

MSc in Behavioural Finance (full-time)
For students entering in 2014/5

Awarding Institution:	University of Reading
Teaching Institution:	University of Reading
Relevant QAA subject Benchmarking group(s):	
Faculty:	Henley Business School at Univ of Reading
Programme length:	9 months
Date of specification:	16/Sep/2014
Programme Director:	Dr Ioannis Oikonomou
Programme Advisor:	
Board of Studies:	HBS Pre Exp BOS
Accreditation:	

Summary of programme aims

This programme aims to provide a masters-level education in finance and psychology. The study of finance and psychology progresses through the programme so that students obtain a critical grasp of core theory along with thorough knowledge, and skills of application and analysis related to these disciplines. The particular focus is on Behavioural Finance. Recent years have witnessed the impact of behaviour on financial markets but the link is still poorly understood. The programme will prepare graduates for careers in the global financial markets and supporting industries. Graduates will acquire the knowledge and skills to continue their studies at the doctoral level.

Transferable skills

The quantitative skills developed, including the use of statistical and econometrics software, are much in demand in the financial sector, but are readily transferable to other business and organizational contexts. All other skills are transferable and therefore not specific to particular firms or industries. Students will have the opportunity to improve their communication skills both in the preparation of written assignments and during the interaction with their classmates in the online discussions that support their learning. The Quantitative Methods, Securities, Futures and Options and Fixed Income and Equity Investment modules will require them to organize and interpret data.

Programme content

The following lists the compulsory modules, together with their credit size, for each Part. Part 1 comprises 80 credit and introduces the basic underpinnings of finance, financial markets, quantitative techniques and Psychology. Part 2 compulsory modules develop the core strands of behavioural economics and finance and the related psychology. Students can choose an additional 40 credits of option modules from the annual list and to follow their own particular interests.

Part 1: Autumn Term

Compulsory modules

Code	Title	Credits	Level
ICM103	Introductory Quantitative Methods for Finance	10	7
ICM106	Financial Markets	20	7
ICM107	Securities, Futures and Options	20	7
ICM108	Fixed Income and Equity Investments	20	7
PYMIP	Introduction to Psychology for Finance	10	7

Part 2: Spring Term

Compulsory modules

Code	Title	Credits	Level
PYMBE	Behavioural Economics	10	7
ICM298	Behavioural Finance	10	7
PYMHM	Human Motivation	10	7
PYMITD	Psychology of Individual and Team Development in Organisations	10	7
PYMOQQ	Applying Qualitative Methods in Research	10	7

PYMSE	Science of Emotion	10	7
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Optional modules to total 40 credits from the annual list.

Part-time or modular arrangements

Progression requirements

Summary of Teaching and Assessment

Teaching is organized in modules. The method of delivery varies among modules, especially in terms of the proportions of time allocated to lectures, seminars and dealing-room sessions. All modules are part-assessed via a multiple-choice test or course work that can take a variety of forms. Final assessment normally involves a written examination, and also incorporates course work marks. The full-time programme is taught over two 11-week terms. Part 1 begins at the beginning of Freshers Week in September of each year. Examinations for Part 1 modules are held in Week 1 of the following spring term. Part 2 occupies 9 weeks of the spring term and 2 weeks at the beginning of the summer term. Examinations for Part 2 are normally held in late May / early June.

The University's taught postgraduate marks classification is as follows:

Mark Interpretation

70 - 100% Distinction

60 - 69% Merit

50 - 59% Good standard (Pass)

Failing categories

40 - 49% Work below threshold standard

0 - 39% Unsatisfactory Work

For Masters Degrees

To pass the MSc students must gain an average mark of 50 or more overall in 180 credits. In addition the total credit value of all modules marked below 40 must not exceed 30 credits and for all modules marked below 50 must not exceed 55 credits.*

Students who gain an average mark of 70 or more overall and have no mark below 40 will be eligible for a Distinction. Those gaining an average mark of 60 or more overall and have no mark below 40 will be eligible for a Merit.

