Description: Managed Investments

<table>
<thead>
<tr>
<th>Subject</th>
<th>Cat-nbr</th>
<th>Class</th>
<th>Term</th>
<th>Mode</th>
<th>Units</th>
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<tr>
<td>FIN</td>
<td>5414</td>
<td>54177</td>
<td>2, 2006</td>
<td>EXT</td>
<td>1.00</td>
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Academic group: FOBUS
Academic org: FOB009
Student contribution band: 2
ASCED code: 081105

STAFFING

Examiner: Lujer Santacruz
Moderator: David Troedson

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

The course objectives define the student learning outcomes for a course. The assessment item(s) that may be used to assess student achievement of an objective are shown in parentheses after each objective. On successful completion of this course, students should be able to:

1. outline the range of investment alternatives in Australia (Module Activities, Assignment, Examination)
2. define a managed investment and explain the different types of managed investments operating in Australia together with their risk and return characteristics (Module Activities, Assignment, Examination)
3. outline the Australian legal framework within which the managed investments industry operates (Module Activities, Assignment, Examination)
4. explain the structure of unit trusts and related investment vehicles and outline the various fees that apply (Module Activities, Assignment, Examination)
5. discuss the taxation and social security issues relating to managed investments (Module Activities, Assignment, Examination)
6. discuss macroeconomic factors relevant to managed investments (Module Activities, Assignment, Examination)
7. explain the key concepts of portfolio construction, diversification and the applicable risk and return characteristics (Module Activities, Assignment, Examination)
8. discuss the key concepts of portfolio management and performance evaluation (Module Activities, Assignment, Examination).

**TOPICS**

<table>
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<tr>
<th>Description</th>
<th>Weighting (%)</th>
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<tbody>
<tr>
<td>1. Modules</td>
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<tr>
<td>1.1. Module 1: Understanding Investments and Investment Alternatives (10%)</td>
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<td>1.2. Module 2: Managed Investments: An Overview (20%)</td>
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<td>1.3. Module 3: Return and Risk and Other Investment Concepts (20%)</td>
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<td>1.4. Module 4: Macroeconomics and Market Analysis (15%)</td>
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<td>1.5. Module 5: Portfolio Construction and Management (20%)</td>
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<td>1.6. Module 6: Portfolio Performance Evaluation (15%)</td>
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<td>1.7. Appendix: Portfolio Construction and Evaluation Using N-Link</td>
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**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).

(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.

(Australasian edition)
Riley, F & Brown, K 2003, Investment analysis and portfolio management, 7th edn, South-Western, Mason, Ohio.

STUDENT WORKLOAD REQUIREMENTS

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>HOURS</th>
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<tr>
<td>Assessment</td>
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ASSESSMENT DETAILS

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<tr>
<td>MODULE ACTIVITIES</td>
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<td>24 Jul 2006</td>
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<td>ASSIGNMENT</td>
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<td>EXAM A (MULTIPLE CHOICE)</td>
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<tr>
<td>EXAM B (SHORT ANSWER &amp; ESSAY)</td>
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<td>49.00</td>
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NOTES

1. These activities 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 3 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 then a penalty
   of 10% of the total marks available for the assignment will apply for each working day
   late. 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 make a reasonable attempt
   in all of the weighted assessment items, achieve at least 50% in the examination, and
   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
   Academic Misconduct for further information and to avoid actions which might
contravene University Regulations. These regulations can be found at the URL
http://www.usq.edu.au/corporateservices/calendar/part5.htm. Students should also read
the Faculty of Business Guide to Policies and Procedures of the Faculty which can be

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 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.

3 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).

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.

OTHER REQUIREMENTS

1 Learning resources: Prescribed texts and materials (see above); recommended reference materials (see above); printed Introductory Book, Study Book/s and Book/s of Selected Readings; CD (compact disc); and course Website accessible via USQConnect.