



SEP 26 2002

*School of Business***COURSE OUTLINE FOR: SECURITY FUNDAMENTALS****FMGT4620****TAUGHT BY: School of Business**
Program: Financial Management**TAUGHT TO:**
Professional Accounting, Taxation, MicroFinancial

Hours/Week:	Total Hours: 27	Term/Level: 4a
Lecture: 2		
Lab: 1		
Other:	Total Weeks: 9	Credits: 2.5

Instructor: **Robin Dalziel**
Assistant Instructor: **Carol Edwards**
Office No. SE6-319/SE6-379
Office Hours: As posted

Phone: 451-6937
451-6751
Fax: 439-6700

Pre-requisites: Introductory Accounting (FMGT 2100 or 2105).**Course Description and Goals:**

This course is designed to convey the nature and function of capital markets, the important features of the instruments which trade in these markets and the factors which contribute to the value of securities. A discussion of derivative instruments and mutual funds will conclude the course.

Evaluation:

Final Examination	50	%
Midterm	30	%
Assignment	20	%
Total	100	%




Course Learning Outcome

At the end of this course, the student will be able to:

- Discuss the structure of capital markets and their function within the Canadian economy.
- Describe the purpose of investments and appreciate their risks and rewards.
- Explain the workings and mechanics of a stock exchange.
- Identify sources of information on the performance of publicly traded companies.
- 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.
- Describe the nature of derivatives markets and describe the principal options.
- Describe the nature of mutual funds in terms of their advantages, disadvantages and performance.

Course Record:

Developed by:	<u>Carol Edwards</u> Instructor	Date:	<u>3-Jan-02</u>
Revised by:	<u>Robin Dalziel</u>	Date:	<u>3-Jan-02</u>
Approved by:	 Associate Dean (signature)	Date:	<u>9-Jan-02</u>

Text(s) and Equipment

Required: None

Course Notes (Policies and Procedures)

- **Assignments:** Late assignments or projects will not be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.
- **Attendance:** The attendance policy as outlined in the current BCIT Calendar will be enforced.
- **Course Outline Changes:** The material specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.
- **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.
- **Illness:** A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects or exams. At the discretion of the instructor, you may complete the work missed or have the work prorated (i.e. an average is given according to your performance throughout the course).
- **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.
- **Labs:** Lab attendance is mandatory.



Assignment:

You will be required to create and manage a portfolio of securities through the Virtual Stock Exchange. A weekly report will be required which outlines the trading activity in your portfolio and shows the status of your portfolio. See the lab handout for details.

**** Schedule for Security Fundamentals ****

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

Week of	Material to be Covered
Jan. 7th	Introduction to Capital Markets & Economic Analysis
Jan. 14th	Fixed Income Securities – Bonds
Jan. 21st	Equities – Preferred stock
Jan. 28th	Review and Midterm
Feb. 4th	Equities – Common Stock
Feb. 11th	Derivatives
Feb. 18th	Mutual Funds
Feb. 25th	Final Exam Review
Mar. 4th	Final Exam Week