



Diploma in Applied Finance

Why choose this Finance program at McGill University's School of Continuing Studies?

This program aims to provide students with effective and applicable competencies in the frontiers of finance using learner-centered instructional methods.

The program is designed to provide training in the techniques and nuances expected of a successful professional in various finance related fields, such as corporate finance, investment banking and portfolio management, risk management, treasury finance, financial planning and sustainable financial management.

The finance domain offers interesting, diverse work opportunities in several areas, such as:

- Bank analysts
- Corporate finance analysts
- Budget analysts
- Loan officers
- Research associates
- Sales and trading associates

IMPORTANT NOTE:

THIS PROGRAM IS EFFECTIVE AS OF FALL 2012.

If you were admitted PRIOR to Fall 2012, please follow the STUDY PLAN which you were provided with at the time of your admission.

Applications for admission are accepted for Fall, Winter and Summer semesters.

The Program

The Diploma in Applied Finance is a 30 credit program which consists of 14 courses as indicated below.

Note: There is one external pre-requisite course to the program CMSC 000 Foundations for Mathematics, which must be taken prior to taking certain required courses in this program. Prerequisites and co-requisites are not included in the total credit requirements for the program; however, they do count towards academic standing.

Students who wish to apply for advanced standing for prerequisite or co-requisite courses must complete an Advanced Standing form at the time of admission or they may take an Exemption by Examination test¹.

The Diploma program requirements are:

2 Prerequisites

CACC 521 Concepts of Financial Accounting (or the Exemption by Examination test¹)
CMS2 500 Mathematics for Management (or the Exemption by Examination test¹)

2 Co-requisites

CEC2 532 Business Economics (or the Exemption by Examination test¹)
CMS2 521 Applied Management Statistics (or the Exemption by Examination test¹)

7 Required courses: (21 credits)

CFIN 500 Financial Markets and Institutions
CFIN 507 Analysis of Financial Statements
CFIN 512 Corporate Finance
CFIN 522 Applied Topics in Corporate Finance
CFIN 525 Treasury Management
CFIN 530 Investment Analysis
CFIN 540 Introduction to International Finance

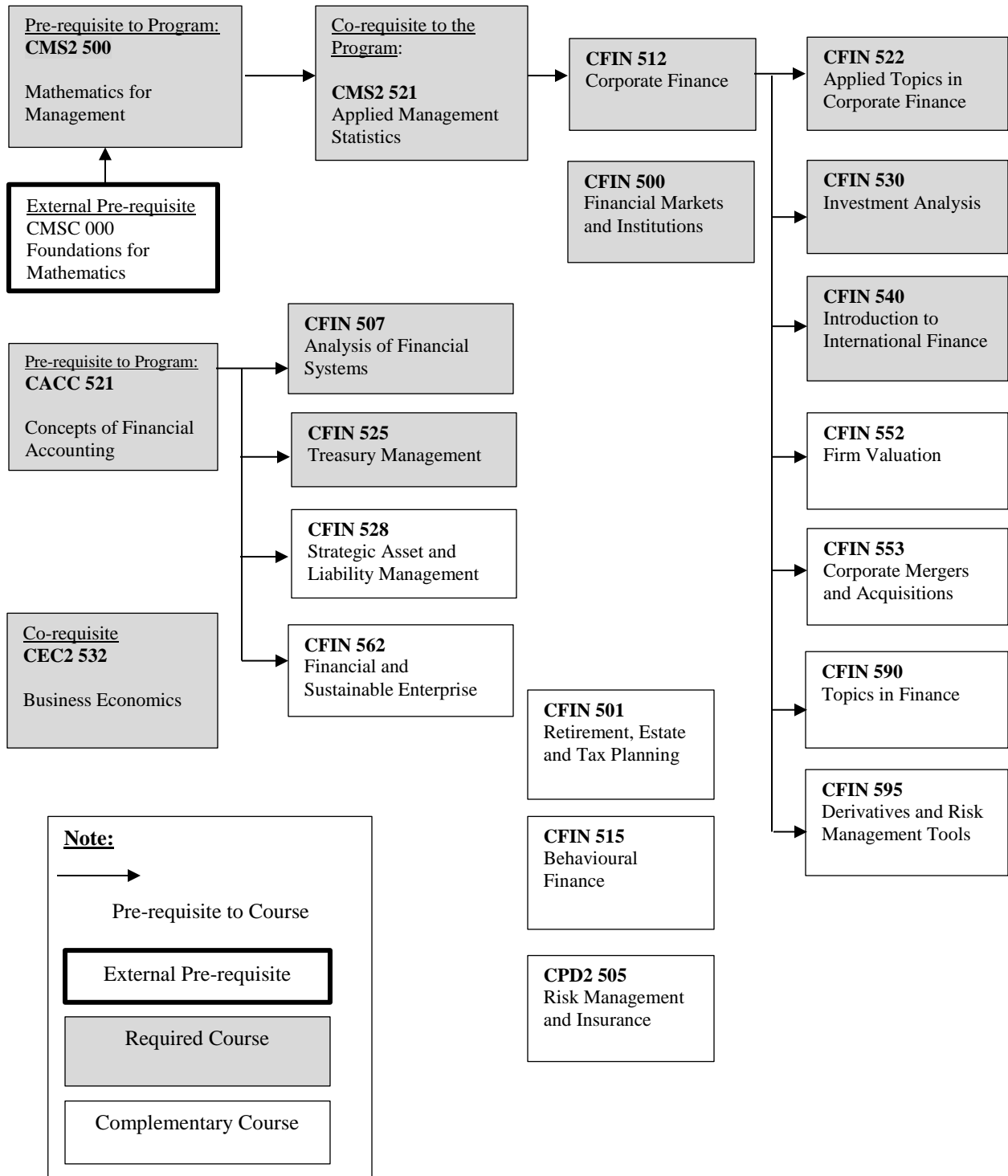
3 Complementary courses: (9 credits)

