

FINC 7006 FINANCIAL MODELLING

Credit Points 10

Legacy Code 51054

Coordinator Rachel Reyes ([https://directory.westernsydney.edu.au/search/name/Rachel Reyes/](https://directory.westernsydney.edu.au/search/name/Rachel%20Reyes/))

Description This subject is essential in preparing students for applied financial analysis and modelling applications used extensively in a number of postgraduate finance subjects. It familiarises students with the strengths and limitations of contemporary quantitative modelling techniques using multivariate statistical procedures and optimisation approaches. Students are also familiarised with relevant software.

School Business

Discipline Banking, Finance And Related Fields

Student Contribution Band HECS Band 4 10cp

Level Postgraduate Coursework Level 7 subject

Restrictions

Students must be enrolled in a postgraduate Business program.

Learning Outcomes

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

1. Undertake tests of economic and financial hypotheses using empirical data and summarise their results in a sensible reporting format;
2. Apply quantitative analysis techniques;
3. Implement the basic elements of financial modelling and forecasting;
4. Use computer software to analyse financial problems;
5. Demonstrate ability to construct financial models.

Subject Content

Introduction to Financial Modelling and Financial Data
 Correlation Analysis
 Introduction to Simple Regression
 Multiple Regressions
 Regression with Dummy Variables
 Regression with Lagged Explanatory Variables
 Univariate Time Series Analysis
 Regression with Time Series Variables
 Financial Volatility
 Revision and writing an Empirical Project

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Type	Length	Percent	Threshold	Individual/ Group Task
Intra-session Exam	90 minutes	30	N	Individual

Report	4,500 words	20	N	Group
Final Exam	2 hours	50	N	Individual

Prescribed Texts

- Koop, Gary. 2006, Analysis of Financial Data, John Wiley and Sons Ltd, West Sussex, England.

Teaching Periods

Quarter 1 (2022)

Parramatta City - Macquarie St

Evening

Subject Contact Maria Estela Varua ([https://directory.westernsydney.edu.au/search/name/Maria Estela Varua/](https://directory.westernsydney.edu.au/search/name/Maria%20Estela%20Varua/))

View timetable (https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=FINC7006_22-Q1_PC_E#subjects)

Quarter 1 (2023)

Parramatta City - Macquarie St

On-site

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