



## Security Analysis Course Outline and Course Syllabus

### I. COURSE IDENTIFICATION

Course Code : SECURAN (FM31)

Course Title : **Security Analysis**

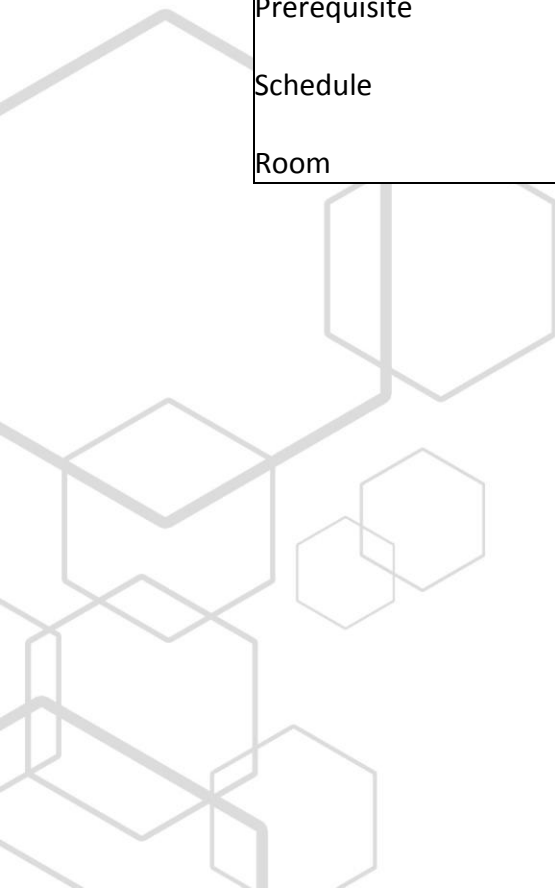
Course Description :  
This course focuses on the fundamental principles and techniques of security analysis. The course will deal with the following topics: definition of securities; securities regulation in the Philippines; the investment environment; markets and instruments; macroeconomic and industry analysis; fundamental analysis; technical analysis; equity valuation models; financial statement analysis; derivatives instruments; and special topics.

Credit : 3 units

Prerequisite : Investment Portfolio Management

Schedule :

Room :





## II. COURSE OBJECTIVES

### A. GENERAL OBJECTIVE

This course is designed to provide the students with the basic principles and techniques of security analysis including securities trading and regulation.

### B. SPECIFIC OBJECTIVES

Upon completion of this course, the students are expected to:

1. Have a firm grasp on the concepts of securities;
2. Be knowledgeable on the different markets and instruments;
3. Have a general understanding on securities trading and regulation;
4. Be knowledgeable on macroeconomic, industry, fundamental and technical analysis;
5. Have a general understanding of equity valuation models and financial statement analysis
6. Appreciate other topics related to security analysis.
7. Obtain additional professional certification through the Bloomberg Market Concepts (BMC) certification module. This certification gives students an edge in their career in finance as Bloomberg Terminal is the widely-used financial information database by finance professionals globally.
  - BMC is an 8-hour self-paced e-learning course that provides a visual introduction to the financial markets. BMC consists of four modules – Economics, Currencies, Fixed Income and Equities.

## III. COURSE SYLLABUS

Week	Topics
1	<b>INTRODUCTION</b> <ul style="list-style-type: none"><li>- Orientation</li><li>- Review of the Course Syllabus</li><li>- Setting of expectations in class</li><li>- Preliminary Discussions</li></ul>