CFIN 501 Retirement, Estate and Tax Planning
CFIN 515 Behavioural Finance
CFIN 528 Strategic Asset and Liability Management
CFIN 552 Firm Valuation
CFIN 553 Corporate Mergers and Acquisitions
CFIN 562 Finance and Sustainable Enterprise
CFIN 590 Topics in Finance
CFIN 595 Derivatives and Risk Management Tools
CPD2 505 Risk Management and Insurance

¹ For more details on how to enroll in the Exemption by Examination test, please click on the following link:
<http://www.mcgill.ca/continuingstudies/prospective-students/apply/exemption-examination>

Course Sequence

Diploma in Applied Finance



To obtain information on course offerings, please refer to the interactive timetable at:
https://cce.mcgill.ca/timetable/D_AFIN_AFN.htm

Course Descriptions

CACC 521 Concepts of Financial Accounting

(3 credits)

Pre-requisite: None

This course examines accounting in a finance context, how to prepare, interpret, and make decisions based on accounting information. The course examines the process of recording and reporting accounting transactions, the elements of financial statements, and the preparation of various financial statements.

CEC2 532 Business Economics

(3 credits)

Pre-requisite: None

Introductory micro and macro-economic theory and practice in profit and non-profit organizations from a managerial perspective. Topics include: demand and supply analysis, production costs, firms' pricing and output determination, aggregate demand and supply, national income, output and employment determination, inflation, interest rate, exchange rate determination, fiscal and monetary policies.

CFIN 500 Financial Markets and Institutions

(3 credits)

Pre-requisite: None

This course will focus on how the three main types of financial institutions, banks, insurance companies, and investment firms, facilitate the flow of funds through the economy. In addition, various financial markets including bond, money, equity, foreign exchange, commodity, and derivatives, are examined.

CFIN 501 Retirement, Estate and Tax Planning

(3 credits)

Pre-requisite: None

The objective of this course is to discuss the various elements in the retirement planning process such as pension planning instruments, public and private pension plans, insurance, income tax, estate planning, and wills.

CFIN 507 Analysis of Financial Statements

(3 credits)

Pre-requisite: CACC 521

This course addresses financial statement analysis and related topics, including impact on firm valuation of alternative accounting methods, management biases, and stakeholder interests. The course also strengthens and develops analytical skills through real world examples and cases.

CFIN 512 Corporate Finance

(3 credits)

Pre-requisite:[CACC 520 or CACC 521] and CMS2 521

Fundamental finance theory as applied to the firm's short and long term financing and investment decisions and the sources of funds available to it (stocks, bonds, derivatives). Exposure to critical concepts of "firm value maximization" emphasizing capital budgeting, cost of capital, capital structure, derivatives, dividends policy, risk and return.

CFIN 515 Behavioural Finance

(3 credits)

Pre-requisite: None

The course will introduce various documented psychological biases that impact human behaviour and decision making. These documented market anomalies will be examined and assessed in the context of mean-variance efficiency theory. Typical forecasting errors, expert justifications and continued investor reliance on forecasting models will be examined.

