

FACULTY OF ECONOMIC AND FINANCIAL SCIENCES

Department of Finance  
and Investment Management

# Post-Graduate Diploma in Financial Markets



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# Post-Graduate Diploma in Financial Markets

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## Purpose of the programme

The purpose of this programme is to strengthen the students' knowledge and comprehension in the disciplines of Financial Markets and Stockbroking as the field is interdisciplinary in nature and it serves to strengthen and deepen the student's knowledge. The programme comprises of a broad-based curriculum to prepare the postgraduate student for financial market related specialities. The program emphasises application, analysis and evaluation within each topic area as well as the application of integrity and ethics in a professional environment. This qualification demands a high level of theoretical engagement and intellectual independence, as well as the ability to relate knowledge to a range of contexts in order to undertake professional or highly-skilled work. Mastering of the curriculum will provide students with the skills to synthesise complex stockbroking principles in order to drive and add value to the entities that employ them. The successful student will gain an overall stockbroking perspective which will provide them with a competitive advantage for employment.

## Rules of access

- A potential student must be in possession of:
  - A Financial Market orientated Bachelor of Commerce degree on old NQF level 6/ revised NQF level 7; or
  - A Financial Market orientated Advanced Diploma qualification on old NQF level 6/ revised NQF level 7; or
  - Any other qualification on old NQF level 6/ revised NQF level 7 and have related financial market orientated experience which is deemed applicable by the Department of Finance and Investment Management; or
  - Relevant work experience in financial markets which is deemed applicable by the Department of Finance and Investment Management (subjected to Recognition of Prior Learning as well as an entrance exam).

- Selection is based on academic merit and the availability of places and hence may entail the use of additional criteria/ requirements; and
- Final admission requirements will from time to time be set by the department.

## Closing date for applications

The closing date is 15 January 2016 annually for foreign (i.e. non-South African resident) applicants and for South African resident applicants for study in the following academic year. All foreign applicant's (i.e. international applicants) applying should consult with the International Admissions Office at the University of Johannesburg on 011 559 4517 or visit [www.uj.ac.za/international](http://www.uj.ac.za/international).

## Selection process

All prospective applicants will be subjected to a selection process. All applicants who wish to apply for the Postgraduate Diploma in Financial Markets are required to submit, along with their application forms, a short written motivation (not longer than one page) as to why they plan to enrol for the Postgraduate Diploma in Financial Markets, and why they should be selected. Please ensure to provide all required documentation when applying. Failure to submit all the required documentation or submitting your application late may result in your application not being considered for the Postgraduate Diploma in Financial Markets.

## Registration and fees

Registration details for the 2016 Postgraduate Diploma in Financial Markets will be communicated to successful applicants via email. A registration deposit must be paid in early January each year. The exact cost of the Postgraduate Diploma in Financial Markets will be communicated via email once the fees are finalised at the end of the year.

The Postgraduate Diploma in Financial Markets is presented on a full time (8 modules over one year) and part time basis (8 modules over two years, 4 modules per year). The estimated

fees based on 2015 calculations are R3040 per module, but the final fees for 2016 will only be available late 2015. The table further indicates which modules will be taken in the first and

second semester and which modules will be taken in the first and second year for part time students:

Module name	NQF Level of Module
<b>Semester 1</b>	
Equity Investment Analysis	8
Financial Engineering	8
Legislation of Financial Markets	8
Quantitative Investment Analysis	8
<b>Semester 2</b>	
Portfolio Management	8
Financial Markets Rules and Directives	8
Applied Financial Market Analysis	8
Financial Reporting and Taxation	8

\*module order are subject to change

Please note that the fees for 2016 will only be available at the end of 2015 and the above fees will increase as per the University standard. The above fee excludes a 2016 non-refundable registration fee and a non-refundable ICT levy, as well as residence fees and prescribed textbooks

## Commencement of lectures

The Postgraduate Diploma in Financial Markets lectures will commence in February 2016. A timetable for the Postgraduate Diploma in Financial Markets will be sent to all successful applicants via email in January 2016.

## Curriculum

The Postgraduate Diploma in Financial Markets is presented on a full-time basis over one year and on a part-time basis over two years. Students can elect to complete the programme on either a full-time or a part-time basis. All lectures are only presented in the evenings. Students have to pass all eight modules independently to obtain the Postgraduate Diploma in Financial Markets. For detailed module outcomes please consult the Faculty of Economic and Financial Science 2016 year book.

## Lectures and programme

Lectures will be presented by fulltime academics and occasional guest lecturers. Accepted students are expected to attend lectures regularly and an attendance register may be taken at each class. The programme is not suitable for distance learning or correspondence students. Accepted students will be supplied with a detailed programme and timetable via email in January.

## Prescribed material

The prescribed textbook for each module will be communicated to successful via email in January. The prescribed textbook is by no means sufficient to pass each specific module. Various sources of information will have to be combined to pass each module, i.e. formal lectures, class discussions, the Internet (including uLink) and your own research.

