



Course Code:	2206AFE
Course Name:	Investment Analysis and Management
Trimester:	Trimester 1, 2019
Program:	Associate Degree in Commerce & Business
Credit Points:	10
Course Coordinator:	Eliot Sanft
Document modified:	31 January 2019

### Teaching Team

Your lecturer/tutor can be contacted via the email system on the portal.

Eliot Sanft [eliot.sanft@staff.griffithcollege.edu.au](mailto:eliot.sanft@staff.griffithcollege.edu.au)

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### Staff Consultation

Your lecturer/tutor is available each week for consultation outside of normal class times. Times that your lecturer/tutor will be available for consultation will be given in the first week of lectures. A list of times and rooms will be published on the Griffith College Portal under the “myTimetable” link.

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### Prerequisites

To successfully enrol in this Course, you must provide evidence that you have completed the following Courses:

- 1101AFE - Accounting Principles and 2201AFE Corporate Finance; or,
- 1102AFE - Accounting for Decision Making and 2201AFE Corporate Finance

## Brief Course Description

Investment Analysis and Management is a 10 Credit Point course within the Associate Degree in Commerce and Business. The course is situated within the second year of the program. The Associate Degree in Commerce and Business is designed to provide students with a pathway to:

- further university studies in Commerce, Business and related degrees or
- direct employment

The rapidly changing financial environment and the number of new instruments available have made analysis a task which can only be carried out by persons who have been equipped with updated skills. This course studies the controversial issues and the current advances in the analysis of international capital markets, and presents a range of analytical techniques. Investment analysis and management is important to both individuals who manage their own personal investments and investment managers who invest on behalf of their clients or companies

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## Rationale

This course provides students with the quantitative and qualitative skills of investment analysis. The Global Financial Crisis has recently proved to us once again how important is a sound and comprehensive analysis when investment decisions are made. The course teaches students the fundamentals of investment process with particular emphasis on equity and fixed income valuations. The course is taught in the international context with references to US and other countries' practices and products.

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## Aims

Investment Analysis & Management aims to assist students to:

- Understand the nature and operation of global capital markets.
- Understand the theoretical underpinnings of investment analysis.
- Understand the procedures involved in analysing investment alternatives in the face of uncertain outcomes.
- Develop the ability to apply the theoretical constructs and respond rationally to the volatility of financial markets.
- Explore current practice in the investment and financial services industry.

These skills are important for evaluating individual investments, both equities and fixed income instruments. Investment Analysis & Management is complemented with third-year course - Portfolio Management, which considers, quantitatively and in depth, the issues involved in combining the individual assets into optimal portfolios and the ongoing management of such portfolios. The two subjects are run using the same text, virtually as a single full-year course.

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## Learning Outcomes

The course content has been structured to expose students to both theoretical and practical components of investment analysis. In the first 8 weeks students will gain an appreciation and understanding of some of the key principles of investment analysis using a fundamental approach. Students will gain an understanding of how to appraise a company's performance using economic, industry and company data, together with key ratio analysis, financial statements, and consensus data. In the last part of the trimester a number of important related topics will be presented including technical analysis and bond analysis. These topics will give students a balanced appreciation of the range of issues covered by investment analysis.

Upon successful completion of this course you will be able to:

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| <b>1</b> Explain <del>Have gained an understanding of</del> both the theoretical and practical components used in investment analysis.   |
| <b>2</b> Identify and explain <del>Have gained an appreciation and understanding of</del> the key principles of investment analysis using a fundamental approach                   |
| <b>3</b> <del>How to</del> Appraise a company's performance using economic, industry and company data, together with key ratio analysis, financial statements, and consensus data. |
| <b>4</b> Identify and explain <del>Have a sound understanding of</del> technical analysis and bond analysis  |
| <b>5</b> Identify in a balanced manner <del>Have gained a balanced appreciation of</del> the range of issues covered in investment analysis  |
| <b>6</b> Explain the <del>Appreciate an</del> importance of ethical behaviour in the Investment profession   |
| <b>7</b> Make a short presentation on a Finance-related topic  |

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## Texts and Supporting Materials

Course material such as tutorial questions, lecture notes and course announcements will be made available through the course notes section of the Griffith College portal.