For PG Diplomas

To pass the Postgraduate Diploma students must gain an average mark of 50 or more in 120 credits. In addition the total credit value of all modules marked below 40 must not exceed 30 credits and for all modules marked below 50 must not exceed 55 credits.*

Students who gain an average mark of 70 or more and have no mark below 40 will be eligible for the award of a Distinction. Those gaining an average mark of 60 or more and have no mark below 40 will be awarded eligible for a Merit.

For PG Certificates

To pass the Postgraduate Certificate students must gain an average mark of 50 or more in 60 credits. In addition the total credit value of all modules marked below 40 must not exceed 10 credits.* *The provision to permit a candidate to be passed overall with a profile containing marks below 40 is made subject to the condition that there is evidence that the candidate applied his or herself to the work of those modules with reasonable diligence and has not been absent from the examination without reasonable cause

Admission requirements

Entrants to this programme are required to have obtained a first degree the equivalent of a British upper second class honours degree or equivalent from an overseas institution. Degrees can be in any discipline but applicants must demonstrate a satisfactory level of numeracy.

For applicants whose first language is not English, proof of proficiency is required.

Admissions Tutor: Dr Simone Varotto

Support for students and their learning

University support for students and their learning falls into two categories. Learning support is provided by a wide array of services across the University, including: the University Library, the Careers, Placement and Experience Centre (CPEC), In-session English Support Programme, the Study Advice and Mathematics

Support Centre teams, IT Services and the Student Access to Independent Learning (S@il) computer-based teaching and learning facilities. There are language laboratory facilities both for those students studying on a language degree and for those taking modules offered by the Institution-wide Language Programme. Student guidance and welfare support is provided by Personal Tutors, School Senior Tutors, the Students' Union, the Medical Practice and advisers in the Student Services Centre. The Student Services Centre is housed in the Carrington Building and offers advice on accommodation, careers, disability, finance, and wellbeing, academic issues (eg problems with module selection) and exam related queries. Students can get key information and guidance from the team of Helpdesk Advisers, or make an appointment with a specialist adviser; Student Services also offer drop-in sessions and runs workshops and seminars on a range of topics. For more information see www.reading.ac.uk/student

The ICMA Centre provides handbooks that outline programme and module content. In addition to lecture and class time, each module lecturer has appointed office hours during which they may be consulted without prior appointment.

Career prospects

Graduates of the ICMA Centre have an enviable record of attainment when it comes to gaining employment in the financial services industry. The global investment banking and securities markets attract the very best applicants and competition for entry-level positions remains intense. Despite the volatile nature of the financial markets, demand for well-qualified recruits remains high. In addition students schooled in the field of behavioural finance are in demand as investment banks and associated industries attempt to understand investment patterns and bubbles that cannot be explained by conventional finance.

We expect many of our graduates to enter the industry at either the 'Analyst' level, i.e. as graduate trainees, or as 'Associates', who tend to have several years of relevant professional experience. Our graduates leave us equipped with knowledge and transferable skills that are also prized by employers outside of the traditional banking and finance sectors. Many of our graduates are currently enjoying successful careers with government agencies and regulatory organizations throughout the world. Others are working with specialist IT firms, multinational companies and global consulting organizations. Increasingly, students join us to obtain specific technical and financial skills to enable them to join small financial boutiques, including venture capitalists, proprietary trading firms and hedge funds. Others are working in the area of e-commerce, especially small, entrepreneurial firms that seek to exploit the opportunities for internet-based securities sales and trading. Graduates will also have good prospects in careers which involve the understanding of research methodology as it applies to the social sciences and to psychology in particular. Career prospects in research-related academic, clinical, educational, and health fields are good.

Opportunities for study abroad or for placements

There are currently no opportunities for placements or to study abroad.

Programme Outcomes

The programme provides opportunities for students to develop and demonstrate knowledge and understanding, skills, qualities and abilities in the following areas:

Knowledge and Understanding

A. Knowledge and understanding of:

1. Fundamental techniques for portfolio selection, valuation of risky assets and financial decision-making.
2. Practical techniques for the analysis of debt, equity and derivative securities.
3. Analytical techniques used routinely in the finance research literature.
4. Techniques in econometrics comprising model estimation and interpretation, hypothesis testing, and analysis of non-stationary data.
5. The structures and functions within the global financial securities industry

Teaching/learning methods and strategies

Formal lectures, practical (including dealing-room) sessions and conventional classes, supervisions supported by directed and assessed self-study. Feedback and guidance are an important part of the process. This body of knowledge is communicated by detailed, paper-based lecture notes.