The reading of financial books, magazines, daily and weekly newspapers, e-reading and following daily news and business news and events on television has proven to be of great value in the past. The creation of a reading ethic outside of the Postgraduate Diploma in Financial Markets curriculum is of critical importance in being a successful student and future employee.

## Composition of marks

Your studies are your responsibility. Although the lecturers share that responsibility with you, you will determine how well or poorly you perform in each subject and your degree. You have to ensure that you prepare for, and attend classes, make use of consulting hours and set up appointments to discuss subject matter that is not clear, study and write assessments throughout the academic year.

Each module lecturer will publish their module mark calculation in the module work programme at the commencement of the module on uLink (<https://ulink.uj.ac.za/index.html>) and in the module work programme. Please note: You may be expected to write unannounced class tests during the semester. Your final module mark will be calculated as follows:

- A module mark of at least 40% is required for admission to the last assessment opportunity (examination)
- Students that do not obtain a module mark of 40% and above, will not be allowed to write the last assessment opportunity.
- Module marks will count 50% towards the final mark
- The final assessment will carry a weighting of 50% towards the final module mark
- A final mark for each module of 50% or above must be achieved to pass a module
- A student passes a module with distinction if he/she obtains a final mark of at least 75%

If a combined average of 75% is obtained for all modules in the Postgraduate Diploma in Financial Markets. The Postgraduate Diploma in Financial Markets will be awarded Cum-Laude.

Students will complete a number of assessments throughout the duration of each module. Assessments may take the form of written assessment opportunities (i.e. tests), as well as class assessments, assignments and/or projects. A last assessment opportunity in the form of an examination will be completed at the end of each module. These assessments will constitute the module mark, as outlined above.

## Application procedures

Applications for the 2016 academic year will close on 15 January 2016. No late application will be considered. All applications need to be submitted via the UJ online application process: <http://www.uj.ac.za/apply>

All prospective students that wish to apply to study the Postgraduate Diploma in Financial Markets MUST submit the following documents before the above deadlines:

- Certified copy of identity document (or passport if foreign student);
- Certified copy of your Grade 12 (matric) certificate;
- Certified copy of your degree certificate (if you have already completed your undergraduate degree);
- Certified copy of an official academic record and certificate of conduct issued by your undergraduate university (if you are currently completing your undergraduate studies, then your most recent academic record). The academic record and certificate of conduct submitted MUST include all courses taken by a prospective student (i.e. not only a list of courses passed). Failure to submit a full list of courses taken may disqualify a prospective student;
- A short written motivation as to why you think you should be selected for the programme;
- SAQA evaluations certificate if your highest academic qualification was not obtained at a South African university;
- Status applications form (if your highest academic qualification was obtained from an institution other than UJ or the former RAU or TWR). The status application form is available from: <http://www.uj.ac.za/EN/Faculties/ecofin/application/Pages/default.aspx>

**If all the above documentation is not submitted before the closing date, your application will not be considered.**



## Brief outline of modules

Module name	Module outcomes: student will be able to
Equity Investment Analysis	<ul style="list-style-type: none"> <li>• distinguish between income based, asset based and market based approaches to firm valuation;</li> <li>• provide an in-depth analysis of a firm’s financial statements;</li> <li>• outline and discuss the steps an analyst may follow in evaluating a firm’s accounting quality;</li> <li>• identify the primary distortions in financial statements and explains how to deal with them;</li> <li>• describe the process involved in and motivations for in mergers and takeovers;</li> <li>• describe corporate finance in relationship to capital budgeting; and</li> <li>• evaluate capital structure and dividends and share repurchases analysis.</li> </ul>
Financial Engineering	<ul style="list-style-type: none"> <li>• describe financial markets, its instruments, calculation (of financial instruments) and price determination theories;</li> <li>• differentiate between the characteristics of the relevant financial derivative instruments;</li> <li>• explain the types of financial derivatives, their developments and the economic roles they play in the financial markets, as well as their risk and ethical issues;</li> <li>• understand derivatives pricing, payoff functions and combination of trading strategies of basic derivatives such as forwards and futures, options, swaps both financial and interest rate, and floating rate notes;</li> <li>• describe and understand how the different instruments can be used to implement basic market risk management strategies, appropriate for corporate and treasury application under different hedging approaches;</li> <li>• solve problems requiring the ability to price derivative instruments and hedge market risk based on numerical data and current market conventions;</li> <li>• obtain the skills required for pricing financial derivatives, including familiarity with some central techniques, namely risk-neutral valuation, no-arbitrage pricing, the binomial model, and the Black-Scholes model;</li> <li>• apply and exercise quantitative and mathematical skills in pricing derivative instruments;</li> <li>• recognise historical issues and practices of financial derivatives in the real world; and</li> <li>• demonstrate understanding and application of different types of generic skills including collaboration skills, communication skills, presentation skills, numeracy skills, critical thinking skills, problem-solving skills, self-management skills and study skills.</li> </ul>
Legislation of Financial Markets	<ul style="list-style-type: none"> <li>• conceptualise and apply the principles related to the management components within a stockbroking firm;</li> <li>• describe the processes involved in the listing of a firm on the exchange; and</li> <li>• understand and apply the legislation prescribed by government that governs the financial markets.</li> </ul>