### Required Text:

- Frank K. Reilly, Keith C. Brown (2012) [Investment Analysis & Portfolio Management](#) (2012). Cengage
  - E-book is also available.
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## Organisation and Teaching Strategies

The course will be conducted over a 12 week period through a combination of 2 hour lectures and 2 hour tutorial and workshop sessions. During **lectures** you will be presented with basic concepts and shown how they are relevant to finance. **Tutorials** will give you the opportunity to consider further the material covered in the lecture and apply this material in a problem-solving environment. The **workshop** sessions will provide you with the opportunity to develop a range of skills that will support learning objectives and foster certain generic skills that are helpful to your professional development.

### *Class Contact Summary*

All students are reminded that satisfactory Program Progression requires that attendance in classes is maintained at equal to or greater than 80%, and that GPA is maintained at equal to or greater than 3.5 with passing grades achieved in more than 50% of courses in any trimester [please see Griffith College Policy Library - Program Progression Policy - for more information].

Throughout the trimester you are also expected to:

- Read the relevant course material prior to lectures
- Complete relevant tutorial assignments prior to group sessions and tutorials.
- Participate in tutorials as this is a vital part of your learning and allows your tutor to address problems you may be encountering.

### **Independent Study**

You are expected to reinforce your learning gained during class time by undertaking sufficient independent study. For this 10 CP course, you will need to spend at least 10 hours per week engaged in activities that will help your learning and fulfil the course objectives. Thus, provided you have well used the 4 hours per week of formal contact, you would then complete at least 6 hours per week of independent study.

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## Content Schedule

### *Weekly Teaching Schedule*

<b>Week</b>	<b>Topic</b>	<b>Activity</b>	<b>Readings</b>
1	Introduction: The Investment Setting and Global Investment Markets	Lecture	Reilly & Brown (Chapters 1, 3);
2	Capital Markets & Market Efficiency	Lecture	Reilly & Brown (Chapters 4, 6);
3	Capital Market Theory: Asset Pricing Models	Lecture	Reilly & Brown (Chapters 8 and 9);
4	Market Index & Financial Statements Analysis	Lecture	Reilly & Brown (Chapters 5 and 10);
5	Macroeconomic, Industry & Company Analysis	Lecture	Reilly & Brown (Chapters 12, 13 & 14);
6	Stock Valuation - 1	Lecture	Reilly & Brown (Chapters 11 and 14);
7	Stock Valuation - 2	Lecture	Reilly & Brown (Chapters 11 and 14);
8	Stock Valuation - 3	Lecture	Reilly & Brown (Chapters 11 and 14);
9	Case Study Preparation In class	Lecture	Reilly & Brown (Chapters 1-14)
10	Bond Analysis - 1	Lecture	Reilly & Brown (Chapter 17);
11	Bond Analysis - 2	Lecture	Reilly & Brown (Chapter 18);
12	Bond Analysis - 3 & Revision	Lecture	Reilly & Brown (Chapter 18);

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## Assessment

This section sets out the assessment requirements for this course.

### *Summary of Assessment*

Item	Assessment Task	Weighting	Relevant Learning Outcomes	Due Date
1	Mid – Trimester Exam	20 15%	1,2,5	Week 5
2	Presentation	20%	7	Weeks 6-10
3	Investment Analysis Case Study	20 25%	1,2,3,4,5	Saturday Week 10
4	Final Exam	40%	1,2,3,4,5,6	Exam Period

### *Assessment Details*

#### **Mid – Trimester Exam**

A Mid-Trimester Exam will be held during the lecture period in Week 5 to enable students to evaluate their progress with the course. The duration of the exam will be 1.5 hours and will consist of theoretical and practical questions applicable to the work covered in the first three weeks of the course. Details will be posted on the portal.

#### **Presentation**

Each student will be required to present a short seminar on an assigned topic in Weeks 6-10. Dates and times will be advised during the course.

