



Finance Know Thy Major Session

25 Jan 2024

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Other Finance faculty members present:

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International Trading Institute (ITI) representatives

<https://business.smu.edu.sg/business/disciplines/finance/Major-Tracks>

Why major in finance?

1. You need to be trained in financial knowledge/literacy

Eg. How will all the Financial markets be affected by the global events happening around the world?

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FINANCE | STOCKS

Energy Stocks Are Back in the Market's Driver's Seat

Oil prices are at their highest level this year

By *Hardika Singh* [Follow](#)

Updated Sept. 11, 2023 4:47 pm ET

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Marathon Petroleum shares have gained 33% this quarter. PHOTO: MARK FELIX/BLOOMBERG NEWS

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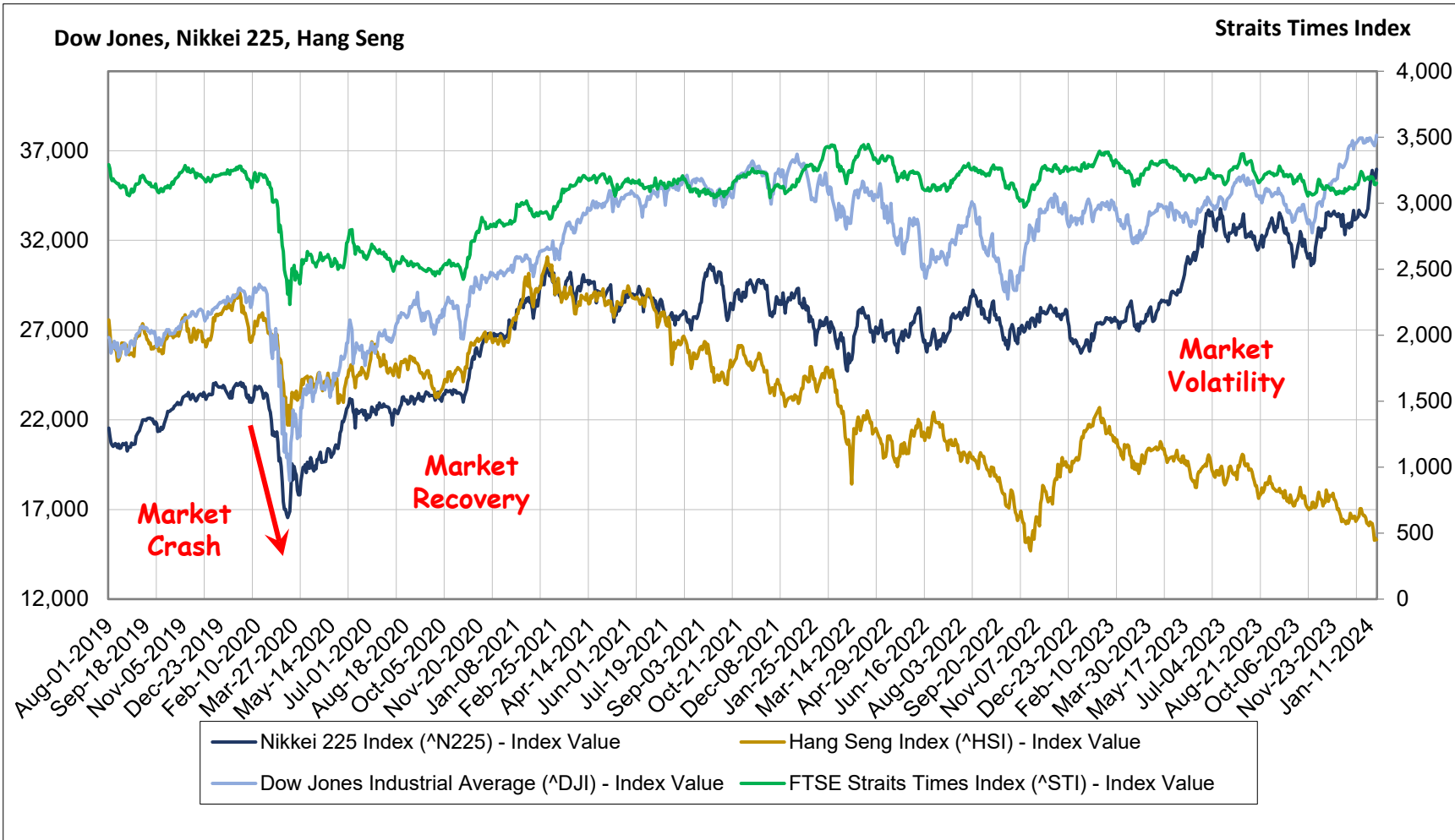
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Events leading to MARKET VOLATILITY today...

