment firms, banks, insurance companies and other financial institutions. The M.Sc degree in Finance acts as a terminal degree for those interested in careers in the corporate world, but also as a preparatory course for those aspiring to pursue doctorates for careers in research and teaching in Finance, Accounting, Investments, Banking and Insurance. The programme therefore aims at training the critical manpower required towards achieving Kenya’s Vision 2030 and other development objectives, and to making East and Central Africa a vibrant region ready to face a globalizing world characterized by constant change and new demands.

The objectives of the programme are to:

a) Equip the student with a knowledge of key generic and specific areas of Finance, Accounting, Investments, Banking and Insurance;

b) Equip students with the knowledge and skills necessary to pursue a senior level professional career in Finance, Accounting, Investments, Banking and Insurance;

c) Enhance self-confidence and the ability of the student to evaluate practical business experience from an academic, practical, and a critical perspective;
d) Develop understanding of the theoretical and practical issues critical for managers who often have to make rapid and far-reaching decisions about the short-term financial operations and long-term strategies of firms;

e) Instill a professional and problem-solving attitude in the fields of Finance, Accounting, Investments, Banking and Insurance; and

f) Develop high-level manpower for academic and other research institutions in the region.

2.0 Entry Requirements

2.1 The common regulations for the masters’ degree in the University of Nairobi shall be applicable.

2.2 The following shall be admissible:

   a) A holder of at least an upper second class degree in Finance, Accounting, Banking, Insurance, Economics, Mathematics, Statistics and Engineering.

   b) A holder of lower second class degree in Finance, Accounting, Banking, Insurance, Economics, Mathematics, Statistics and Engineering with at least two years of work experience.

3.0 Credits Transfer and Exemptions

3.1 Applicants who have completed equivalent Masters course units at other Senate recognized universities may, with the approval of the Senate, be allowed to transfer credits up to one third (four) course units into their program. Students desiring to receive credit for any prior course units done will need to make a formal request, which includes:

   a) A list of the University of Nairobi (UON) course units for which the student is interested in getting credit;

   b) Official transcripts, indicating courses that may be equivalent and;

   c) Description and syllabus/outline for the courses previously taken and passed. In addition there may be an exemption examination.

3.2 All those seeking to transfer credits will be required to pay an appropriate fee.
4.0 Course structure and Duration

4.1 The programme consists of twelve (12) taught course units that constitute Part 1 while a project Part II.

4.2 The minimum duration for the programme shall be three (3) semesters, while the maximum duration shall be ten (10) semesters, and will involve coursework, examinations and the research project.

4.3 A candidate shall be allowed to take a maximum of six (6) course units and a minimum of two (2) course units per semester.

4.4 Each course unit shall be taught for forty five (45) contact hours.

4.5 There will be eight (8) core course units which shall be taken by all candidates.

4.6 In addition to the core course units, candidates will be required to take three (3) specialization course units in a chosen thematic area, and one (1) elective course unit. Specialization course units allow a student to concentrate in their chosen thematic area, while elective course units provide options for additional knowledge in other areas of interest, not necessarily in their chosen thematic area.

4.7 Electives may be chosen from the list of elective course units in any area of study, or from specialization course units from a different thematic area, that would now count as electives.

4.8 Course units can only be taken after the necessary prerequisites have been successfully completed.

4.9 After completing Part I (all the taught course units – 8 core course units, 3 specialization course units, and 1 elective course unit), candidates will carry out research and produce a project (Part II). Part II shall commence in the semester immediately succeeding successful completion of Part I. Once the project is started it must be completed within the semester, or duration of six course units, with the maximum duration equivalent to the minimum load of two course units per semester.
5.0 Course Outline

