

Open University of Mauritius

M.Sc. Finance and Investment-OUpm001

1. Objective and rationale

The M.Sc. in Finance and Investment has been developed to produce practical and proactive finance specialists able to meet the demand of the financial sector both locally and abroad with emphasis on their roles in and duties towards the financial community.

It is a rigorous and advanced intellectual training in the area of finance and investment based on the most current and modern academic thinking and industry best practice. The programme is designed for learners who intend to pursue a career in the financial sector. It offers a well-focused education in the theories and methodologies that are utilised today for valuation using financial tools from both the investors and institutional perspective. It also examines the complexities behind the decision making processes required at all levels.

2. Programme Aims

The aim of the programme is to impart the knowledge and skills that learners need for a successful career in finance or a related field. It provides learners with a comprehensive theoretical framework based on current and most recent theories. It develops expertise in the relevant empirical skills for learners to undertake analysis of problems encountered in real-life situations. On completing the programme, graduates should have a good understanding of the financial operations and environment, their place in the economy, and of the structure and behaviour of financial institutions in the market. Graduates should also be capable of understanding and applying of a wide variety of analytical techniques for finance and ability to understand some of the models and mathematical techniques used in financial markets. This programme for learners or professionals focuses on the areas of finance which have a major practical and theoretical interest such as: investment analysis, corporate and investment banking, mergers and acquisitions, derivatives and finance microstructure and taxation.

3. Programme requirements

A Bachelor's degree with at least second class from a recognised university or alternative qualifications, including professional qualifications, acceptable to the Open University of Mauritius. Candidates must have a good mastery of English Language. Prior Learning and Prior Experiential Learning may be considered by the university for admission to this programme. Applicants may be asked to pass an entry test.

4. Programme Duration

	Minimum	Maximum
Masters degree	2 years	4 years

5. Minimum credits required for the awards

Masters degree	42 Credits
Postgraduate diploma	30 Credits (without dissertation)
Postgraduate certificate	16 Credits (without dissertation)

Each credit in the university's system is equivalent to a minimum of 20 hours of study including all learning activities (i.e. reading and comprehending the print material, listening to audio, watching video, attending tutorials/counseling sessions, writing assignment responses and preparation for the examinations). Thus, a 3 credit course involves a minimum of 60 hours of study.

6. Assessment

Each module carries 100 marks and will be assessed as follows (unless otherwise specified): Assessment will be based on a written examination of 3 hours duration which would account for 70% of the final module grade and continuous assessment would account for 30% of the final module grade.

Continuous assessment will be based on assignment(s), portfolios and mini-projects. For a learner to pass a module, an overall total of 40% for combined continuous assessment and written examination components would be required without minimum thresholds within the individual continuous assessment and written examination. Learners may re-sit up to a maximum of two failed modules for the semester of the programme.

7. Grading

Marks (x) %	Description	Grade	Grade Point
$x \geq 70$	Excellent	A	5
$60 \leq x < 70$	Very Good	B	4
$50 \leq x < 60$	Good	C	3
$45 \leq x < 50$	Satisfactory	D	2
$40 \leq x < 45$	Pass	E	1
$x < 40$	ungraded	U	0

8. Award

M.Sc. Finance and Investmentwith

Distinction	: CPA \geq 70
Merit	: 60 \leq CPA < 70
Pass	: 40 \leq CPA < 60

If CPA < 40, the learner will have to repeat the entire academic year, and retake the modules as and when offered. However, s/he will not be required, if s/he wishes, to retake module(s) for which Grade C or above has been obtained. Learners are allowed to repeat twice once over the entire duration of the Programme of Studies. No award is made if CPA < 40. A learner who fails a Masters project / Dissertation and subsequently passes it will only be eligible for the award of a Master Degree at a pass level.