The image shows a screenshot of a CNBC news article. At the top left is the CNBC logo. The navigation bar includes links for Top Stories, Latest News, Discover, Singapore, Asia, Commentary, Sustainability, CNA Insider, Lifestyle, Watch, Listen, and + All Sections. The article is categorized under 'Business'. The main headline reads 'S&P 500 hits record intra-day high driven by chipmakers, megacaps'. Below the headline is a photograph of a trader in a dark jacket looking at multiple computer monitors displaying stock market data. To the right of the photo, the text indicates the article was published on '20 Jan 2024 02:27AM' and updated on '20 Jan 2024 03:01AM'. Below the photo, the caption states: 'Traders work on the floor at the New York Stock Exchange (NYSE) in New York City, U.S., January 19, 2024. REUTERS/Brendan McDermid'. At the bottom of the screenshot, there is a partial view of another article with the text '[1/2] Traders work on the floor at the New York Stock Exchange (NYSE) in New York City, U.S., January 9, 2024. REUTERS/Brendan McDermid/File Photo [Acquire Licensing Rights](#)'. Navigation arrows are visible at the bottom right of the screenshot.

Periods of Market Volatility



Source: CapitalIQ

This is an example of how financial markets can be affected by world events.

Why major in finance?

- ❑ With the numerous global events happening every day, how will it affect security analyses?
- ❑ Think about the different types of Asset classes:
eg. Equities, Fixed Income, Derivatives, Real Estate, Currencies.
- ❑ When is it the RIGHT TIME to
 - **BUY**
 - **SELL**
 - **HOLD** financial securities?

1. You need to be trained in financial knowledge/literacy!

3 core

Finance Major Curriculum

After taking FNCE101 you need to take 3 core electives

Financial Markets & Investments

Finance from the perspective of an investor

- Overview of Markets
- Portfolio theory
- Asset pricing models
- Smart beta investing
- Performance evaluation
- Futures and hedging

Corporate Finance

Finance from the perspective of a company

- Capital Structure
- Payout policy
- Raising capital
- Mergers and acquisitions

Corporate Reporting and Financial Analysis

Understanding financial statements (Accounting School Course)

3 core....+3 more finance electives for regular finance majors:

Elective List in AY 2023/2024

- Analysis of Derivative Securities
- Analysis of Equity Securities
- Analysis of Fixed Income Securities
- International Finance
- Advanced Portfolio Management
- Wealth Management and Advisory
- Investment Banking
- Corporate Banking
- Retail Banking
- Entrepreneurial Finance
- Project Financing
- Trade Finance
- Financial Innovation, Blockchains and Decentralised Finance
- Financial Literacy, Inclusion and Technology
- Sustainable Finance
- Real Estate Investments and Finance
- Real Estate Valuation and Taxation
- Real Estate Development
- Analytics in Finance and Real Estate

3 core + 5 more for finance major with tracks.