Assessment

Knowledge is tested via multiple-choice tests, tutor-marked assignments, tutor-moderated online discussion boards and unseen written examinations. Courses are assessed through a combination of coursework and unseen examinations. Practical project work is also assessed and provides a source

of feedback on performance to students.

Skills and other attributes

B. Intellectual skills - *able to*:

- 1 Gather, analyse and interpret data.
- 2 Read, understand and discuss the relevant literature in refereed academic journals.
- 3 Think logically and apply analytical principles to a range of problems in finance.
- 4 Interpret news events and assess their potential effects upon the global financial markets

Teaching/learning methods and strategies

Substantive problems are illustrated in lectures and smaller group seminars. Essays, project work and problem sets provide related opportunities for problem solving. Lectures supported by essays and seminar discussions provide the basis of ensuring the growing knowledge base becomes comprehensible.

These skills are developed by each of the core modules, which are supported by key milestones and submission of tutor-marked assignments. Students will be presented with financial datasets and required to analyse them and to draw appropriate inferences.

Assessment

Through tutor-marked assignments, project work, problem sets, moderated online discussions and unseen written examinations.

C. Practical skills - *able to*:

- Use Information Technology effectively.
- 2 Utilise econometrics software to critically analyse financial data.
 - 3 Communicate ideas online.
 - 4 Utilise Reuters, Bridge and Bloomberg business information and analytical tools.
 - 5 Use spreadsheet software to analyse complex practical problems in finance.
 - 6 Operate effectively in a simulated dealing-room environment, including the ability to manage bid/ask spreads

Teaching/learning methods and strategies

Practical skills are introduced in lectures, developed in supporting tutorials, computer-based sessions and dealing-room sessions, and reinforced by problem sets and supervised project work.

Teaching is supported by a Learning Management System that requires students to participate in asynchronous online discussions.

Spreadsheet tasks and software modelling are included in the teaching of modules such as Securities, Futures and Options and Quantitative Methods.

Assessment

These are assessed through dealing-room sessions, computer-based sessions and tutorials.

D. Transferable skills - *able to*:

1. Contribute to group discussions.
- 2 Gather and interpret data, and present results.
- 3 Work in teams.
- 4 Demonstrate familiarity with the workings of the international financial markets.
- 5 Use IT, including word processing, data exchange, graphics, spreadsheet and econometrics software and directed website searches.
- 6 Communicate orally and in writing.
- 7 Use library and web-based resources.
- 8 Manage time to achieve goals.

Teaching/learning methods and strategies

The use of IT is an integral part of the practical side of the course. It is encouraged through applications that require economic and financial analysis. These involve spreadsheet-modelling exercises, Monte-Carlo simulations, website searches, use of library resources and the presentation of word-processed documents including graphics displays.

Communication skills are assessed at several points throughout the programme. Communication, presentation and team-working skills are specifically emphasised in CPD. Good time management is essential for organising a timetable to complete project work. Tutor-moderated seminars (1) and (3). Assignments. Interviews with prominent guest speakers from the City of London (4).

Assessment

Assessment of transferable skills is incorporated at several points in the programme. (1), (3), (5)-(8) contribute towards assessed work in projects, problem sets and dealing-room sessions. These are also assessed by means of unseen written examinations, tutor-marked assignments and seminar discussion.

Please note - This specification provides a concise summary of the main features of the programme and the learning outcomes that a typical student might reasonably be expected to achieve and demonstrate if he/she takes full advantage of the learning opportunities that are provided. More detailed information on the learning outcomes, content and teaching, learning and assessment methods of each module can be found in the module description and in the programme handbook. The University reserves the right to modify this specification in unforeseen circumstances, or where the process of academic development and feedback from students, quality assurance process or external sources, such as professional bodies, requires a change to be made. In such circumstances, a revised specification will be issued.