



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY
School of Business
Program: Financial Management
Option: Finance

Course Outline for
FMGT3610
Security Analysis

Hours/Week:	Total Hours: 60	Term/Level: 3
Lecture: 2	Total Weeks: 15	Credits: 4
Lab: 2		
Other:		

Prerequisites	Course No. is a Prerequisite for
Course No. First Year Financial Management	Course No. FMGT 4525
Course Name	Course Name Financial Planning

Course Record	
Developed by: R. J. Dolan	Date: August 1995
Instructor Name and Dept.	
Revised by: R. J. Dolan	Date: August 1996
Instructor Name and Dept.	
Approved by: C. M. Briscall	September 1996
Associate Dean / Program Head	Start Date

Course Description

This course is the Canadian Securities Institute's Canadian Securities Course. As such it is a course of study which is designed to convey to those who are enrolled in it the fundamentals of investing. The course includes a study of the nature and function of the stock market, the framework essential to valuing common shares and fixed income securities. In addition portfolio management, taxation, asset allocation and economic forecasting are discussed.

Course Goals

The purpose of the course is to prepare the student to successfully complete the Canadian Securities Course final exam. The primary objective of the course is to impart to the students the principles of investments.

Evaluation

Final Examination	40%
Mid-Term Examination	20%
Quizzes	25%
Assignments	15%

Course Outcomes and Sub-Outcomes

1. Describe the nature and purpose of capital markets and the financial services industry.
 - a. To gain an understanding of the important considerations surrounding the suppliers and the users of capital.
 - b. To discuss the role of financial instruments, markets and intermediaries.
 - c. To characterize the securities industry and the regulatory environment in which it operates.
2. Describe the process, advantages and disadvantages of incorporating.
3. Understand the composition of financial statements and carry out a financial analysis of their content.
4. Describe the salient features of the Canadian economy with special emphasis on the exchange rate, monetary and fiscal policy.
5. Identify the primary features of fixed income securities.
 - a. Understand the types, features and pricing principles of bonds and debentures.
 - b. Understand the types, features and pricing principles of preferred shares.
6. Define the rights and advantages of common share ownership and the mechanics of securities trading.
7. Explain the types, the advantages and disadvantages of mutual fund investing.
8. Understand the essential nature of derivatives, including rights, warrants, options and futures.
9. Appreciate the factors which play a role in the valuation of financial instruments.
 - a. Understand the important aspects of the fundamental analysis of common shares
 - b. Understand the nature of technical analysis and examine a few of the more common indicators.
10. Examine the process companies use to raise capital, including reference to the listing process and the regulatory environment.

11. Introduce the basic concepts of financial planning.

- a. Describes the process of financial planning and the important considerations
- b. Discuss the primary issues in tax planning including the taxation of investment income and tax strategies and shelters.

12. Explain the investment management process involved in constructing an investment portfolio with particular reference to selection, timing.



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**Detailed Course Specifications for
FMGT3610: Security Analysis**

Effective Date

September 1 - December 30, 1996

Instructor(s)

R. J. Dolan	Office No:	SE6-339	Phone	451-6757
	Office Hours:	TBA		

Text(s) and Equipment

Required: The Canadian Securities Course Text

Recommended:

Course Notes (Policies and Procedures)

Assignment Details



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Schedule for:
FMGT3610:

Security Analysis

Week Number	Outcome/Material Covered	Reference/Reading	Assignment	Due Date
1	Introduction	Chpt 1, Section 1		
2	Users of Capital, Stock markets, Securities Industry	Chpt 1, Sections 2 -6		
3	Regulatory Organizations, Business Structures	Chpt 1, Section 7		
4	The Canadian Economy	Chpt. 4, Section 1 - 7		
5	Monetary and fiscal policy, Fixed income Securities	Chpt 4 Section 8 - 10 Chpt. 5, Section 3 - 5		
6	Bond trading, Preferred Shares	Chpt 5, Section 4- 5 Chpt 6, Parts 1 - 3		
7	Mid - Term Exam	Chapters 1 - 5 inc.		
8	Preferred Shares, Common Shares	Chpt. 6, Part 4		
9.	Investment Funds, Derivatives	Chpt. 7, Chpt 8, Part 1		
10	Options and Futures, Investment Analysis	Chpt. 8 ,Parts 2 - 5 Chpt. 9, Part 1		

11	Fundamental and Technical Analysis	Chpt 9, Parts 2 - 5		
12	Financing and Listing, Financial Planning	Chpt 10, Chpt 11 Part 1		
13	Taxation, Portfolio Management	Chpt 11, Part 2 - 3 Chpt 12.		
14	Review, Final Exam			