CFIN 522 Applied Topics in Corporate Finance**(3 credits)**

Pre-requisite: CFIN 512

Concepts and techniques developed in earlier courses are extended and/or applied to problems faced by managers in Corporate Finance. Such problems include: working capital management, capital budgeting, capital structure, dividend policy, cost of capital and mergers and acquisitions. Stresses the application of theory and techniques; and makes extensive use of case studies.

CFIN 525 Treasury Management**(3 credits)**

Pre-requisite: CACC 521

This course deals with the key aspects of short-term financial management. Describes a framework for decision making followed by a brief introduction to the Canadian banking and payments system from the perspective of the corporate treasurer. Corporate cash planning and forecasting will also be studied, followed by description of collection and disbursement systems in Canada. Strategies for the management of short-term investment and borrowing portfolios are described, including the available instruments for management of interest rate and foreign exchange risk.

CFIN 528 Strategic Asset and Liability Management**(3 credits)**

Pre-requisite: CACC 521

This course examines the essential concepts in Asset Liability Management in banks and insurance companies, focusing on managing risks such as liquidity risk, interest rate risk, credit risk, and operational risk. It also looks at strategic tools to manage these risks.

CFIN 530 Investment Analysis**(3 credits)**

Pre-requisites: CEC2 532 and CFIN 512

Deals with security analysis and investment techniques covering the different types and classes of securities. The sources of information, methods of compiling statistics, and assessment of comparative values are discussed, together with portfolio objectives and differing philosophies of investment management. Broad economic trends and international political climates affecting security values are analyzed.

CFIN 540 Introduction to International Finance**(3 credits)**

Pre-requisite: CFIN 512

The international financial environment as it affects the multinational manager. In-depth study of the various balance of payments concepts, adjustment of the external balance, and the international monetary systems, will be followed by a review of theory and institutional aspects of the foreign exchange and the international markets.

CFIN 552 Firm Valuation**(3 credits)**

Pre-requisites: CACC 521 and CFIN 512

This course provides a comprehensive analysis of alternative valuation models and techniques such as discounted cash flow, and relative and contingent claims valuation methods. These techniques are applied to the valuation of various types of firms such as financial services, start ups, private, distressed firms, and firms with negative earnings.

CFIN 553 Corporate Mergers and Acquisitions**(3 credits)**

Pre-requisites: CACC 521 and CFIN 512

The mergers and acquisitions field is introduced and presentation and research skills for the investment banking or merger arbitrage industries are developed and strengthened. Theory from corporate finance is applied to the analysis of mergers, acquisitions, and related transactions. Methodology for preparation of a job interview product is also presented.

CFIN 562 Finance and Sustainable Enterprise**(3 credits)**

Pre-requisites: CACC 521

The course will assess the impact of environmental regulations on corporate financial policies, such as capital budgeting and capital structure, their input variables and considerations, corporate governance and Real Options from a binomial decision tree perspective. Time will also be devoted to studying cases of sustainable corporate financial policies.

CFIN 590 Topics in Finance**(3 credits)**

Pre-requisite: None

Specialized course covering an advanced topic in the Finance area selected from current issues or themes in literature. Content will vary from year to year.

CFIN 595 Derivatives and Risk Management Tools**(3 credits)**

Pre-requisites: CFIN 500 and CFIN 512

This course develops and illustrates the no-arbitrage approach to the valuation of popular derivatives like forwards, futures and options for risk management purposes. Additional topics include an introduction to exotic options, emerging instruments, and the Nobel winning Black-Scholes option pricing model.

CMSC 000 Foundations for Mathematics**(12 CE units)**

Pre-requisites: None

First-degree equations and applied word problems, polynomials, factoring, fractions, exponents, roots and radicals, inequalities, quadratic equations and functions, composite and inverse functions, arithmetic and geometric sequences and series.

Please note that the minimum grade of 65 is required to successfully complete this course.

CMS2 500 Mathematics for Management**(3 credits)**

Pre-requisite: CMSC 000(or Exemption by Examination test)

Basic mathematics needed for business applications, including graphs of functions, series summation, mathematics of finance, annuity, discounted cash flow, internal rate of return, permutations, combinations, maxima and minima of functions with business applications in optimization, introductory statistics and probability .

