



The University of Southern Queensland

## Course specification

The current and official versions of the course specifications are available on the web at <http://www.usq.edu.au/coursespecification/current>.  
Please consult the web for updates that may occur during the year.

### Description: Managed Investments

Subject	Cat-nbr	Class	Term	Mode	Units	Campus
FIN	5414	90133	2, 2009	EXT	1.00	Toowoomba

<b>Academic group:</b>	FOBUS
<b>Academic org:</b>	FOB008
<b>Student contribution band:</b>	3A
<b>ASCED code:</b>	081105

### STAFFING

Examiner: David Troedson  
Moderator: Lujer Santacruz

### OTHER REQUISITES

Students are required to have access to a personal computer, e-mail capabilities and Internet access to UConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/ict/students/standards/default.htm>.

### RATIONALE

From its inception, the managed investments industry in Australia has experienced rapid growth, and managed funds form an increasingly important part of the investment portfolio. As at June 2005, the total assets in managed funds stand at \$915 billion, making Australia the fourth largest funds market in the world. Managed investments are unlike other investment vehicles in that they afford investors the benefits of ownership in an extremely diverse array of investments for a moderate cost. Given the size, importance and unique features of this industry, managed investments deserve separate attention within the wider field of investment analysis.

### SYNOPSIS

This course introduces students to the range of investment alternatives with a particular focus on the managed investment industry in Australia. The other investment alternatives (equity, fixed interest and derivative securities) are covered in more detail in another course, FIN 2105 Investment Management. This course outlines the rationale for managed investments, provides an overview of the industry and introduces students to the range of managed funds. In addition, the course provides students with a framework for evaluating portfolios in terms of their diversification, management and performance.

### OBJECTIVES

On successful completion of this course, students should be able to:

1. describe the range of investment alternatives in Australia

2. explain what a managed investment is and the different types of managed investments operating in Australia together with their risk and return characteristics
3. discuss the Australian legal framework within which the managed investments industry operates
4. explain the structure of unit trusts and related investment vehicles and outline the various fees that apply
5. analyse the taxation and social security issues relating to managed investments
6. discuss macroeconomic factors relevant to managed investments
7. explain the key concepts of portfolio construction, diversification and the applicable risk and return characteristics
8. discuss the key concepts of portfolio management and performance evaluation
9. demonstrate an ability to learn from feedback on assessment and through interaction with others
10. demonstrate the literacy skills required of a financial services professional by reading and demonstrating an understanding of a fund performance report, risk analysis or star rating
11. demonstrate relevant numeracy skills by applying risk/return analysis to compare the performance of different managed.

## TOPICS

	Description	Weighting (%)
1.	Understanding investments and investment alternatives	10.00
2.	Managed investments: an overview	20.00
3.	Return and risk and other investment concepts	20.00
4.	Macroeconomics and market analysis	15.00
5.	Portfolio construction and management	20.00
6.	Portfolio performance evaluation	15.00

## TEXT and MATERIALS required to be PURCHASED or ACCESSED

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

Gitman, L, Joehnk, M, Juchau, R, Wheldon, B & Wright, S 2004, *Fundamentals of investing*, 2nd edn, Pearson Education, Frenchs Forest, New South Wales.

(Australian edition)

## REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Brailsford, T, Heaney, R & Bilson, C 2006, *Investments: concepts and applications*, 3rd edn, Thomson, South Melbourne, Victoria.

Jones, C, Shamsuddin, A & Simpson, K 2006, *Investments: analysis and management*, 2nd edn, John Wiley & Sons, Milton, Queensland.

(Australian edition)

Reilly, F & Brown, K 2006, *Investment analysis and portfolio management*, 8th edn, Thomson/South-Western, Mason, Ohio.

Shirlow, D (ed) 2007/2008 *Australian master financial planning guide*, 10th edn, CCH Australia, Sydney, New South Wales.

## STUDENT WORKLOAD REQUIREMENTS

ACTIVITY	HOURS
Assessments	25.00
Directed Study	50.00
Private Study	90.00

## ASSESSMENT DETAILS

Description	Marks out of	Wtg (%)	Due date	Objectives assessed	Graduate skill	Level assessed
QUIZZES	100.00	10.00	20 Jul 2009 (see note 1)	All		
ASSIGNMENT	100.00	30.00	02 Oct 2009	All		
EXAM A (MULTIPLE CHOICE)	20.00	12.00	END S2 (see note 2)	All		
EXAM B (SHORT ANSWER & ESSAY)	80.00	48.00	END S2	All		

### NOTES

1. These quizzes are to be administered throughout the semester and are to be completed online through the Study Desk. Refer to the Introductory Book for details.
2. The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date for Exam (A and B) after the timetable has been finalised. The total working time for Exam (A and B) is 2 hours.

