

14 August 2013

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 2012/13 was my third 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 is high. There is sophisticated and deep mathematical material within the course and graduands are well placed to obtain good jobs in the City.

It is gratifying to see that many of the suggestions I made in previous reports have been implemented and that the audit trail, especially of the outcomes of mark reconciliation for dissertations have improved massively. I understand that a new programme is to be introduced next year, and at that point another of my recommendations, namely an increased weighting for the exam component (and decreased weighting for optional modules shared with other programmes) will be implemented.

In this report I have a couple of small recommendations.

Firstly, the Exam Board is very small with only three internal academic members. At times this may leave the Board lacking in experience and ill-equipped to deal with the full range of possible situations in terms of mitigating circumstances and other non-standard situations. I would recommend that the Department considers either ensuring that at least one member of the Board of Examiners chosen from the Mathematical Finance Group is both senior and an experienced examiner, or that they consider appointing an experienced and senior member of the Department who is not part of the Mathematical Finance Group to be Chair of Examiners. This person would chair the Examiners' meeting, but would not be involved in any way in the examining or processing of exam marks beforehand.

Secondly, I do still have some concerns on the number of errors on the draft papers when they are first sent to me, and believe that this number would be reduced if collectively setters and checkers took more pride in the process. The process might also be improved by an audit trail, so that copies were kept of, for example, the first draft exam paper, the checkers comments, the revised paper, the externals comments and the changes made in the light of the externals comments. It may be that most of this information is kept, but it is not presented

Professor David Hobson

**Department of Statistics**  
University of Warwick  
Coventry CV4 7AL United Kingdom  
Email: d.hobson@warwick.ac.uk  
Voice: +44 (0)247 615 0396  
Fax: +44 (0)247 652 4532

to me in an accessible form.

This year many more distinctions were awarded than in 2011/12. I would suggest that this years number of dissertations is entirely appropriate for such a high-level course. This shows that last years low number was indeed exceptional and reflected a poor quality of intake.

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