5.1 Core Courses

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Pre-requisite</th>
<th>Hours</th>
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<tbody>
<tr>
<td>DFI 511</td>
<td>Micro and Macro –Economic Theory</td>
<td></td>
<td>45</td>
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<tr>
<td>DAC 511</td>
<td>Corporate Financial Reporting and Analysis</td>
<td></td>
<td>45</td>
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<tr>
<td>DAC 512</td>
<td>Corporate Governance, Reporting and Regulation</td>
<td></td>
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<tr>
<td>DFI 512</td>
<td>Corporate Financial Strategy</td>
<td></td>
<td>45</td>
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<tr>
<td>DFI 513</td>
<td>Research Methodology in Finance</td>
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<td>45</td>
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<tr>
<td>DFI 514</td>
<td>Working Capital Management</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 515</td>
<td>Corporate Valuation</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 611</td>
<td>Financial Econometrics and Modeling</td>
<td>DFI 512</td>
<td>45</td>
</tr>
</tbody>
</table>

5.2 Thematic Areas of Specialization
1. Finance and Accounting
2. Finance and Investments
3. Finance and Banking
4. Finance and Insurance

5.3 Course outlines for thematic areas of specialization

5.3.1 Finance and Accounting

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Prerequisites</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>DAC 513</td>
<td>Financial Reporting for Complex Entities</td>
<td>DAC 511</td>
<td>45</td>
</tr>
<tr>
<td>DAC 514</td>
<td>Strategic Management Accounting</td>
<td>DAC 511</td>
<td>45</td>
</tr>
<tr>
<td>DAC 611</td>
<td>Fraud Auditing and Forensic Accounting</td>
<td>DAC 511</td>
<td>45</td>
</tr>
<tr>
<td>DFI 659</td>
<td>Project</td>
<td>Completion of part 1</td>
<td>180</td>
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### 5.3.2 Finance and Investments

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Prerequisites</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>DFI 521</td>
<td>Securities Valuation and Investments Management</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 522</td>
<td>Real Estate Finance and Investment</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 523</td>
<td>International Financial Markets and Investments</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 659</td>
<td>Project</td>
<td>Completion of part 1</td>
<td>180</td>
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</tbody>
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### 5.3.3 Finance and Banking

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Prerequisites</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>DFI 531</td>
<td>Commercial Bank Strategy and Management</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 532</td>
<td>Risk Management in Banking</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 533</td>
<td>International Banking</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 659</td>
<td>Project</td>
<td>Completion of part 1</td>
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### 5.3.4 Finance and Insurance

<table>
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<tr>
<th>Code</th>
<th>Title</th>
<th>Prerequisites</th>
<th>Hours</th>
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<tbody>
<tr>
<td>DFI 541</td>
<td>Risk Management and Insurance</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 542</td>
<td>Risk and Financial Derivatives</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 612</td>
<td>Actuarial Valuation</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 659</td>
<td>Project</td>
<td>Completion of part 1</td>
<td>180</td>
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### 5.3.5 Elective Course Units

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Prerequisites</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAC 612</td>
<td>Taxation and Business Strategy</td>
<td>DAC 511</td>
<td>45</td>
</tr>
<tr>
<td>DAC 613</td>
<td>Advanced Auditing and Assurance Services</td>
<td>DAC 511</td>
<td>45</td>
</tr>
<tr>
<td>DFI 615</td>
<td>International Money and Finance</td>
<td>DFI 512</td>
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<tr>
<td>DFI 616</td>
<td>Micro-Finance for Development</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 617</td>
<td>Financial Engineering</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 618</td>
<td>Banking Regulations, Failure and Crisis</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 619</td>
<td>Central Banking and Monetary Policy</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 620</td>
<td>Investment Banking</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 621</td>
<td>Insurance and Strategy</td>
<td>DFI 512</td>
<td>45</td>
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<tr>
<td>DFI 622</td>
<td>General Insurance and Risk Analysis</td>
<td>DFI 512</td>
<td>45</td>
</tr>
<tr>
<td>DFI 623</td>
<td>Life, Health and Pensions Management</td>
<td>DFI 512</td>
<td>45</td>
</tr>
</tbody>
</table>
6.0 Examination Regulations

6.1 Written Examinations

a) In each semester, candidates will be required to take a minimum of two (2) and a maximum of six (6) examination papers.

