

GRANDE PRAIRIE REGIONAL COLLEGE
BUSINESS ADMINISTRATION
COURSE OUTLINE

BA 204 - INVESTMENTS

REQUIRED TEXT: Mayo, Herbert B. Investments. 2nd ed., New York, NY: Holt, Rinehart, Winston, 1988.

OPTIONAL TEXT: Francis, Jack Clark. Management of Investments. 2nd ed., New York, NY: McGraw Hill Book Co., 1988. How to Invest in Canadian Securities, The Canadian Securities Institute, Toronto, ON, 1986. (For those wishing a more in-depth treatment of some topics.)

PREREQUISITE: Nil.

COURSE DESCRIPTION: An introduction to investments for individuals. The course will introduce briefly some of the concepts and tools needed to design and implement an investment strategy. In addition, the course will introduce the more common investment products which an individual will use to implement the investment strategy.

COURSE OBJECTIVES:

- 1) To introduce the fundamentals of investing.
- 2) To introduce some of the tools needed to design and implement an investment program.
- 3) To reduce the mysteries of the investment markets by devoting a portion of each class to a discussion of current investment news.
- 4) To give the course a practical flavour by playing an investment game.

GRADING: Students will choose from one of the following grading schemes.

1)	Paper #1	25%	2)	Paper #1	20%
	Game	10%		Paper #2	20%
	Mid-term Exam	25%		Game	10%
	Final Exam	40%		Mid-term Exam	20%
				Final Exam	30%

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Paper #1 will be based on the financial statement analyses chapters in the text and supplementary readings. The student will choose a company from a selection of financial statements offered by the instructor, examine its investment potential and make a recommendation on it. The deadline for this paper will be November 6, 1990.

Paper #2 will be on a topic of the student's choice and may include an analysis of a specific commodity such as wheat, gold, platinum or currency, impact of deregulation in Canada, the relative advantages/disadvantages of technical trading, the analysis of some economic policy on the investment markets, the impact of the Crash of '87, the investment impact on free trade, etc. All topics are to be approved by the instructor and a topical outline is due no later than October 23. The deadline for this paper will be November 27, 1990 at the end of the class.

Both papers should be limited to no more than 10 pages exclusive of appendices and references. No late papers will be accepted.

DETAILED COURSE CONTENT:

DATE	TOPIC	READINGS	
		MAYO	FRANCIS
Sept. 11	Intro. to Course Intro. to Financial Planning Intro. to Investments	pp 630 - 643 Chapter 1 pp 270 - 281	Chapter 1
Sept. 18	Math of Invest.	Chapter 6	
Sept. 25	Tax Aspects of Investing/RRSP, RESP, Tax Shelters	Handouts	
Oct. 2	Securities Markets/ Economic Environment	Chapter 2, 3 Chapter 16	Chapter 4
Oct. 9	Fixed Income Securities/ Preferred Stock	Chapter 9, 10 Chapter 11	Ch. 18, 19

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COURSE CONTENT (continued)
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DATE	TOPIC	READINGS	
		MAYO	FRANCIS
Oct. 16	Common Stock	Chapter 13, p 281 - 295 Chapter 14, 15	Chapter 20, 21, 22
Oct. 23	Analysis of Financial Statements	Chapter 7, 17	Chapter 8
Oct. 30	Mutual Funds	Chapter 22 Handouts	Chapter 32
Nov. 6	Options/Warrants	Ch. 19, 20	Chapter 25
Nov. 13	Commodity Futures/ other leveraging techniques	Chapter 23	Chapter 26
Nov. 20	Gold & Foreign Securities	Ch. 24, 26	Ch. 28, 31
Nov. 27	Technical Analysis	Chapter 18	Ch. 23, 24
Dec. 4	Real Estate	pg 574 - 593	
Dec. 11	Portfolio Construction	Chapter 26	Chapter 29
Dec. 18	Final Exam		

Note on Readings: The readings from the Mayo and Francis books will help you to accomplish Objectives #1 and #2 in the Course Objectives section of this outline. In order to reduce the mysteries of the investment markets (objectives #3), you will need to read current literature in the area. Particularly recommended are the following:

- Globe & Mail Report on Business
- Wall Street Journal (particularly these sections: Credit Markets, Currencies Markets, Commodities Markets, Abreast of the Markets and World Stock Markets).
- Barrons (particularly these sections: Current Yield, Commodities Corner, The International Trader and the Trader).

RESOURCE BOOKS FOR BA 204
(Not Intended to be A Complete Listing)

1. Common Stocks: A Plan for Intelligent Investing; Shade
2. Introduction to Investments; Christy and Clendenin
3. Investment Strategy; Coates
4. The Three Rs of Investing; Donnelly
5. How to Invest for Bigger Profits; Goldring
6. A Random Walk Down Wall Street; Malkiel
7. How to Invest Your Money and Profit from Inflation; Shulman
8. Making Your Money Grow; Worzel
9. A Women's Guide to Successful Investing; Williams
10. Inflation Proofing Your Investments; Brown/Coxon
11. Investment Manager's Handbook; Levine
12. Investment Smarts; Klinger
13. The Coming Currency Collapse; Smith
14. The Financial Post Survey of Funds, 1973
15. The Financial Post Survey of Funds, 1974
16. The Financial Post Survey of Funds, 1975
17. The Financial Post Survey of Funds, 1976
18. The Financial Post Survey of Funds, 1977
19. How to Buy Mutual Funds
20. Stock Market Efficiency; Keane
21. The Last Bull Market; Sobel
22. An Introduction to Risk and Return from Common Stocks; Brealey
23. Investment Analysis and Management; Bowyer
24. The Money Game; Smith
25. The Money Mania; Sobel
26. The Financial Post Survey of Industries 1971-1986 (inclusive)
27. The Traders; Ross
28. Capital Formation in Canada 1896-1930
29. The Impact of Investment Incentives on Canada's Economic Growth; Braithwaite
30. The Theory of Futures Trading; Goss
31. Dynamic Call Options Models; Rosalski
32. Inside the Bank of Canada's Weekly Financial Statistics; Martin
33. How to Read Annual Reports Intelligently, Prentice Hall
34. Standard & Poor's Register, 1986
35. Federal Reserve Bank of St. Louis Review, 1981 - present.
36. The Investor's Encyclopedia; Chet Currier
37. Canadian Financial Markets; Hunter
38. Wall Street Gurus; Brimelow
39. The Dow Jones-Irwin Business & Investment Almanac

NEWSPAPERS IN LIBRARY

1. Financial Post
2. Financial Times
3. Globe and Mail
4. Edmonton Journal
5. Wall Street Journal
6. Barrons
7. New York Times