#### **Investment Analysis Case Study**

The case study is designed to assess students' abilities to analyse a stock and to provide a recommendation for a potential investor. The case study would be held in timed exam-like setting in Week 10. The duration of the case study will be 2 hours with 10 minutes perusal. More detailed information about this assessment item will be provided prior to the assessment. Various aspects of the analysis would be practiced in the tutorials prior to the case study assessment. Therefore, attendance of those lectures and seminars is essential part of preparation for this assessment item.

#### **Final Exam**

The final examination will be conducted centrally in the formal examination period at the end of the trimester. It will be of 2.5 hours duration and will carry 40% of the total assessment for this course. The examination content will pay particular attention to concepts covered in later weeks of the course.

#### *Submission and Return of Assessment Items*

Normally you will be able to collect your assignments in class within fourteen [14] days of the due date for submission of the assignment.

#### *Retention of Originals*

You must be able to produce a copy of all work submitted if so requested. Copies should be retained until after the release of final results for the course.

#### *Extensions*

To apply for an extension of time for an assignment, you must submit an Application for Extension of Assignment form to your teacher at least 24 hours before the date the assignment is due. Grounds for extensions are usually: serious illness, accident, disability, bereavement or other compassionate circumstances and must be able to be substantiated with relevant documentation [e.g. Griffith College Medical Certificate]. Please refer to the Griffith College website - Policy Library - for guidelines regarding extensions and deferred assessment.

#### *Assessment Feedback*

Marks awarded for in-trimester assessment items, except those being moderated externally with Griffith University, will be available on the Student Portal within fourteen [14] days of the due date. This does not apply to the final assessment item in this course (marks for this item will be provided with the final course result).

### Generic Skills

Griffith College aims to develop graduates who have an open and critical approach to learning and a capacity for lifelong learning. Through engagement in their studies, students are provided with opportunities to begin the development of these and other generic skills.

Studies in this course will give you opportunities to begin to develop the following skills:

Generic Skills	Taught	Practised	Assessed
Written Communication		Yes	Yes
Oral Communication		Yes	Yes
Information Literacy	Yes	Yes	Yes
Secondary Research	Yes	Yes	Yes
Critical and Innovative Thinking	Yes	Yes	Yes
Academic Integrity	Yes	Yes	Yes
Self Directed Learning		Yes	
Team Work			
Cultural Intelligence	Yes	Yes	Yes
English Language Proficiency		Yes	

## Additional Course Information

In addition to formal contact hours, you are provided with extra support through individual consultation with teaching staff, tutorials in English language, and self-access computer laboratories.

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## Academic Integrity

Griffith College is committed to maintaining high academic standards to protect the value of its qualifications. Academic integrity means acting with the values of honesty, trust, fairness, respect and responsibility in learning, teaching and research. It is important for students, teachers, researchers and all staff to act in an honest way, be responsible for their actions, and show fairness in every part of their work. Academic integrity is important for an individual's and the College's reputation.

All staff and students of the College are responsible for academic integrity. As a student, you are expected to conduct your studies honestly, ethically and in accordance with accepted standards of academic conduct. Any form of academic conduct that is contrary to these standards is considered a breach of academic integrity and is unacceptable.

Some students deliberately breach academic integrity standards with intent to deceive. This conscious, pre-meditated form of cheating is considered to be one of the most serious forms of fraudulent academic behaviour, for which the College has zero tolerance and for which penalties, including exclusion from the College, will be applied.

However, Griffith College also recognises many students breach academic integrity standards without intent to deceive. In these cases, students may be required to undertake additional educational activities to remediate their behaviour and may also be provided appropriate advice by academic staff.

As you undertake your studies at Griffith College, your lecturers, tutors and academic advisors will provide you with guidance to understand and maintain academic integrity; however, it is also your responsibility to seek out guidance if and when you are unsure about appropriate academic conduct.

In the case of any allegation of academic misconduct made against a student he or she may request the guidance and support of a Griffith College Student Learning Advisor or Student Counsellor.

Please ensure that you are familiar with the [Griffith College Academic Integrity Policy](#); this policy provides an overview of some of the behaviours that are considered breaches of academic integrity, as well as the penalties and processes involved when a breach is identified.

For further information please refer to the Academic Integrity Policy on the Griffith College website – Policy Library.

*Risk Assessment Statement*

There are no out of the ordinary risks associated with this course.

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