b) All candidates shall be required to take and pass a total of twelve (12) examination papers before being allowed to proceed to do a project.

c) Each course unit shall be examined through a two-hour written examination paper at the end of each semester.

d) The final written examination shall account for fifty percent (50%) of the marks in each course unit, while continuous assessment shall account for the remaining fifty percent (50%).

e) The pass mark for each course unit shall be fifty percent (50%).

f) Candidates who fail to satisfy the examiners in any course unit may on the recommendation of the School Board of Examiners and approval by Senate be allowed to take up to two supplementary examinations.

g) A pass obtained in the supplementary examinations shall be recorded as 50% in the candidate’s academic record.

h) A candidate who fails to satisfy the examiners in the second supplementary examination shall, subject to the following on recommendation of the School Board of Examiners and approval by Senate, be:

(i) discontinued if the failed course unit is a core course, or

(ii) allowed to change to another specialization option if the failed course is a specialization course unit, or

(iii) allowed to take another elective if the failed course is an elective course unit.

Conditions (ii) and (iii) shall only apply provided the stipulated maximum period of 10 semesters is not exceeded; otherwise the candidate shall be discontinued.
6.2 Project Examination

a) Candidates shall be required to submit supervised project for examination at least three weeks before end of semester in which it is to be examined.

b) For purposes of examination regulations, the project shall be considered to be equivalent to four course units.

c) The pass mark for the project shall be fifty percent (50%)

d) A candidate who fails in the project may on the recommendation of the School Board or Examiners and approval by Senate, be allowed to re-submit the project one more time within the stipulated period of 10 semesters.

e) A pass obtained in the re-submission of a project shall be recorded as 50% in the candidate’s academic record.

f) Candidates who fail to satisfy the examiners in the re-submission of the project or fails to complete their study within the stipulated period of 10 semesters shall on recommendation of the School Board of Examiners and approval by senate be discontinued. A candidate shall not be allowed to work on a project for more than two semesters. All re-submissions must be done within the two semesters.

7.0 Degree Award

After completion of all the requirements the successful candidate shall be recommended for the award of the degree of Master of Science in Finance.
8.0 COURSE DESCRIPTION

DFI 511: MICRO AND MACRO-ECONOMIC THEORY

Theories of consumer and producer behavior, household decision making models, cost and production functions, theory of market structure, theory of games, theories of imperfect information, welfare economics and social choices, theory of general equilibrium, macroeconomic models, consumption, savings and investment, money and financial markets, fiscal policy and government budget, labour market, inflation, open economy macroeconomics, classical and neo-classical growth models, endogenous growth models, disequilibrium macroeconomic models, new frontiers in development economics.

DAC 511: CORPORATE FINANCIAL REPORTING AND ANALYSIS

The regulatory environment of financial reporting and political climate, Financial reporting and the economy, the conceptual framework of financial accounting, Standard setting with respect to the conceptual frameworks, Financial reporting and analysis, Analyzing financing activities, Analyzing investing activities: inter corporate investments, Cash flow analysis, Return on invested capital and profitability analysis, Prospective analysis, Credit analysis, capital structure and solvency, Equity analysis and valuations, Forecasting profits Earnings Per Share, Evaluating earnings, quality and detecting earnings management

DAC 512: CORPORATE GOVERNANCE, REPORTING AND REGULATION

The agency problem and managerial control, Corporate governance issues, Internal controls, management fraud and corporate failure, Managerial compensation and the agency problem, Companies Act (CAP 486) and companies governance, Banking laws (Banking Act and Central Bank of Kenya Act), Securities markets laws and corporate governance (Capital Markets Authority Act), Insurance market laws (insurance Act), Insurance regulatory Authority Act and corporate Governance, Regulatory benefits authority Act and corporate governance.