5 Tracks

Fin Analytics

Compulsory

- Intro to Biz Analytics
- Computational Thinking
- Business Data Mgt
- Fin Innovation, Blockchains and Decentralised Finance

Choose 1 from:

- Analytics in Finance & Real Estate
- Analysis of Derivative Securities
- Analysis of Equity Securities
- Analysis of Fixed-Income Securities
- Intl Finance
- Adv Portfolio Mgt
- Analytics for Value Investing

Real Estate

Compulsory

- Real Estate Economics
- Risk and Regulations in Real Estate
- Real Estate Investments & Finance

Choose 2 from:

- Analytics in Finance and Real Estate
- Project Financing
- Real Estate Valuation and Taxation
- Urban Economics and Policy
- Real Estate Development

Wealth Mgt

Compulsory

- Wealth Mgt & Advisory
- Adv Portfolio Mgt

Choose 3 from:

- Wealth Mgt & the Law
- Sustainable Finance
- Intl Finance
- Analysis of Equity Securities
- Analysis of Fixed-Income Securities
- Analysis of Derivative Securities
- Real Estate Valuation & Taxation
- Entrepreneurial Finance
- Behavioral Finance

Intl Trading

Compulsory

- Analysis of Derivative Securities
- Law of Intl Trade
- Shipping Business
- Trade Finance

Choose 1 from:

- International Finance
- Adv Portfolio Mgt
- Corporate Banking
- Analysis of Fixed-Income Securities
- Sustainable Finance

Banking

Compulsory

- Retail Banking
- Corporate Banking
- Investment Banking

Choose 2 from:

- Wealth Mgt & Advisory
- Project Financing
- Structured Products Sales and Trading
- Analysis of Derivative Securities
- Fin Innovation, Blockchains and Decentralised Finance
- Entrepreneurial Finance
- Sustainable Finance
- Mergers & Acquisitions
- Behavioral Finance

Note that not all electives will be offered every term or AY.

Please refer to SMU Finance Major website for more details.

<https://business.smu.edu.sg/business/disciplines/finance/Major-Tracks>

Key things about tracks

- Tracks are optional
 - If you choose a track you take 3 core +5 more
 - If you choose a regular finance major, you take only 3 core +3 more.
- Track Benefits
 - You become more skilled and attractive to the job area within finance you wish to focus on.
 - More internships/partnerships/awards in some tracks.
- Track Misconception
 - A track person is NOT pigeonholing themselves.
 - A finance track person takes more electives: 3+5, not just 3+3; so a track person is actually more well-trained in finance than a regular finance major.

Finance as a second major - Requirements

- For LKCSB students: Same criteria: **3 core + 3 more** electives.
- Same for other schools' students, but in addition:
 - Must also take Finance 101 because it is a typical prerequisite for finance electives.
 - Must also take Financial Accounting because it is a prerequisite for the core elective course Corporate Reporting.

Importance of Finance as a second major - for non-BBM students

- Benefits
 - Being trained in Finance provides you with a wider range of exciting career choices.
 - Regardless of whether you are an Entrepreneur or employed by companies, all types of professions need financial expertise to generate value.
- Examples:
 - You could be helping your employer manage their capital or investing surplus funds
 - You could be a Business IT professional consultant working in a Bank
 - You could be an internal Lawyer working in a major Securities house
 - You could be an Accounting professional working in a fund management company
 - You could be the Auditor for a major Bank
 - You could be an Economist with a major Financial Institution