2 & 3	<b>INVESTMENT ENVIRONMENT, MARKETS AND INSTRUMENTS</b> <ul style="list-style-type: none"><li>- Real versus Financial Assets</li><li>- Financial Markets and the Economy</li><li>- Clients of the Financial System</li><li>- Markets and Market Structure</li><li>- The Money Market</li><li>- The Bond Market</li><li>- Equity Securities</li><li>- Market Indexes</li><li>- Derivatives Markets</li></ul>
4 & 5	<b>SECURITIES</b> <ul style="list-style-type: none"><li>- What are Securities</li><li>- Investment Banking</li><li>- Securities Trading</li><li>- Trading Participants</li><li>- Local Exchanges (PSE, PDEx)</li><li>- Foreign Exchanges</li></ul>
6 & 7	<b>SECURITIES REGULATION</b> <ul style="list-style-type: none"><li>- The Securities and Exchange Commission</li><li>- The International Organization of Securities Commissions</li><li>- Registration of Securities</li><li>- Investor Protection</li><li>- Manipulation of Security Prices</li><li>- Insider Trading</li><li>- Tender Offer</li><li>- White Collar Crimes Related to Securities</li></ul>
8	<b>MIDTERM EXAMINATION</b> <ul style="list-style-type: none"><li>- <b>Introduction/discussion of the Bloomberg Market Concepts (Certification Module)</b></li></ul>
9	<b>MACROECONOMIC AND INDUSTRY ANALYSIS</b> <ul style="list-style-type: none"><li>- Global Economy</li><li>- Domestic Economy</li><li>- Fiscal, Monetary and Supply-Side Policies</li><li>- Business Cycle</li><li>- Industry Analysis</li><li>- Industry Life Cycle</li><li>- Industry Structure and Performance</li></ul>



10	<b>EQUITY VALUATION MODELS</b> <ul style="list-style-type: none"><li>- Balance Sheet Valuation Methods</li><li>- Intrinsic Value versus Market Price</li><li>- Dividend Discount Model</li><li>- Price-Earnings Ratio</li><li>- Corporate Finance and Free Cash Flow Approach</li><li>- Inflation and Equity Valuation</li></ul>
11	<b>THE AGGREGATE STOCK MARKET</b> <ul style="list-style-type: none"><li>- Fundamental Analysis</li><li>- Technical Analysis</li><li>- Explaining Past Behavior</li><li>- Forecasting Models</li><li>- Market Anomalies</li></ul>
12	<b>FINANCIAL STATEMENT ANALYSIS</b> <ul style="list-style-type: none"><li>- The Major Financial Statements</li><li>- Accounting versus Economic Earnings</li><li>- Return on Equity</li><li>- Ratio Analysis</li><li>- Economic Value Added</li><li>- Comparability Problems</li></ul>
13	<b>SPECIAL TOPICS</b> <ul style="list-style-type: none"><li>- Derivatives</li><li>- Global Trends</li><li>- New Market Instruments</li><li>- Thematic Investing (Ethical Investing, Islamic Equity Funds)</li></ul>
14	<b>FINAL EXAMINATION</b>

#### IV. Instructional Strategies and Techniques

1. Lectures and class discussions
2. Recitations
3. Problem Sets
4. Group Presentations
5. Bloomberg Market Concepts (Certification Module) – requires completion of the BMC certification online.
  - Additional examination requirement to test the knowledge obtained by the students who finished BMC module.
6. Major exams

#### V. Reference Materials



Bodie, Z., A. Kane and A.J. Marcus. (2002). Investments. New York: McGraw-Hill Companies, Inc.

Decasa, L.M. (2013). Securities Regulation Code (Republic Act No. 8799): Annotated with Implementing Rules and Regulations. Manila: Rex Book Store.

Graham, B. and D.L. Dodd. (2009). Security Analysis: Principles and Technique. New York: McGraw Hill Companies, Inc.

Reilly, F.K. and K.C. Brown. (1997). Investment Analysis and Portfolio Management. Fort Worth: The Dryden Press.

Ross, S.A., R.W. Westerfield and J. Jaffe. (1999). Corporate Finance. New York: McGraw-Hill Companies, Inc.

Other Materials – To be announced.

## VI. Grading System

Two Major Examinations	40%
Individual Outputs (Recitations, Quizzes, Participation)	35%
Group Outputs (Presentations, Problem Sets)	25%
TOTAL	100%
<b>Bloomberg Market Concepts (Certification Module) - BONUS</b>	<b>+10%</b>

## VI. Instructor's Information

Name :  
Email address :  
Contact number :  
Consultation Hours :