



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Finance

FMGT3610
Security Analysis 1

Start Date:	September 7, 2004	End Date:	December 6, 2004
Total Hours:	60	Total Weeks:	14
Hours/Week:	4	Lecture:	2
		Lab:	2
		Term/Level:	3
		Course Credits:	4
		Shop:	
		Seminar:	
		Other:	

Prerequisites

Course No.	Course Name
	First Year Financial Management

FMGT3610 is a Prerequisite for:

Course No.	Course Name
4611	Security Analysis 2

v Course Description (required)

Security Analysis I introduces investments. The Financial Management technology has entered into a partnership with the Canadian Securities Institute (CSI). This course, a product of the partnership, is the CSI's Canadian Securities Course (CSC). Topics include the nature of marketable securities, factors which influence their price and a review of the various methods employed to evaluate their worth. In addition, the operation of stock exchanges and investment dealers and the regulatory environment in which these institutions operate is discussed. Finally, the purpose and function of the Investment Dealers Association (IDA) is examined with a particular focus on the role it plays in the establishment of standards of conduct of investment advisors (IA). Successful completion of this course and FMGT 4611 earns the student credit for the CSC with the Securities Institute. Note: There is an extra fee of \$467.50 plus GST and textbooks to enroll with the CSI and a fee, of \$450 plus GST and textbook, to write the CPH exam, due in March. (Fees are subject to change). **Prerequisites:** FMGT 2100 or FMGT 2190 or FMGT 2105

v Detailed Course Description (optional)

v Evaluation

Final Examination	50%	Comments:
Midterm	30%	
Weekly in Class Assignments	20%	
TOTAL	<u>100%</u>	

v Course Learning Outcomes/Competencies

Upon successful completion, the student will be able to:

- Discuss the structure of capital markets and their function within the Canadian economy.
- Analyse the role of the Bank of Canada and various regulatory agencies in the financial markets.
- Analyse financial statements.
- Discuss the business cycle, inflation, interest rates, fiscal policy and monetary policy in the context of Canadian capital markets.
- Understand the nature of marketable securities and the factors which influence their price.

- Discuss the various methods employed to evaluate the worth of a marketable security.
- Understand the operation of stock exchanges and various financial institutions as well as the regulatory framework within which these institutions operate.
- Discuss basic financial planning and tax issues with respect to a portfolio of investments.
- Understand the design and management of a portfolio.

v Verification

I verify that the content of this course outline is current.

Larry Stubbs

Authoring Instructor

Date

I verify that this course outline has been reviewed.

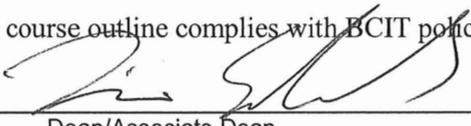
Terry Gordon

Program Head/Chief Instructor

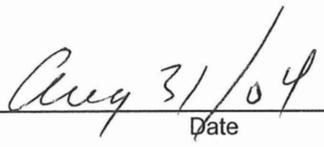
Date

I verify that this course outline complies with BCIT policy.

Tim Edwards



Dean/Associate Dean



Date

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

v Instructor(s)

Larry Stubbs Office Location: SE6 – 319 Office Phone: TBA
 Office Hrs.: TBA E-mail Address: themiserman@telus.net

v Learning Resources

Required:

Canadian Securities Course™ Text

Registration in the Canadian Securities Course with the Canadian Securities Institute

Internet access to the CSI website www.csi.ca

Financial Calculator (Sharp EL 733A is strongly recommended)

Recommended:

None

v Information for Students

(Information below can be adapted and supplemented as necessary.)

Assignments: Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

Makeup Tests, Exams or Quizzes: There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

Ethics: BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.

Attendance: The attendance policy as outlined in the current BCIT Calendar will be enforced. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent.

Illness: A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects, or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated.

Attempts: Students must successfully complete a course within a maximum of three attempts at the course. Students with two attempts in a single course will be allowed to repeat the course only upon special written permission from the Associate Dean. Students who have not successfully completed a course within three attempts will not be eligible to graduate from the appropriate program.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.

v Details

- The cost to enrol in the Canadian Securities Course is \$467.50, plus GST and textbook.
- You **must** arrange to write, **and pass**, Exam I of the CSC at the CSI's offices by **January 4th, 2005**. The CSI requires a passing grade of at least 60% on all exams. The Canadian Securities Course is normally a self-study program requiring 150 hours of preparation. For each lecture/lab contact hour, students should

plan to spend another hour preparing.

- You must ***also write and pass both*** CSC Exams and attempt the Conduct & Practices Handbook (CP&H) exam and submit the marks to BCIT to ***pass FMGT 4611 (Security Analysis II)***.
 - The final exam for Security Analysis I will be written in the final exam week.
 - The final exam mark for Security Analysis II will be based on the weighted average of the two CSC exams and CP&H exam. The cost to enrol in the Conduct and Practices Handbook course is \$450, plus GST. ***It will be your responsibility to arrange with the CSI to write Exam I of the CSC at their office.*** Exam II of the CSC and the CP&H exam will be written at BCIT. Dates and times will be announced. You ***must*** submit the results of your CSC and CP&H exams to your Instructor, who will log the weighted average of these marks for your final exam for Security Analysis II. Your results ***must be*** submitted to your instructor by May 16th, 2005 for you to receive credit for Security Analysis II.
 - The CSC is a requirement to becoming registered as an Investment Advisor. Therefore, the CSC is the first step towards registration with the Investment Dealers' Association to trade stocks and bonds and other securities.
 - According to the CSI the average student requires 150 hours to read and prepare for both exams.
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Schedule

* This schedule is subject to change at the discretion of the instructor.

Week of	Material to be Covered	Chapter Readings
Sept. 6 th	Introduction to Securities.	Chapter 1
Sept. 13 th	Financial markets and Financial Services.	Chapter 1
Sept. 20 th	The Canadian Economy.	Chapter 2
Sept. 27 th	Financing, Listing and Regulation.	Chapter 3
Oct. 4 th	Corporations and their Financial Statements.	Chapter 4
Oct. 11 th	Review. (Thanksgiving – Oct. 11 th)	
Oct 18 th	Midterm Week.	
Oct. 25 th	Fixed income securities.	Chapter 5
Nov. 1 st	Fixed income securities.	Chapter 5
Nov. 8 th	Preferred Shares. (Remembrance Day – Nov. 11 th)	Chapter 6
Nov. 15 th	Common Shares.	Chapter 6
Nov. 22 th	Derivatives.	Chapter 7
Nov. 29 th	Review.	
Dec. 6 th	Final Exam – Administered by BCIT (date TBA).	
<p>Exam on Book 1 – Administered by the CSI: It will be <u>your</u> responsibility to arrange with the CSI to write, and pass, their exam at their offices by January 4th, 2005.</p> <p><i>Ensure that you have proper photo ID and your CSI student number to write the CSI exam!</i></p>		