



EFFECTIVE: SEPTEMBER 2002

CURRICULUM GUIDELINES

A: Division: **Instruction**

Date: **February 2002**

B: Department/ **Commerce & Business Admin.**
 Program Area: **Financial Services Studies**

New Course

Revision

If Revision, Section(s) Revised: **H**

Date Last Revised: **1999-01: new course**

C: **FINC 390**

D: **Security Analysis**

E: **3**

Subject & Course No.

Descriptive Title

Semester Credits

F: Calendar Description:
 This course focuses on the analysis of individual equity and fixed income investment securities using advanced theoretical, fundamental and technical techniques.

G: Allocation of Contact Hours to Types of Instruction/Learning Settings

 Primary Methods of Instructional Delivery and/or Learning Settings:

Lectures and Seminars

Number of Contact Hours: (per week / semester for each descriptor)

Lecture: 4 Hrs.

Total: 4 Hrs.

Number of Weeks per Semester:

15 Weeks X 4 Hrs per week = 60 Hrs.

H: Course Prerequisites:

 FINC 345 and effective September 2002, English 12 with a letter grade of "C" of better or approved equivalent.

I: Course Corequisites:

 nil

J: Course for which this Course is a Prerequisite:

 nil

K: Maximum Class Size:

 35

L: PLEASE INDICATE:

Non-Credit

College Credit Non-Transfer

College Credit Transfer:

Requested

Granted

SEE BC TRANSFER GUIDE FOR TRANSFER DETAILS (www.bccat.bc.ca)

M: Course Objectives/Learning Outcomes

At the end of the course, the successful student should be able to:

The student will be able to select (and justify) appropriate investments in both the equity and fixed income segments of the securities market taking into consideration the impact of the economy (both national and global), industry variables, company specifics and investor psychology.

N: Course Content

1. Introduction to the investment markets
 - C primary and secondary markets
 - C exchange trading and over the counter
 - C types of securities
 - C types of investors
 - C basic investment concepts: risk free rates, return and risk measurement.
2. Macroeconomic and industry analysis
 - C interest rates, monetary and fiscal policy as they affect the markets
 - C the business cycle
3. Industry analysis
 - C sensitivity to business cycles
 - C industry and company life cycles
 - C industry analysis using appropriate models
4. Equity valuation
 - C financial statement analysis
 - C dividend valuation or present value model
 - C alternative valuation techniques including: book, liquidation, replacement and substitution value
 - C price earnings ratios
 - C cash flow analysis
 - C dividend policy
5. Technical analysis
 - C definition of technical analysis
 - C analysis of market trends with emphasis on individual stock trends
6. Fixed income securities
 - C money markets and bond trading
 - C creation and sale of new debt issues
 - C bond trading
 - C interest rates and yield structures
 - C bond investment strategies: passive and active
 - C risk management including duration and immunization

7. Primary derivatives: warrants, rights, strip bonds

O: Methods of Instruction

Material will be presented within a lecture format.

P: Textbooks and Materials to be Purchased by Students:

Radcliffe, Robert. Investment Concepts Analysis Strategy, latest ed. Don Mills: Addison Wesley Longman Ltd.

Q: Means of Assessment

Minimum of 3 evaluations, none of which will exceed 40%, for a total of 100%

R: Prior Learning Assessment and Recognition: specify whether course is open for PLAR

No.

Course Designer(s): **Joe Ilsever for
Elisabeth Carter**

Education Council/Curriculum Committee
Representative

Dean/Director: **Jim Sator**

Registrar: Trish Angus