DFI 512: CORPORATE FINANCIAL STRATEGY

Corporate finance strategy: setting the context, Linking corporate and financial strategies, corporate governance and financial strategy, Executive compensation, Start-up business and venture capital, growing companies, mature companies, Reclining businesses: a case of euthanasia, Financial instruments, Types of financial instrument, Dividends and buy backs, Floating a company, Acquisition, mergers and selling a business, Restructuring a company, Private equity and venture capital, International corporate finance, Strategic working capital management.
DFI 513: RESEARCH METHODOLOGY IN FINANCE

The Research Process, Critical approaches: Text and discourse analysis; Problem definition and research proposal; research designs and samples; data collection, Hypothesis Testing Measurement and scaling; Data analysis; Experimental research, Survey research, Fieldwork, Archival research; Rigorous treatment of current empirical research in finance and Accounting; Application of multivariate and linear methods; Inter-temporal and multifactor pricing models, Conditional distributions; Temporal dependence in asset returns, Review of Finance and accounting theories, literature Review:, Research ethics in accounting and Finance, communicating research results.

DAC 513: FINANCIAL REPORTING FOR COMPLEX ENTITIES

Purchase accounting method for acquisitions, the equity method for investments, the preparation and interpretation of consolidated financial statements, tax implications of mergers and acquisitions, earnings-per-share considerations, the accounting implications of intercompany transactions and non-domestic investments, the nature and environment of complex entities, GAAPs / IFRS, Accounting diversity and international harmonization, Assets and liabilities of R&D, Intangible assets, Financial instruments and hedging, Reporting financial performance: Defining income; Valuation basis; Calculating earnings per share; Accruals vs. cash flows, Accounting for groups: Business combinations; Different types of strategic relationships (associates and joint ventures); Goodwill and currency translation

DAC 514: STRATEGIC MANAGEMENT ACCOUNTING

DAC 611: FRAUD AUDITING AND FORENSIC ACCOUNTING

Overview of forensic accounting; the expectation gap between society and external auditors; the forensic accounting environment- legal environment, the organization, information system and audit environment; forensic accounting tools and techniques; forensic auditing and investigation; Fraud- financial statements fraud, employee fraud, vendor fraud, tax fraud and other frauds against the organization; Fraud Definitions, Models, and Taxonomies, Fundamentals of Fraud Auditing and Forensic Accounting, Auditor Liability for Detecting Fraud, Fraud Schemes, Red Flags and Fraud Detection, Fraud and CAATs, Fraud Prevention and Control, Fraud Risks Assessment, Fraud and the Accounting Information System, Computer-Related Fraud, Forensic Accountant as an Expert Witness, General Criteria and Standards for Evaluating an Expert’s Qualifications, Gathering Evidence

DFI 514: WORKING CAPITAL MANAGEMENT

The role of working capital, Corporate cash management, Working capital and current assets management, Current liabilities management, Account receivable management Inventory management, Short-term financing, Accounts payable and accruals management-Commercial paper-Borrowings Investing activities and cash management, Financing activities and cash management, Cash forecasting and planning, Treasury management information, managing multinational cash flows

DFI 515: CORPORATE VALUATION

Estimating increment cash flows, Estimating cost of capital, an overview of the valuation process, Overview of mergers and acquisitions, Regulatory environment, Approaches to measuring value, Valuation of tax and accounting purposes, Intangible asset valuation, Valuation of brand names, Valuation of goodwill, Valuation of liabilities, Mining valuation, Valuation of government enterprises, Valuation of life insurance companies, corporate insolvency, Valuation of projects, Cross-border valuation, Valuation of strategic options Valuation of companies in takeovers, Mergers and friendly acquisitions, Hostile takeovers and buyouts