Importance of Finance as a second major - for non-BBM students

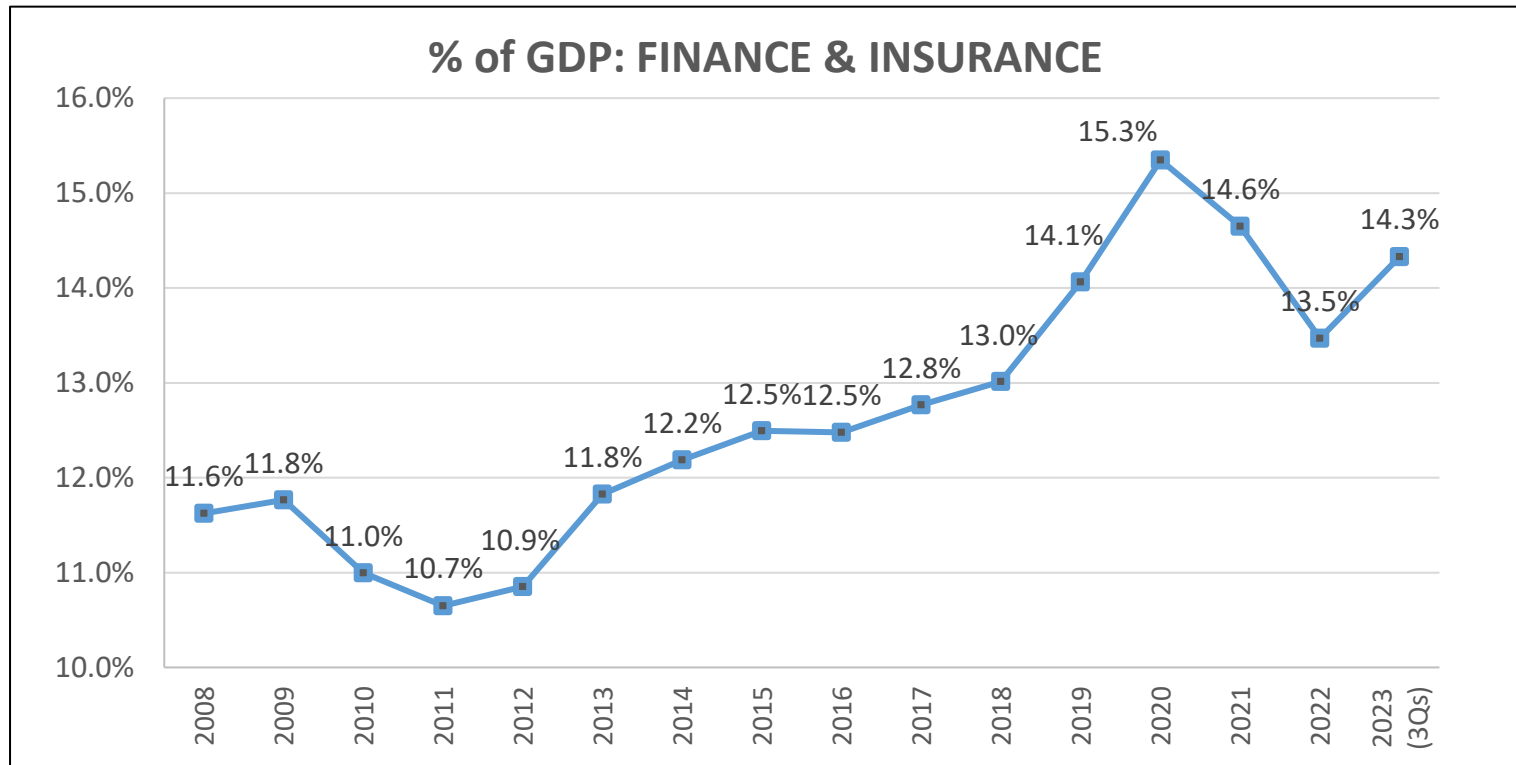
- **More** Benefits

- Finance is more than numbers
- Finance equips you with problem-solving analytical skills and strategies
- Finance teaches you to appreciate how global markets are structured
 - To venture beyond domestic fields and apply to wider domains
- You will be able to apply these skills in your own professions.
- Given the ever-volatile markets, there is increasing need for competent professionals with finance skills in all organizations:
 - Small-to-medium enterprises (SMEs)
 - Large Multinational corporations (MNCs)
 - Government organizations
 - Non-profit organizations
- Your professional expertise, coupled with quantitative and qualitative finance knowledge will provide you with plenty of attractive career opportunities.

Why major in finance?

