University of Regina

Bus 493-001 – Security Analysis
Jan-Apr, 2018

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P: 306.533.5476
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Class Schedule:

<table>
<thead>
<tr>
<th>Class</th>
<th>Section</th>
<th>Day</th>
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<tr>
<td>Bus 493</td>
<td>001</td>
<td>M/W</td>
<td>11:30-12:45am</td>
<td>Ed 621</td>
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Prerequisite: BUS 290

Text Book:

Course Objective:
The objective of this course is to teach students the comprehensive process of security analysis and to offer hands-on experience in security selection. The covered content includes: analysis of current financial markets, equities, fixed income, private equity, derivatives currency, all within the context of the domestic and global economies. This course is comprised of theoretical and practical aspects. The first part teaches essential tools for security analysis and the second part builds the students’ skills in conducting security analysis for real world companies.

Teaching Methods:
Course material will be presented primarily in a lecture format. The lectures will concentrate on developing the key concepts and providing real-world applications. As class participation is strongly encouraged feel free to ask questions and/or raise discussion points during the lectures.

Always read the relevant text chapters before you come to class. This will help you to better understand the lectures. Students are also strongly encouraged to keep current on financial and business news. The Globe and Mail, National Post, Barrons or Investor’s Business Daily are excellent sources for such information.

Evaluation:

- Exam 1 (Wed, Mar 7th, 2018 in class) 20%
- Term Paper 1 – Sector Analysis TBD 25%
- Term Paper 2 – Company Analysis TBD 25%
- Final Exam (Apr 30th, 9am – 12pm) 30%

Note: Exams are comprehensive in nature, meaning they cover material up to the date of each exam.
Student Responsibilities:

1. Every effort should be made by you to ensure you write the midterm exams during their scheduled times. If a situation arises that makes it absolutely impossible for you to do this, you must let me know in advance (preferably as far in advance as possible).

   In the case of illness, you must provide me with a physician’s certificate clearly stating that the illness prevented you from being able to write the exam. If you must miss a midterm due to illness or other extenuating circumstance, no make-up exam will be given. Instead, the weight of the midterm will be transferred to the final exam.

   However, this weight transfer will not happen automatically. I will only transfer the weight if you provide me with a written request to do so (i.e. if you do not write a midterm, and do not provide me with a written request to transfer the weight of the midterm to the final, you will automatically receive a grade of zero on the midterm). This written request must explain the reason why you are unable to write the midterm, and must state that you wish to transfer the weight of the midterm to your final.

2. Every effort should be made to ensure you are available to write the Final Exam during its scheduled time. If you are absolutely unable to write the Final during its scheduled time, you must see the general office in the faculty in which you are enrolled and formally request a deferred exam. Deferred exams will only be granted in cases of exceptional circumstances (i.e. serious illness of the student, compassionate family reasons, etc.).

   Deferred exams will not be granted for any factors that are within the control of the student - i.e. travel plans, work conflicts, timetabling conflicts with exams in other courses, etc. Please adjust your schedule accordingly. Where a deferred exam is granted, academic policies state that, for the Fall semester, the deferred exams must be written by January 31.

3. Regular class attendance is expected. If you must miss a class, it is your responsibility to get notes, assignments, etc., from a classmate.

4. Familiarize yourself with the University’s general Academic Regulations (as explained in the Calendar), particularly those that pertain to academic misconduct.

5. If there is any student in this course who, because of a disability, may have a need for accommodations, please come and discuss this with me as early as possible, as well as contacting the Special Needs Services at 585-4631.

6. If you want to talk to me outside of class-time, please plan-ahead. Last-minute (ex. just before an exam) requests by students cannot always be met, so planning-ahead is important. Voice-mail messages left after-hours (i.e. on weekends, and after 4:30 PM on weekdays) may not be returned until the next working (i.e. Mon – Fri) day.
Schedule of topics:

**Textbook Chapters**

**A. The Foundation of Modern Business & Security Analysis**

Chapter 1  The Scope of Fundamental Finance, Investing and Investor Landscape
Chapter 2  A short Introduction to the Going Concern and Resource Conversion Views of Businesses
Chapter 4  The Substantive Characteristics of Securities
Chapter 5  Primacy of the Income Account or Wealth Creation? What Are Earnings, Anyway?
Chapter 6  Net Asset Value: The Static and Dynamic Views
Chapter 7  Creditworthiness
Chapter 8  What Matters is Investment Risk
Chapter 9  Shareholder Distributions from the Company Point of View
Chapter 13  How Much Diversification

**B. Putting It All Together: Safe and Cheap Investing versus Conventional Approaches**

Chapter 15  Safe and Cheap Investing
Chapter 18  Broker-Dealer Research Departments and Conventional Money Managers

**C. Real World Considerations**

Chapter 21  Buying Securities in Bulk

**D. Understanding Resource Conversion**

Chapter 23  Restructuring Troubled Companies

REGULAR attention to the current financial markets is required. Technical Analysis will be introduced throughout the course.

The course outline provided, is a SUGGESTED outline ONLY. The instructor reserves the right to alter (add, delete, modify) the course material and/or the order and extent of presentation and depth of coverage.