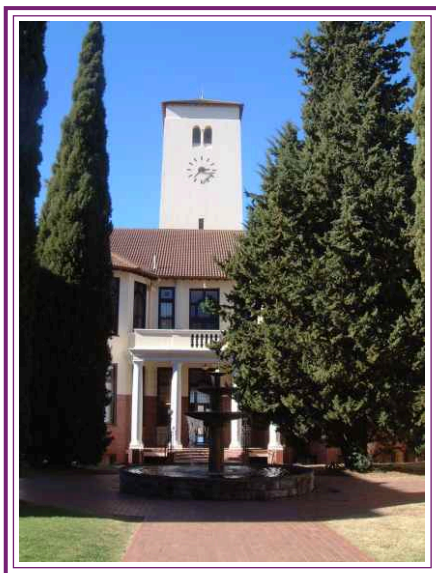




RHODES UNIVERSITY

Where leaders learn

Department of Economics and Economic History



Masters Degree in Financial Markets

RATIONALE FOR THE DEGREE

The financial system is one of the most important inventions of modern society. Its primary task is to move scarce loanable funds from those who save to those who borrow to buy goods and services and to make investments in new equipment and facilities to enable the global economy to grow and increase welfare of all.

The financial sector, not only in South Africa, but worldwide, has undergone far-reaching changes during the past two decades. There is a powerful trend towards increasingly intense global competition for financial services as improvements in communication technology have brought widely separated financial institutions into direct competition with one another. National financial systems are merging into one vast, global financial services marketplace where national borders mean less and less. Deregulation of the financial sector by governments has further stimulated the global spreading of competition for financial services. One of the results of these sweeping changes is that the present system of markets and institutions is both more sensitive and more alert to risk in all of its forms.

South Africa's re-introduction into international markets during the late 1990s has meant that the speed of change locally has accelerated. Many important changes have been brought about by both the monetary authorities and the private financial sector, against the background of the liberalisation of financial markets.

Developments have included a changed attitude towards the implementation of monetary policy, the emergence of new financial instruments and

products, new financial institutions and brokers and an increased level of activity in the markets. International trends and standards in banking supervision and financial regulation are, further, becoming the norm in South Africa as well. Innovative services and specialist institutions are being designed all the time.

The speed and intensity of these developments have meant that tertiary institutions have not coped sufficiently in designing, updating and implementing curricula and programmes for economists and practitioners in financial markets. There is therefore a shortage of suitably qualified graduates leaving universities to enter into positions in the financial marketplace.

OVERVIEW

The degree is designed to educate candidates in all aspects of financial markets, and the milieu in which the markets operate. Included in the course is the material required by local financial exchanges for qualification as trader and advisor, and part of this material is also recognised by the financial markets authority of the United Kingdom as the qualification for advisor (one additional UK module has to be completed, however). In addition, the successful candidate is recognised by the South African Financial Services Board as a portfolio manager (subject to experience gained in portfolio management).

The degree is by coursework and dissertation and is normally completed in two years. The exams required by the financial exchanges in South Africa form an integral part of the degree and are written at Rhodes as the modules that

contain the required exam material are completed.

For detailed course descriptions, the financial exchange exams and the research output of staff and students, see the Economics Department web-page:
<http://www.ru.ac.za/academic/departments/economics/>

REQUIREMENTS

Dissertation (ECO 501) 0.50

Coursework:

Financial institutions, financial regulation and monetary policy (ECO 507) 0.10

Quantitative techniques in financial markets (ECO 508) 0.10

Debt and foreign exchange markets (ECO 504) 0.10

Equity and derivative markets (ECO 505) 0.10

Portfolio theory and management (ECO 506) 0.10

The marks acquired for the industry exams count in the coursework as follows (where applicable):

Examinations: Rhodes 80% (40% of total)

Examinations: Industry 20% (10% of total)

EXAMS REQUIRED BY THE FINANCIAL EXCHANGES

The Financial Services Board (the regulator of financial exchanges) requires of financial exchanges in South Africa certain minimum education standards for traders and advisors. A number (at the moment nine) of the courses required have been included in the above-mentioned modules. Candidates who successfully complete the exchange courses will be recognised by the exchanges (JSE and BESA) as traders and advisors and by the Financial Services Board as portfolio managers. Successful candidates will receive certificates issued by the South African Institute of Financial Markets (SAIFM) and their names will be entered into the registers maintained by the SAIFM and the exchanges. The SAIFM is a body set up by the financial exchanges and administers the exams required by the financial exchanges.

ADMISSION REQUIREMENTS

An Honours or equivalent degree in Economics, Finance and allied fields with a strong quantitative (Mathematics, Statistics and Econometrics) background is required. Industry experience would be an added advantage. For detailed information on general admission requirements at Rhodes University, see the university Calendar or Rhodes website:
http://www2.ru.ac.za/studentzone/future_students/admissions/index.php

CONTACT

Brenda Erasmus
Administrative Assistant
Department of Economics & Economic History
Rhodes University
PO Box 94
Grahamstown
6140
South Africa
Tel: +27 46 603 3801
Fax: +27 46 622 5210
E-mail: b.erasmus@ru.ac.za

