



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Finance

FMGT4611
Security Analysis 2

Start Date: January 2008

End Date: May 2008

Total Hours: 80 **Total Weeks:** 20

Term/Level: 4A&B **Course Credits:** 5.5

Hours/Week: 4 **Lecture:** 2 **Lab:** 2

Shop: **Seminar:** **Other:**

Prerequisites

FMGT4611 is a Prerequisite for:

Course No.	Course Name
	FMGT 3610

Course No.	Course Name
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v Course Description (required)

The primary objective of the course is to impart to the students the principles of investment and the rules and regulations of the investment industry in Canada.

This course is part two of BCIT's offering of the Canadian Securities Institute's (CSI) Canadian Securities Course™ (CSC) and Conduct & Practices Handbook (CPH) course. As such, the course is designed to convey to those who are enrolled in it the fundamentals of investing. It 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. The latter part of the course will study the rules and regulations making up the securities market in Canada. Note, there is an extra fee of approximately \$500 (plus text and GST) to enroll with CSI for the CPH course. This fee includes the exam and access to the CSI website (fees are subject to change).

v Evaluation

Final Examination	50%
Midterm	30%
Assignments & Quizzes	20%
TOTAL	100%

Comments:

The mark for your final exam will be a weighted average of the marks you receive for the CSC Exam I (40%), CSC Exam II (30%) and the CPH Exam (30%).

NOTE:

You must pass both of the CSC exams (Vol 1 and Vol 2) and write the CPH with the CSI in order to pass FMGT 4611.

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.
- Understand the rules and regulations of the investment industry.

v Verification

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

Larry Stubbs
Authoring Instructor

December 5, 2007
Date

I verify that this course outline has been reviewed.

Jennifer Figner
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**

Larry Stubbs

Office Location: SE6-319

Office Phone: 451-6937

Office Hrs.: Posted on Door

E-mail Address: Larry_Stubbs@bcit.ca

v **Learning Resources**

Required:

Canadian Securities Course™ Text and
The Conduct & Practices Handbook

Internet access

Recommended:

None

v **Information for Students**

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 **Course Details**

- You must successfully complete Exam I through the CSI before you can write the CSC Exam II.
- Thus, you must arrange to write, and pass, Exam I at the CSI offices by January 4th, 2008.
- You must write and pass both CSC Exams (Vol's 1 and 2), as well as write the Conduct & Practices Handbook Exam, (CPH) and submit your marks to BCIT by the stated deadlines in order to pass Security Analysis II.
- Currently, the plan is for the CPH exam to be written in the final exam period at BCIT. You will be informed of the details for this exam.

- The final exam mark for Security Analysis II will be based on the weighted average of the two CSC exams and the CPH exam.
- You must submit the results of all of your CSI exams to your Instructor, who will log the weighted average of these marks for your final exam for Security Analysis II. Your results for all three of your exams must be submitted to your instructor by May 24, 2008 for you to receive credit for Security Analysis II.

Schedule

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

Week #	Material to be Covered	Chapter Readings
1	Financial Planning & Taxation	Chapters 22 and 23
2	Fundamental and Technical Analysis	Chapter 13
3	Company Analysis	Chapter 14
4	The Portfolio Approach	Chapter 15
5	The Portfolio Management Process	Chapter 16
6	Mutual Funds	Chapters 17 and 18
7	Segregated Funds	Chapter 19
8	Hedge Funds	Chapter 20
9	Other Managed Accounts and Products	Chapter 21
10	Midterm Exam Week	
11	SPRING BREAK	
12	Review for Vol 2 CSI Exam	
13	CPH Course Material	Section I
14	CPH Course Material	Section I
15	CPH Course Material	Section II
16	CPH Course Material	Section II
17	CPH Course Material	Section III
18	Ethics	
19	Ethics	
20	Final Exam on the CPH – To be administered at BCIT by the CSI (date and details TBA).	

Exam on Volume 1 – Administered by the CSI: It will be your responsibility to arrange with the CSI to write, **and pass**, their exam at their offices by January 4th, 2008 in order for you to receive the CSI Assignment for Security Analysis II.

Exam on Volume 2 – Administered by the CSI: Tentatively, we are arranging for the CSI to administer this exam at BCIT after Spring Break, on a date TBA. If this cannot be arranged, it will be **your responsibility** to write the CSC Exam 2 at their offices by March 27th, 2008.

Exam on Conduct & Practices Handbook – Administered by the CSI: Tentatively, we are arranging for the CSI to administer this exam at BCIT by the final exam week. If this cannot be arranged, it will be **your responsibility** to write the CPH exam in order for you to submit your mark **IN TIME** for the calculation of your final mark for Security Analysis II.

Ensure that you have proper photo ID and your CSI student number to write the CSI exam