Quantitative Investment Analysis	<ul style="list-style-type: none"> <li>• perform and interpret correlation and regression analyses;</li> <li>• analyse and interpret time series analysis;</li> <li>• apply and interpret nonparametric methods;</li> <li>• apply and interpret ANOVA;</li> <li>• demonstrate an ability to apply theoretical principles to practical MS Excel modelling; and</li> <li>• conceptualise and interpret relevant research and case studies in the field of quantitative investment analysis.</li> </ul>
Portfolio Management	<ul style="list-style-type: none"> <li>• question the portfolio management process and prepare the investment policy statement;</li> <li>• construct and manage portfolios for both individual and institutional investors;</li> <li>• analyse capital markets and formulate expectations;</li> <li>• perform asset allocation;</li> <li>• manage fixed-income, equity and alternative investment portfolios;</li> <li>• identify, measure, and manage portfolio risk;</li> <li>• execute portfolio decisions, monitor and rebalance portfolios; and evaluate portfolio performance;</li> <li>• present portfolio performance compliant with Global Investment Performance Standards (GIPS);</li> <li>• demonstrate an ability to apply theoretical principles to practical MS Excel modelling;</li> <li>• conceptualise and interpret relevant research and case studies in the field of portfolio management;</li> <li>• analyse capital and money-market instruments;</li> <li>• analyse the term structure of interest rates and interest rate risk;</li> <li>• apply portfolio investment strategies to a different asset class portfolios;</li> <li>• analyse interest rate derivative instruments;</li> <li>• comprehend and analyse the securitisation of assets;</li> <li>• model the term structure of interest rates and credit spreads;</li> <li>• conceptualise and interpret relevant research and case studies in the field of interest bearing investment; and</li> <li>• complete a portfolio simulation assignment, not limited to portfolio management.</li> </ul>
Financial Markets Rules and Directives	<ul style="list-style-type: none"> <li>• explain and apply the rules prescribed by the regulators of the financial industry governing the equities markets, derivatives, interest rates and currencies and how it affects the financial market environment; and</li> <li>• describe and apply the directives prescribed by the regulators of the financial industry governing the equities markets, derivatives, interest rates and currencies and how it affects the financial market environment.</li> </ul>

Applied Financial Market Analysis	<ul style="list-style-type: none"> <li>• formulate problems into quantitative models;</li> <li>• apply statistical methods to analyse past data and infer future trends;</li> <li>• derive outcomes, analyse and interpret output from mathematical and statistical models;</li> <li>• select appropriate mathematical and statistical techniques for application to problems in the contexts of financial markets;</li> <li>• implement the analysis and evaluation of numerical solutions to investment problems related to stockbroking;</li> <li>• demonstrate an understanding of appropriate application of quantitative techniques to a range of problems in the financial market context;</li> <li>• communicate the results of quantitative analyses in the contexts of finance and investment, to both specialists and non-specialists, recognising any limitations of the underlying models; and</li> <li>• conduct mathematical and statistical investigations within the contexts of financial markets.</li> </ul>
Financial Reporting and Taxation	<ul style="list-style-type: none"> <li>• describe the key elements, roles, information sources, preparation and evaluation of financial statements reporting and analysis;</li> <li>• differentiate between the regulatory financial reporting authorities and reporting systems;</li> <li>• explain and interpret the components of financial statements;</li> <li>• describe and evaluate the different inventory accounting methods and the appropriateness of the method in regards to the company;</li> <li>• differentiate between and interpret the accounting and depreciation/impairment of tangible and intangible assets;</li> <li>• distinguish between and interpret accruals, provisions, contingent liabilities and contingent assets;</li> <li>• calculate, explain and interpret long-term liabilities, including: <ul style="list-style-type: none"> <li>• presentation and disclosure;</li> <li>• current market rates and fair value; and</li> <li>• debt with equity features;</li> </ul> </li> <li>• describe the recognition and measurement of financial instruments;</li> <li>• explain and evaluate the accounting and reporting of leases; and</li> <li>• describe, apply and calculate general taxation/income tax, dividends tax and securities transfer tax in the financial markets environment.</li> </ul>

## Enquiries

For any queries regarding student finance, please contact student finance at 011 559 3910 or go to <http://www.uj.ac.za/EN/StudyatUJ/StudentFinance/Pages/home.aspx>

If your employer is sponsoring your fees, please contact external bursaries at 011 559 4787.

For general departmental information please consult the departmental website: <http://www.uj.ac.za/EN/Faculties/ecofin/fininvestman/Pages/default.aspx>.

All enquiries related to the above content should be addressed to: [dfiminfo@uj.ac.za](mailto:dfiminfo@uj.ac.za)