CMS2 521 Applied Management Statistics**(3 credits)**

Pre-requisite: CMS2 500

Statistical methods used in a variety of business situations, emphasizing application and providing a working knowledge of the most widely-used techniques. Topics include descriptive statistics; probability distributions; sampling procedures and distributions; inferential statistics including estimation; hypothesis testing and Anova; simple linear, multiple regression and correlation; time series and forecasting.

CPD2 505 Risk Management and Insurance

(3 credits)

Pre-requisite: None

This course explores the fundamentals of risk management and covers the theory and practices of insurance, policy construction and interpretation for major classes of commercial and personal insurance and emphasizes the importance of decision-making criteria in selecting among various alternatives available.

Admission Requirements

1. **Bachelor's degree (or equivalent) as approved by the Graduate and Postdoctoral Studies Office,**
2. **AND have a minimum cumulative grade point average (CGPA) of 3.0/4.0 or a CGPA of 3.2/4.0 for the last two full-time academic years.**
3. **AND Curriculum Vitae**
4. **Proof of English language requirements (Please see page 13)**

Note: Should your CGPA be lower than the above requirement, please submit the following documents for consideration with your application:

- a. **Letter of Intent:** A letter, 1 to 2 pages in length single-spaced, written in English or French, which addresses the following:
 - basis for interest in the program;
 - your knowledge that would be pertinent to the program;
 - your interest in the field of study and the reasons for applying to our program;
 - plans for integrating the training into your current or future career;
 - a description of your professional experience and its relevance, if applicable, to the program;
 - awards received or other contributions;
 - any additional information relevant to your application.
- b. **Curriculum Vitae**
- c. **Two Letters of Reference:** Of which, at least one should be from a current or former employer.
- d. **GMAT and/or GRE Test Score Results (optional):** Submit a copy of the official test score results.

Additional Information:

If you have studied outside Canada, you may be asked to submit an evaluation of your degree called an “Evaluation comparative des études effectuées hors du Québec” (comparative evaluation for studies done outside of Quebec), issued by the Ministère de l’immigration de la Diversité et de l’inclusion.

For further details you may contact their offices at: (514) 864-9191, or visit them on the web at: <http://www.immigration-quebec.gouv.qc.ca/en/education/comparative-evaluation/index.html>

If requested, this evaluation will need to be submitted to the School of Continuing Studies before the application for admission can be processed.

Please note that anyone who wishes to obtain a professional designation may be required by the Professional Orders to acquire this equivalency evaluation.

If you have completed an undergraduate degree from a recognized university outside of Canada and are applying to this program for which a minimum CGPA is required, please visit the following website for International Degrees' CGPA calculation:
www.mcgill.ca/gradapplicants/apply/prepare/requirements/international-degree-equivalency

Admissions Procedures

How to APPLY to the *Diploma in Applied Finance*?

Please follow the steps below:

STEP 1:

- Go to <http://www.mcgill.ca/continuingstudies/>
Click on “Apply”
Click on “Graduate Programs”

STEP 2:

Verify on the “**Apply for Admission to a Program**” page, the “Application Deadlines” for Canadian/Permanent Residents or International Students to ensure that you submit your application before the term deadline.

STEP 3:

- **Review your Admission Requirements:** Once you have checked your application against all the requirements, you will be ready to apply to the program.
- Before you proceed you will need:
A valid **email address** and a **credit card** (Visa, MasterCard or American Express).

STEP 4:

- Once you are ready to apply online:
Click on “**Click here now**” to bring you to the Application for Admission page.
- Click on the red bold “**Apply Now**” on the Application for Admission page.
(Do **not** apply through “uApply” link).
- Fill in the login information on the “Admissions Login” page and the Biographical Information.
- On the “Apply for Admission” page, fill in the information requested.
NOTE: When asked: “What are you applying for at McGill”, click on “Continuing Studies”
- Select the program you are applying to on the “Program Choice Selection” page.
- Continue to fill in the remainder of the application. (All sections to be completed are indicated in the textbox on the left hand side of the screen).

STEP 5:

- Once you have applied online, you will receive a confirmation email providing you with a McGill ID number and a 6-character **PIN (Personal Identification Number)**.
- You will need to use this information to **log into MINERVA** (www.mcgill.ca/minerva) (McGill’s web-based information system for students) so that you can upload documents required for admission and follow-up on your status of your application.