1. You need to be trained in financial knowledge/literacy
2. **Jobs, jobs, jobs**

Key sector in SG economy

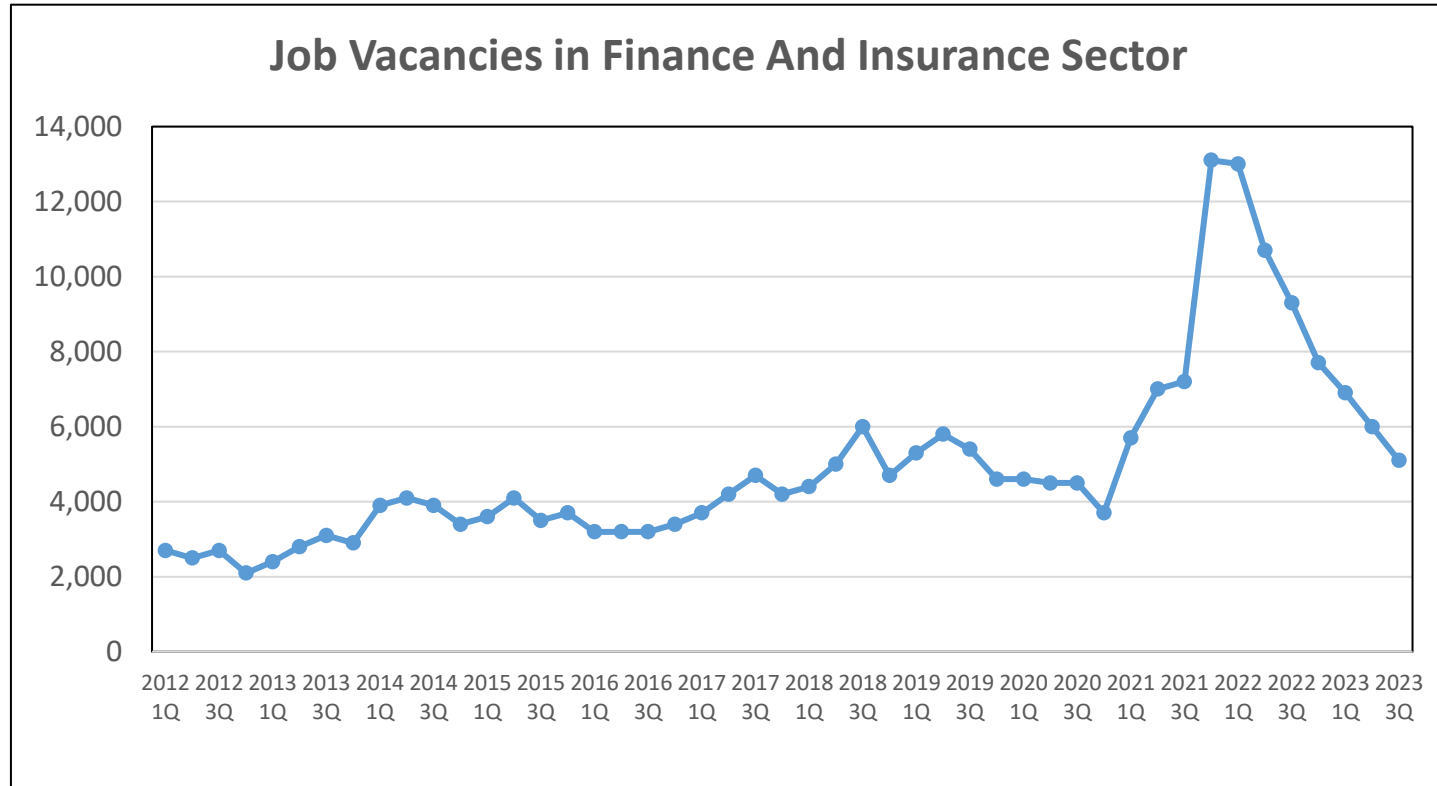


Source: Singstat, Tablebuilder,

<http://www.tablebuilder.singstat.gov.sg/publicfacing/mainMenu.action>

- The only business field that is considered a sector and not just a business function.
- Growing importance over the years. Healthy contribution to SG's GDP.
- Maintained above 13% until now since the pandemic, with an outstanding record of 14.3% from only the first 3 quarters of 2023.

Lots of jobs in finance



Source: Singstat, Tablebuilder,

<http://www.tablebuilder.singstat.gov.sg/publicfacing/mainMenu.action>

- Above shows a strong trend in jobs available in the finance industry. Numbers stayed above 5,000 even after the pandemic.