9. Programme Plan

YEAR 1 (TOTAL CREDITS IN YEAR 1 = 21)

MODULE CODE	MODULE	Semester 1	Semester 2	Number of Credits
FINREP500/ OUpm001111	Financial Reporting and Analysis	√		3
OUpm001112	Financial Intermediaries and Markets	√		3
CORPFIN 500/ OUpm001113	Corporate Financial Management	√		3
QTRM 500/ OUpm001121	Quantitative Techniques and Research Methods in Finance		√	3
COPGOV 500/ OUpm001122	Corporate Governance, Social Responsibility and Ethics		√	3
INVAN 500/ OUpm001123	Investment Analysis I		√	3
OUpm001124	Consumer and Corporate banking		√	3

YEAR 2 (TOTAL CREDITS IN YEAR 2 = 21)

MODULE CODE	MODULE	Semester 1	Semester 2	Number of Credits
OUpm001211	Financial Planning	√		3
OUpm001212	International Trade and Finance	√		3
INSIS 500/ OUpm001213	Investment Analysis II	√		3
FRLAW 500/ OUpm001221	Financial Regulation and Law		√	3
FINRISK 500/ OUpm001222	Financial Risk Management		√	3
OUpm001223	Dissertation		√	6

Total No. of credits = 42

10. Syllabus Outline

FINREP 500/ OUpm001111-Financial reporting and Analysis

Aim

The aim of this module is to understand the significance and relevance of accounting information and the process by which it is acquired. Also, learners will be exposed to key responsibilities which include compliance with legal requirements and presentation of financial statements.

Contents

Unit 1: The Regulatory Framework, Conceptual Framework and presentation of financial statements
Unit 2: Accounting for Revenue and Expenses
Unit 3: Accounting for Tangible Assets
Unit 4: Accounting for intangible Assets
Unit 5: Accounting for Taxation
Unit 6: Consolidated Financial Statements
Unit 7: Financial Statement Analysis

Learning Outcomes

After successful completion of this module, learners should be able to

- Show understanding of the language, concepts and use of financial accounts and reports.
- Demonstrate a sound understanding of the significance of accounting information systems for both effective financial reporting and good corporate governance
- Assess the regulatory framework for the preparation and presentation of financial statements.
- Interpret and critically analyse corporate financial accounts and reports reflecting on the limitations of both published accounts and standard analytical techniques.
- Assess the relationship between financial reporting and corporate governance.
- Show an understanding of selected current issues in financial reporting and analysis.
- Prepare reports and presentations relating to financial matters for organisations.

OUpm001112-Financial Intermediaries and Markets**Aim**

The module provides an overview of the global financial markets and the function of financial information systems in the context of the broad structure of banks and non- banking financial intermediaries.

Contents

Unit 1: The Financial System and Financial intermediaries,
Unit 2: Theories of Banking
Unit 3: International and Offshore banking
Unit 4: Comparative Banking systems
Unit 5: Money and Capital markets
Unit 6: Financial Market Instruments
Unit 7: Foreign Exchange Markets
Unit 8: Regulation of Banks and Markets

Learning Outcomes

After successful completion of this module, learners should be able to

- Describe the role and structure of the financial markets.
- Show understanding of the concepts of financial claim, financial intermediation and financial markets.
- Identify the different types of financial intermediaries.
- Show understanding of the regulatory framework of financial institutions.
- Assess the role and functions of international banks.
- Show understanding of the mechanism underlying the functioning of foreign exchange markets.

COPFIN 500/ OUpm001113-Corporate Financial Management

Aim

The aim of this module is to develop in learners the knowledge and competence to take efficient and pertinent decisions in the Financial Management area. Also, it will help learners to cultivate the ability to appraise and decisively assess the principle concepts and techniques used in Financial Management.