DFI 611: FINANCIAL ECONOMETRICS AND MODELING

DFI 521: SECURITIES VALUATION AND INVESTMENTS MANAGEMENT

Stock price behavior and market efficiency, Behavioral finance and psychology of investing, Technical analysis, Capital asset pricing (CAPM) and arbitrage pricing theory, Portfolio construction, Investing and the investment process, setting portfolio objectives, Mutual fund evaluation term project, Investment policy, the mathematics of diversification, why diversification is a good idea, International investment diversification, the capital markets and markets efficiency, Pricing the equity players, Pension in the equity portfolio Performance evaluation, Contemporary issues in portfolio management, the institutional organizations and conduct of the fixed income markets, Types and features of fixed income securities, bonds pricing, yield measures and total return, calculating investment returns, the structure of interest rates, Credit analysis and credit risk modeling, Valuation of bonds, Bond portfolio management, Convertible securities and their valuation, Evaluating investment performance

DFI 522: REAL ESTATE FINANCE AND INVESTMENT

Introduction to real estate investment and financing: notes and mortgages, Interest factor in finance fixed rate mortgage loaning, taxation of income properties, Financing leverage, Financing alternatives, Risk analysis, Disposition and renovation of income properties, financing corporate real estate, financing project development, Financing land development projects, Alternative real estate financing and investment vehicles, Real estate investment trust REITS, Real estate performance and portfolio considerations, Mortgage analysis and structuring, The uses costs and capital, Valuation of income property; Taxation of real estate, Risk management, Debt stretching, REITS, Construction financing, Securitization of real estates and liabilities.

DFI 523: INTERNATIONAL FINANCIAL MARKETS AND INVESTMENTS

DFI 531: COMMERCIAL BANK STRATEGY AND MANAGEMENT

Introduction, the income statement and balance sheet of a commercial banks, Evaluating a bank return, risks and overall performance, Foundations of value in banking, Managing the banks investment portfolio, Asset (investment) management and liability management, Liquidity and reserve management, Managing and pricing deposit services (sources of funds) Managing bank capital, Lending policies and procedures, Real estate lending (mortgages), Electronic banking, banks on and off the balance sheet, The economics of financial intermediation, Establishing new banks; branches ATM's, the financial statements of commercial banks, Measuring and evaluating bank returns and overall performance Central banking: theory and practice, Bank regulations and supervision, Bank risks and risk management, Introduction to the money market and the role played by government and security dealers, The impact of government policy and regulations of banking.

DFI 532: RISK MANAGEMENT IN BANKING


DFI 533: INTERNATIONAL BANKING

Introduction to international payments and the foreign exchange market, International banking and international trade, Multinational banking institutions, Bank structure and regulation in UK, USA, Japan, Europe, Banking in emerging economies, Banking reforms in Africa, China and India, Islamic banking - International, Linkages among banks, South East Asia financial crises, Japanese banking crises, Scandinavian banking crises, Mexican and Argentina crises, US financial crises – 2008, Global financial services, Foreign exchange market (international transaction and currency values), Bank liberalization and economic development, the World Bank and other International banks, The IMF and global liquidity.

DFI 541: RISK MANAGEMENT AND INSURANCE

DFI 542: RISK AND FINANCIAL DERIVATIVES

Forwards and futures; options; swaps; hedgers, speculators and arbitrageurs, Trading on future markets; forwards and futures prices; hedging using futures contracts; speculation in the futures markets; the value of a forward/futures contract; stock index futures; currency forwards and futures; short-term interest rate futures; T-bond futures, Options markets; options pricing; hedging and volatility; option spreads and stock options; foreign currency options; futures options; portfolio insurance swaps, Interest rate derivatives; complex derivatives; asset price dynamics, Regulation of financial institutions; regulatory framework in Kenya and US; market risk, VAR: mapping cash flows and statistical issues; credit risk

DFI 612: ACTUARIAL VALUATION

Investments and valuation; general principles of asset allocation; asset allocation for institutional investors; the selection of investment portfolios: mathematical techniques Stochastic investment modelling and investment risk management; Fundamental features of long-term insurance; non-participating life insurance; participating life insurance; the regulation of solvency and its effect on the emergence of profit; life office risks and risk management; the actuarial role in the management life office risk; general insurance accounts; premium rating; reinsurance; reserving, pension scheme benefits; investment policy; actuarial basis; meeting the cost; actuarial investigations, Actuarial models, time delays and the underwriting cycle; stochastic approach to life insurance mathematics; pension funding models; multiple state models and disability insurance.