STEP 6:

- Once your application has been received and you have access to your Minerva account, you will be able to **upload your supporting documentation**, including a copy of transcripts. (A copy of your transcript with confirmation of degree awarded and date of graduation).
- Uploading your documents will speed up your application process and is strongly recommended.
- For instructions on how to proceed, please go to: www.mcgill.ca/applying/submitting-your-documents/uploadingdocuments/

(If you are unable to upload the documents, you can send them by regular mail or bring them in person to our Client Services office at the address above).

STEP 7:

- **Sending official transcripts: All transcripts received via the upload process are considered unofficial.** If transcripts are required for your application, you will also need to have any official transcripts sent directly to the School by mail, in a sealed envelope by the educational institution(s) where you studied.

What is an Official Transcript?

If you have studied at an institution:

- In Canada or the United States – you will need to request a copy of your official transcripts (your marks) from that institution which the institution will mail to the address below in a sealed envelope with the official institution’s logo.
 - Outside of Canada or the United States, - you will need to request a copy of your official transcripts (your marks) from that institution which the institution will mail to the address below in a sealed envelope with the official institution’s logo.
 - **Note:** In cases where the language of instruction at the institution is not English or French, you must also send an official translation of the official transcript certified by a representative from the **Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ - <http://ottiaq.org/>)**.
- You need to request **official transcripts** as soon as possible once your application has been submitted to the School of Continuing Studies. Your Educational Institution must then mail these directly to the appropriate office below:

Client Services c/o Admissions

McGill University – School of Continuing Studies
688 Sherbrooke Street West, Room 1125
Montreal, QC
Canada, H3A 3R1

- **Important:** You must make sure you apply by the application deadline. However, if you have any outstanding supporting documents at the time of your application, you may upload them as they become available or forward them directly to the School of Continuing Studies as soon as possible. Your admission application will only be completed once the School has received all of the required documents.
- **Note:** All required documents received by McGill University School of Continuing Studies become the property of the university. Official documents and/or transcripts will not be returned to the applicant.
- **Note:** Transcripts received by McGill University's School of Continuing Studies cannot be transferred to any other department or program as it would constitute submitting a new application. Therefore, you must submit a new sealed envelope of your official transcripts for each application made to McGill University's School of Continuing Studies.

Language Requirements

- The **language of instruction** for most courses and programs at McGill is English; however, students may submit any written work that is to be graded in English or French, except in cases where knowledge of the language is one of the objectives of the course.
- Applicants must demonstrate an adequate level of **proficiency in English prior to admission**, regardless of citizenship status or country of origin. McGill University has this language requirement in place to ensure that all students are provided with the opportunity to succeed in their chosen program.
- In all cases, the University reserves the right to require **proof of English** proficiency if it is deemed necessary. For additional information, please click on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/academic-policies/language-policy>

Exemption by Examination

Students admitted to a Certificate, Graduate Certificate or Diploma program requiring a pre-requisite or co-requisite course, must provide proof that they have taken an equivalent 3 credit course, at the appropriate level elsewhere or successfully completed the Exemption by Examination test. Otherwise the student must register for the course.

- Please note that the Exemption by Examination test is **not applicable to required or complementary course(s)** within a program.
- You cannot take the Exemption by Examination test if you have already attempted the course (a grade of W is considered as have attempted the course).
- If you are unsuccessful in the Exemption by Examination test(s) you will not be permitted to repeat the test(s) and must instead enroll in the course(s) for which the particular test(s) was taken.

You must be admitted into a program or have applied to a program to be eligible to write the Exemption by Examination test. (The test is optional).

For more information on how to obtain a course exemption by means of a challenge exam, please consult the Exemption by Examination form available on our website at:

<http://www.mcgill.ca/continuingstudies/prospective-students/apply/exemption-examination>

Student Awards and Financial Aid

Note: The amount and number of McGill University's School of Continuing Studies Bursaries, Scholarships, and Graduating Prizes issued varies from year to year, depending on funds received and their specifications.

McGill University's School of Continuing Studies Bursaries

The School of Continuing Studies will post the application form and eligibility requirements for the active term on its website. Please refer to link below for further information.

<http://www.mcgill.ca/continuingstudies/current-students/fees/student-awards-and-financial-aid>

McGill University's School of Continuing Studies Scholarships

For a list of McGill Scholarships, please consult the McGill School of Continuing Studies website by clicking on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/fees/student-awards-and-financial-aid>

McGill University's School of Continuing Studies Graduating Prizes

For a list of McGill SCS Graduating Prizes, please consult the McGill School of Continuing Studies website by clicking on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/graduating-students/awards>