Contents

Unit 1: Appraisal of investment decisions
Unit 2: Risk, return and diversification including Portfolio Theory
Unit 3: Market models; CAPM, APT
Unit 4: Capital structure of a firm: does it matter?
Unit 5: Dividend policy: does it matter?
Unit 6: Treasury and risk Management
Unit 7: Acquisition and Mergers
Unit 8: The overseas investment decision and its implications
Unit 9: Analysis of financial statements and valuation techniques

Learning Outcomes

After successful completion of this module, learners should be able to

- Assess the limitations of investment appraisal techniques
- Explain the differences between risk and return and its impact on corporate decision making
- Explain and apply the capital asset pricing models
- Explain and apply the arbitrage pricing theory
- Explain the relevance of capital structure on corporate investment decisions
- Explain the fundamentals of efficient market hypothesis.
- Explain the importance of dividend payouts on corporate investment decisions
- Explain the relevance mergers and acquisitions in the present world
- Analyse the relevance of multinational finance

QTRM 500/ OUpm001121: Quantitative Techniques and Research Methods In Finance

Aim

This module is designed to introduce quantitative techniques used in Finance as well as to provide opportunity to acquire research methods skills that can be applied within other modules, and to give learners the skills and knowledge for planning and implementing their final Dissertation/Business Project. The module also provides learners with an understanding of the ontological and epistemological issues that underpin the choice of research topic, methodology and method. The module will help learners in identifying a subject worthy and capable of research, and to formulate a plan for the implementation of the research process. Learners will be able to select and apply appropriate research strategies with particular reference to issues of validity and reliability and objectivity of the research process. They will also find the methods and techniques useful when carrying out research at their workplace.

Contents

Part I: Quantitative Techniques

- Unit 1: Analysing Large Amount of Data
- Unit 2: Principles of Calculus and Matrix Algebra
- Unit 3: Quantitative Techniques for Finance and Investment
- Unit 4: Index numbers
- Unit 5: Probability

Part II: Research Methods

- Unit 6: Philosophy of research in Accounting and Finance
- Unit 7: Introduction to Research Projects/Dissertations
- Unit 8: The Research Process
- Unit 9: Reviewing Literature
- Unit 10: Sampling Strategies
- Unit 11: Research Methods
- Unit 12: Research Techniques
- Unit 13: Introduction to Qualitative Research
- Unit 14: Case Study Research in Accounting and Finance
- Unit 15: Univariate Data Analysis
- Unit 16: Bivariate Data Analysis
- Unit 17: Multivariate Data Analysis
- Unit 18: Ethics in Research

Learning Outcomes

After successful completion of this module, learners should be able to

- Determine the nature of distribution of data: normality; skewness; kurtosis; and outliers
- Use measures of central tendency, measures of dispersion, and data presentation techniques
- Use ordinary and partial differentiation
- Understand and use matrix operations
- Use arithmetic and geometric progressions
- Solve problems involving simple, compound interest and discount
- Use amortization schedules
- Use price and quantity index and solve problems involving change of base year, deflation and splicing
- Evaluate probabilities
- Solve problems involving conditional probability
- Understand nature of research in Accounting and Finance
- Write a research proposal
- Apply the steps in conducting literature review
- Explain the key concepts associated with sampling
- Define the various research methods and explain their usage
- Explain the importance of the various techniques
- Explain how to develop a structured questionnaire
- Explain various research methods: Focus Groups, Interviews, and Case Study Method
- Carry out analysis involving Normality and Skewness, Kurtosis, Measure of Central Tendency, Measure of Dispersion, Chi-square test, T-tests, Mann-Whitney U test, Wilcoxon test, Correlation Analysis, Regression: linear and multiple and Factor Analysis
- Explain ethics in research

CORPGOV 500/ OUpm001122-Corporate Governance, Social responsibility and Ethics

Aim

The aim of this module is to study corporate governance in its economic, political and legal context. Learners will be provided with an analytical view on different intellectual positions on the ownership and control of corporations. Also, different comparative international models of corporate governance will be introduced.

