



Australian Government

FNSFMK511 Apply limits when trading

Release: 1

FNSFMK511 Apply limits when trading

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to identify, respond to and periodically review trading limits set by an organisation.

It applies to individuals who use specialised knowledge, analytical skills and systematic approaches to manage risk and implement procedures.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Financial markets

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Identify trading limits	1.1 Access and accurately interpret various types of trading limits in an organisation 1.2 Identify organisational trading limits and incorporate in any potential transaction or position assessment 1.3 Constantly monitor, interpret and apply changes to organisational trading limits
2. Respond to trading limit breaches	2.1 Follow and comply with process for identifying and reporting potential trading breaches to relevant personnel according to organisational guidelines 2.2 Identify and comply with organisational process for approving

ELEMENT	PERFORMANCE CRITERIA
	limit breaches, including all communication requirements 2.3 Identify and comply with organisational process for dealing with inadvertent breaches, including all communication requirements 2.4 Manage consequences of breach according to organisational guidelines
3. Review trading limits	3.1 Monitor trading limits in place and compare with current trading position 3.2 Identify when trading limit is close to being met, and devise appropriate response

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.2, 2.1, 3.1	Accurately interprets and analyses complex information from a range of sources and consolidates information relevant to requirements
Writing	1.3, 2.1, 2.3, 3.2	Prepares documents incorporating clear and detailed information organised sequentially for internal reference
Oral Communication	1.3, 2.1, 2.3	- Participates in verbal exchanges using active listening and questioning techniques to share, convey and clarify information - Uses language, terminology and concepts appropriate to audience and purpose
Numeracy	1.1-1.3, 2.1-2.3, 3.1	Uses mathematical equations to perform calculations and applies statistical techniques to achieve required outcomes
Navigate the world of work	2.1-2.4, 3.2	- Identifies and follows relevant legislative requirements, explicit and implicit protocols, policies and procedures, and meets expectations associated with own role - Keeps up to date on changes to legislation or regulations relevant to own rights and responsibilities, and considers implications of these when planning and

		undertaking work
Interact with others	2.2, 2.3	Selects and uses appropriate conventions and protocols when communicating with colleagues, recognising the importance of communicating timely information
Get the work done	1.1-1.3, 2.4, 3.1-3.2	- Accepts responsibility for planning and sequencing complex tasks and workload - Takes responsibility for high impact decisions in complex situations involving many variables and constraints - Uses digital tools to access and organise complex data and analyse multiple sources of information for strategic purposes

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSFMK511 Apply limits when trading	FNSFMK511A Apply limits when trading	Updated to meet Standards for Training Packages Rewording and clarification of performance criteria	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSFMK511 Apply limits when trading

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Performance Evidence

Evidence of the ability to:

- identify and monitor financial trading limits using a range of data sources
- deal effectively and promptly with financial trading limit breaches following all required industry and organisational policy and procedures.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- assess the impact of the following key economic features on trading limits:
 - characteristics and impacts of economic and business cycles
 - monetary and fiscal policies
 - interest rates, exchange rates and inflation
- discuss the purpose of trading limits and why they are strictly enforced
- compare and contrast data collection and management systems
- describe key aspects of organisational risk management framework, including risk tolerance and application via limits
- discuss the structure and interrelationships within the financial markets.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the financial markets field of work and include access to:

- office equipment, technology, software and consumables
- financial markets information.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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