DAC 612: TAXATION AND BUSINESS STRATEGY


DAC 613: ADVANCED AUDITING AND ASSURANCE SERVICES

DFI 615: INTERNATIONAL MONEY AND FINANCE


DFI 616: MICRO-FINANCE FOR DEVELOPMENT


DFI 617: FINANCIAL ENGINEERING

The valuation of futures contracts on: Stock indices, On commodities and pressing instruments; The valuation of options, Empirical evidence, Strategies with respect to these assets; Dynamic asset allocation strategies, portfolio insurance, Swaps, The use (and misuse) of derivatives in the content of corporate applications, Futures markets, Future prices, Interest rate futures, Stock index futures, foreign currency futures; The options markets, Option pricing, European options pricing, American option-pricing; Options on stocks, Indexes, foreign currency and futures, Interest rate options, The swaps markets, Economic analysis and swap pricing, Option like securities: corporate warrants and convertible bonds.

DFI 618: BANKING REGULATIONS, FAILURE AND CRISIS


DFI 619: CENTRAL BANKING AND MONETARY POLICY

Central banks in the world today, the instruments, target and goals of central bank monetary policy; The central bank balance sheet, monetary policy, Deposit creation and money supply, Open market operations and movement in reserves, theory of money demand, Demand deposit and money demand; The money market, Exchange rate policy and the central bank, Monetary growth, monetary demand and monetary policy, Modern monetary policy and aggregate demand, Understanding business cycles, Monetary policy, output and inflation in the short-run
DFI 620: INVESTMENT BANKING

Role of investment banks in the capital acquisition process, Investment banks in initial public offerings, Investment banks in secondary public offering and rights issue, Investment banks in debt markets, Corporate credit risk analysis and credit rating, Investment banks in acquisitions and mergers and divestitures, Investment banks and new leverage buyouts, Investment banks and new arbitrage, Brokerage services, Financing structure of investment banks, Valuation of securities firms, globalization.

DFI 621: INSURANCE AND STRATEGY

Insurance and Risk Management; the Growth of Derivatives Markets; Integrated Risk Management, Derivation of Decision Rules; Insurance and Expected-Utility; Some Risk Management Propositions for Individuals; Dealing with one risk when faced by another; Alternative decision rules, description of an insurance portfolio; Risk reduction in an insurance portfolio; Measuring correlation between risk units; Diversification and distribution of risks in a non-insurance firm, Risk and shareholder diversification; Core risk and incidental risk; Benefits of firms managing risks; Cost of managing risk and firm value, Duality in risk management strategy; Risk management strategies; Integrated risk management, Sources of the value of a firm; How value can be lost and regained; Post-loss mitigation strategies; Post-loss financing.

DFI 622: GENERAL INSURANCE AND RISK ANALYSIS

DFI 623: LIFE, HEALTH AND PENSIONS MANAGEMENT

Overview of pension plans, Designing pension plans, The asset allocation decision, the integrated approach to managing DBPs, Employee stock ownership plans and company shares, Hybrid plans, managing pension fund risk, Risk management strategies using derivatives, Managing costs, economic security and the economics of life and health insurance, individual life and health insurance policies, life and health insurance products, Annuities and optional benefits, Life and health insurance evaluation, Life and health insurance contracts, Life insurance policy evaluation, life and health insurance taxation, Life and health insurance in personal financial planning, Government and employee benefit plans, Social insurance, Retirements Benefits Act, and the Insurance Act, the Roles of the Retirements Benefits Authority and the Insurance Regulatory Authority.

DFI 659: PROJECT

On completion of Part I, candidates shall undertake a Project in any area relating or relevant to Finance, Accounting, Banking and insurance under the guidance of a supervisor appointed by the post graduate studies committee of the School. It involves the development of a research proposal that must be approved by a panel appointed by the School, conduct of the study, and writing up the project report for examination.