Contents

Unit 1: The definitions and objectives of Corporate Governance
Unit 2: The basis of sound governance
Unit 3: The corporate conscience of business
Unit 4: OECD guidelines for Corporate Governance
Unit 5: Moral issues in business context
Unit 6: Global business ethics
Unit 7: The social responsibility of business
Unit 8: The concept of bribery

Learning Outcomes

After successful completion of this module, learners should be able to

- Explain the role of corporate governance in firms where there is separation of ownership from control;
- Explain the importance of corporate governance in sustaining competitive advantage.
- Understand the relationship between strategy and the role of board structures in corporate governance.
- Outline models to assess the structure of business decision making and its relationship to corporate governance.
- Describe the role of social responsibility and business ethics in business decision making.
- Assess the OECD guidelines on corporate governance.

INVAN 500/ OUpm001123-Investment Analysis I

Aim

The module aims at developing key concepts in investment theory from the perspective of a portfolio manager. Learners will be able to learn how to address investment problems in a systematic manner.

Contents

Unit 1: Portfolio Management: Basic principles
Unit 2: Different tools for risk and return measurements
Unit 3: Optimal Portfolio Theory
Unit 4: Technical Analysis
Unit 5: Fundamental Analysis
Unit 6: Active and Passive Portfolio Management
Unit 7: Asset Allocation Framework
Unit 8: Types of performance measurement tools

Learning Outcomes

After successful completion of this module, learners should be able to

- Explain basic concepts such as index funds, hedge funds, mutual funds.
- Explain the use of technical and fundamental analysis.
- Describe the different tools for risk and return measurements.
- Discuss categories of performance measurement.
- Describe the Asset Allocation framework.
- Distinguish between active and passive portfolio management strategies.

OUpm001124-Consumer and Corporate banking

Aim

This module is designed to provide a fundamental knowledge on issues related to banking. In general, issues underlying the structure of a bank are covered. The module provides learners an opportunity to learn the technical jargons which form part of the corporate banking system.

Contents

Unit 1: Corporate Banking : Meaning and Importance
Unit 2: Lending
Unit 3: Trade Services and Products
Unit 4: Forex Management
Unit 5: Relationship Management
Unit 6: Working Capital Finance
Unit 7: Corporate Debt Restructuring

Learning Outcomes

After successful completion of this module, learners should be able to

- Explain the business banking environment.
- Explain the lending process in the business banking environment.
- Explain the main types of products and solutions available in the business banking environment.
- Apply financial & non financial analyses in bank lending decisions with business banking customers
- Describe relationship management of business banking customers.
- Explain the warning signs and actions in response to bad debts of business banking customers.
- Explain the actions taken by a bank in response to trading difficulties.

OUpm001211-Financial Planning

Aim

The aim of this module is to provide learners an in depth knowledge on the financial planning process. Learners will be exposed to issues related to the need and scope of financial planning for individual households as well as for firms.

Contents

Unit 1: Introduction to Financial Planning
Unit 2: Client Planner Relationship
Unit 3: Financial Plan Monitoring
Unit 4: Regulatory Framework and Code of Ethics
Unit 5: Cash flow and Budgeting
Unit 6: Personal Asset Management
Unit 7: Personal Financial Statement Analysis

Learning Outcomes

After successful completion of this module, learners should be able to

- Explain the financial planning process
- Explain the role of the financial planner
- Analyse and gather client data within the financial planning process
- Explain the importance of proper asset management
- Describe the basic concepts behind a cash flow statement
- Assess the relevance of key financial ratios with regards to the financial planning decision process.

OUpm001212-International Trade and Finance**Aim**

The aim of this module is to enable learners to combine the theory, policy and practical application of concepts in the field of international trade and finance. Learners will learn the complex market and non-market forces shaping the global flows of goods and services.