NEWS ON FINANCE SECTOR



MARKETS BUSINESS INVESTING TECH POLITICS CNBC TV INVESTING CLUB PRO

BANKS

Singapore's largest bank DBS beats forecast, quarterly profit jumps 17%

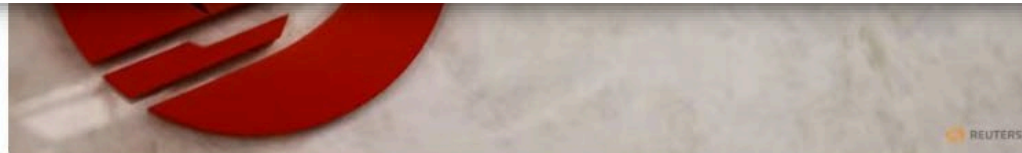
PUBLISHED SUN, NOV 5 2023 • 10:56 PM EST

Shreyashi Sanyal

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KEY POINTS

- During the quarter, DBS net profit rose to 2.63 billion Singaporean dollars (\$1.94 billion) compared to SG\$2.24 billion a year ago.



An OCBC Bank signage is pictured at their office in Singapore Jul 11, 2023. (File photo: Reuters/Edgar Su)

NEWS ON FINANCE SECTOR


THE BUSINESS TIMES THE STRAITS TIMES BUSINESS LOG IN BUDGET 2024

myBT COMPANIES & MARKETS LOG IN Q

Blackstone's expansion in Singapore


Singapore banks make headway on programmable digital money trials

Published Tue, Jan 16, 2024



Blackstone's expansion in sovereign wealth funds led by head Amit Dixit. PHOTO BY [unreadable]

DBS Bank, OCBC Bank and UOB waded into blockchain and digital currencies in 2016 with government-led Project Ubin. PHOTO BY [unreadable]


 Claire Hinong
Business Correspondent

UPDATED NOV 30, 2023, 11:17 PM SGT

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SMU Finance Major Website

<https://business.smu.edu.sg/business/disciplines/finance/Major-Tracks>



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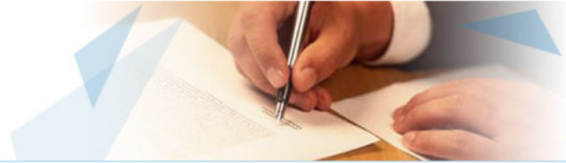
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Finance



WHY STUDY FINANCE?

The finance sector is one of the key pillars of the Singapore economy, contributing 14% to the national Gross Domestic Product (GDP) in 2022. Singapore is the region's leading financial hub and a hotspot for global financial organisations that seek to establish an Asian presence. The finance sector also accounts for more than half of the cumulative foreign direct investments (FDI) in Singapore up to 2021. The sector employs about 200,000 residents, which is a significant part of Singapore's professional workforce. Going forward, job opportunities in the sector will be expanded by the advances in Financial Technology (FinTech) and Asia's growth. In its latest estimates by MAS in Sep 2022, there will be a creation of up to 20,000 new Finance jobs in Singapore's financial sector in 5 years. According to Ministry of Manpower, the financial and insurance services industry is the one with the highest median gross monthly income of \$8,190 in 2022, compared to the overall median of \$5,070 (<https://stats.mom.gov.sg/Pages/IncomeTimeSeries.aspx>)

OTHER RECENT NEWS ON FINANCE JOBS

- 20 Feb 2023: In the most recent undergraduate employment survey released in Feb 2023, the mean gross monthly salary of SMU graduates in full-time permanent jobs is \$4,896 in 2022 (\$4,358 in 2021). The top three industries of employment for SMU graduates were "Financial and Insurance", "Information & Communication", and "Legal, Accounting and Auditing".
- 21 Oct 2022: Singapore's asset management sector surges to record as funds expand
- 15 Sep 2022: Singapore to create up to 20,000 finance jobs in five years
- 15 Sep 2022: Govt unveils transformation plan for financial sector to add at least 3,000 jobs a year

Q & A