

23 July 2012

The Vice-Chancellor
c/o Mrs Sally Powell
University of Oxford

Dear Vice-Chancellor

Examiner's Report on MSc in Mathematical and Computational Finance

I was appointed as an External Examiner for the MSc in Mathematical and Computational Finance in 2010, and the academic year 2011/12 was my second year in post. The MSc is run by the Mathematics Department and has about 30 students.

The course is generally well run, and the quality of the programme seems high. There is sophisticated and deep mathematical material within the course and graduands are well placed to obtain good jobs in the City.

The exams in January and April cover the lecture material in terms one and two and are of a high level. Students achieving a passing grade in these exams are demonstrating a very good understanding. These exams account for 40% of the final grade. My concern before the students sat the exam was that not enough effort was being made to distinguish the very best students, for example by including a challenging unseen element at the end of each question. However, this was not borne out in practice and there was a wide range of exam outcomes.

The second component of the course, worth 30%, is a set of optional modules which are assessed individually. As external examiner I have not been involved in any oversight of the preparation of the assessment of these exams (this may be because they are shared with other MScs). I think the Department should consider whether the credit awarded for this part of the course is proportionate to the amount of work involved.

The final component of the course is a dissertation. This is undertaken in a short 10 week period. Last year I asked that procedures be introduced to record how the provisional marks of the first and second assessors were reconciled to give a final mark. Such a procedure has been introduced, and seems well designed for the purpose, including the opportunity for comments by the supervisor to be taken into consideration. One remaining decision concerns whether the student's presentation should be included in this reconciliation process. This idea is worth considering as even though the proportion of the marks allocated to the presentation is small it can currently move the overall mark across classification borderlines, thus invalidating judgements made by assessors about which side of a borderline a thesis should fall. As an alternative the Department should consider advising assessors to ensure that the final mark they agree is far enough from the border, that the border will not be crossed once

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the presentation mark is incorporated. My recommendation to the department is that they clarify their procedures on this matter, and then ensure that those procedures are communicated clearly to all those involved in the examinations process.

This year only two distinctions were awarded (and only one student failed). At the examiner's meeting the comment was made that this was a poor year. This was consistent with my own judgement of the quality of the subset of the dissertation theses that I read.

Overall, I am very satisfied with the quality of the degree programme, and the standards of achievement of the students.

Yours faithfully

David Hobson
Professor of Probability