Contents

Unit 1: Introduction to the global economy
Unit 2: Introduction to international Financial Markets
Unit 3: The Ricardian trade model
Unit 4: Concepts for regional integration
Unit 5: international institutions in the global economy
Unit 6: Trade in Services
Unit 7: Foreign Outsourcing

Learning Outcomes

After successful completion of this module, learners should be able to

- Explain the different theories of international trade, their scope and limitation.
- Explain the patterns of trade, gains from trade and outsourcing.
- Explain the effects of international trade on income distribution.
- Describe the mechanisms underlying the international financial markets.
- Describe the logic and limits of international institutions in the global economy.
- Explain the implications surrounding the Bilateral Trading Arrangements.
- Describe the market and non-market forces driving economic cooperation.
- Describe the opportunities/ threats of the various stages of regional integration.

INVSIS 500/ OUpm001213-Investment Analysis II

Aim

The module has been designed to enable learners to understand complex issues relating to fixed income analysis. Learners will be exposed to the risks pertaining to fixed income securities in investment decisions.

Contents

Unit 1: Overview of Fixed income securities
Unit 2: Bond pricing and return measures
Unit 3: Risks associated with investing in Fixed Income Securities
Unit 4: Price volatility characteristics of fixed income securities
Unit 5: Convexity
Unit 6: The Term Structure of Interest Rates
Unit 7: Bond Immunisation

Learning Outcomes

After successful completion of this module, learners should be able to

- Identify the characteristics of Fixed Income Securities
- Distinguish between different types of bonds
- Explain the risks and credit ratings of bonds
- Describe the concepts related to duration and immunisation of a bond portfolio.
- Describe the implication of convexity with regards to investment decisions.

FRLAW 500/ OUpm001221-Financial regulation and Law

Aim

The aim of this module is provide an in depth knowledge on the theoretical and practical approaches to the regulation of financial services. Learners will also be exposed to the regulatory problems in the financial services sector.

Contents

Unit 1: Introduction to Law
Unit 2: The nature of financial services regulation
Unit 3: Current issues in financial services regulation
Unit 4: The impact of globalisation and Financial regulation
Unit 5: Legal institutions and financial services
Unit 6: Corporate governance and financial services
Unit 7: Challenges and legal reforms within the financial services sector

Learning Outcomes

After successful completion of this module, learners should be able to

- Recognise the main issues in the regulation of financial services
- Assess issues to business regulation and to the practical problems of provision
- Assess the regulatory problems in financial services
- Discuss plausible solutions to the major current financial difficulties
- Explain the role of good governance to regulate the financial services sector
- Describe the different legal institutions operating within the financial services sector
- Describe the major challenges for legal reform in the financial services sector

FINRISK 500/ OUpm001222-Financial Risk Management**Aim**

The aim of this module is to provide learners with an understanding of identifying and managing the financial risks pertaining to a business enterprise or to an individual. Learners will learn the use of different financial instruments to mitigate exposure to external risks.

Contents

Unit 1: Types of Risk
Unit 2: Credit Risks
Unit 3: Market Risks
Unit 4: Interest Rate Risks
Unit 5: Currency Risks
Unit 6: Enterprise Risk Management
Unit 7: Best Practice Policies and Risk Management

Learning Outcomes

After successful completion of this module, learners should be able to

- Assess the different types of risks present within a finance and non-finance organisation.
- Outline the financial instruments available to manage credit risk.
- Assess measures to counter foreign exchange rate risks.
- Assess measures to manage interest rate risks.
- Describe the credit risk pertaining to individual borrowers and businesses
- Explain the relevance of Enterprise Risk Management
- Discuss the best practice policies to manage risks

OUpm001223-Dissertation

The research project will allow the learner to examine thoroughly an area or a problem related to businesses. The project will draw upon significant concepts and techniques introduced during the taught part of the course and will look for to merge the theory and practice of management through the achievement of a considerable and related in-depth piece of work. The review of the final year project will be based on the compliance of a report which should be in the range of 14,000–18,000 words.