## IMPORTANT ASSESSMENT INFORMATION

### 1 Attendance requirements:

If you are an international student in Australia, you are advised to attend all classes at your campus. For all other students, there are no attendance requirements for this course. However, it is the students' responsibility to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.

### 2 Requirements for students to complete each assessment item satisfactorily:

To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)

- 3 Penalties for late submission of required work:  
If students submit assignments after the due date without prior approval of the examiner, then a penalty of 5% of the total marks gained by the student for the assignment may apply for each working day late up to ten working days at which time a mark of zero may be recorded. No assignments will be accepted after model answers have been posted.
- 4 Requirements for student to be awarded a passing grade in the course:  
To be assured of receiving a passing grade a student must achieve at least 50% of the total weighted marks available for the course.
- 5 Method used to combine assessment results to attain final grade:  
The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.
- 6 Examination information:  
This is a restricted examination. Candidates are allowed access to specific materials during the examination. The only materials that candidates may use in the restricted examination for this course are: writing materials (non-electronic and free from material which could give the student an unfair advantage in the examination); calculators which cannot hold textual information (students must indicate on their examination paper the make and model of any calculator(s) they use during the examination). Students are not permitted to take mobile telephones, pagers or other electronic means of communication into the examination room.
- 7 Examination period when Deferred/Supplementary examinations will be held:  
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:  
Students should read USQ Regulations 5.1 Definitions, 5.6 Assessment, and 5.10 Student Academic Misconduct for further information and to avoid actions which might contravene university regulations. These regulations can be found at <http://www.usq.edu.au/corporateservices/calendar/part5.htm>. Students should also read the Faculty of Business Procedures which can be found at <http://www.usq.edu.au/business/aboutfob.htm>.

## ASSESSMENT NOTES

- 1 Assignments: (i) The due date for an assignment is the date by which a student must despatch the assignment to the USQ. The onus is on the student to provide proof of the despatch date, if requested by the examiner. (ii) Students may be required to provide a copy of assignments submitted for assessment purposes. Such copies should be dispatched to the USQ within 24 hours of receipt of a request to do so. (iii) In accordance with university policy, the examiner may grant an extension of the due date of an assignment in extenuating circumstances. (iv) The faculty will NOT accept submission of assignments by facsimile. (v) Students who do not have regular access to postal services or who are otherwise disadvantaged by these regulations may be given special consideration. They should contact the examiner of the course to negotiate such special arrangements. (vi) In the event that a due date for an assignment falls on a local public holiday in their area, such as a show holiday, the due date for the assignment will be the next day. Students are to note on the assignment cover the date of the public holiday for the examiner's convenience.
- 2 Referencing in assignments: Harvard (AGPS) is the referencing system required in this course. Students should use Harvard (AGPS) style in their assignments to format details of the information sources they have cited in their work. The Harvard (AGPS) style to be

- used is defined by the USQ Library's referencing guide at <http://www.usq.edu.au/library/help/referencing/default.htm>.
- 3 Course weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.
  - 4 Dishonest actions: (i) Any student who is alleged to have performed a dishonest action relating to any assessment in the course will have a course of action taken against him/her as outlined in the academic regulations. (ii) Pieces of assessment should be the work of individual students. Joint pieces of assessment are not permitted unless written approval has been obtained from the examiner. (iii) Dishonest action in relation to assessment includes: copying or attempting to copy the work of others; use of or attempting to use information prohibited from use in that form of assessment; submitting the work of another as your own; consciously committing acts of plagiarism, that is, taking and using another's thoughts or writings as one's own with intent to deceive, which occurs when paragraphs, sentences, a single sentence or significant parts of a sentence which are copied directly, are not enclosed in quotation marks and appropriately footnoted or referenced in the text; direct quotations are not used, but text is paraphrased or summarised, and the source of the material is not acknowledged by footnoting or other reference in the text.
  - 5 Deferred work: Students who, for medical, family/personal, or employment-related reasons, are unable to complete an assignment or to sit for an examination at the scheduled time may apply to defer an assessment in a course. Such a request must be accompanied by appropriate supporting documentation. One of the following temporary grades may be awarded: IDS (Incomplete - Deferred Examination); IDM (Incomplete Deferred Make-up); IDB (Incomplete - Both Deferred Examination and Deferred Make-up).

## **OTHER REQUIREMENTS**

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