



## ECSM CERTIFICATION WORKSHOP COURSE OUTLINE

**COURSE TITLE: BASICS OF EQUITY AND BOND MARKETS**

**COURSE CODE: ECSM1007**

### **COURSE DESCRIPTION**

This course covers basic knowledge about raising long term money for company activities by selling common or preferred stock and or the issuing of debt instruments to individual or institutional investors. The focus will be on the markets that serves to facilitate the buying and selling of these capital financing instruments and the pricing and yield calculations for investors holding or trading these securities

### **COURSE LEVEL**

The course is designed for persons with a first Degree in Finance or similar certification or working knowledge in the areas of finance and financial performance analysis and are willing to make themselves acquainted with the tools and techniques of asset management.

### **LEARNING OUTCOMES - What You Will Know and Be Able To Do**

At the conclusion of the course you should:

- Understand the basics of trading in over-the-counter and listed equity markets
- Understand and be able to discuss the fundamental concepts of equities and fixed income investments
- Be able to offer advice and recommendations on the selection of securities most appropriate for clients needs
- Be able to analyze strengths and weakness of a stock
- Be able to balance the trade-off between Risk and Return in pursuing a particular investment strategy
- Be able to make a good trading plan for attaining desired objectives
- Understand how to use technical analysis so that you can see the way the market will be likely to move.

### **CONTENT OUTLINE AND COMPETENCIES - What You Will Cover**

You'll be presented with an overview of Investment markets and the financing of long term capital, the different types of securities including Equities and Bonds, how stock markets work and how you can trade well, along with methods of calculating benefits to Corporations and Individuals.

*Topics:*

- Sources of Equity Financing
- Equity and Fixed Income Instruments
- Initial Public Offering
- Corporate Governance issues
- Venture Capital
- Basics of Bond Portfolio Management
- Risk Exposure
- Bond Pricing mechanisms
- Constructing Portfolios to achieve return objective

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**EXPANDED LEARNING OBJECTIVES**

Participants will Learn

**How long term capital is financed**

- Equity and Bond Instruments.
- IPO's, Private placements
- Primary and Secondary Markets
- Venture Capital
- Joint Ventures
- Classes of Common Stock
- Voting Rights
- Bond Ratings

**How to Measure Earnings & Growth Opportunities**

- Factors Affecting Yields
- Pricing Models
- Book Value Vs Market Value
- Methods for evaluating returns
  - PE Ratio
  - Payout Ratio
  - Dividend Yield
  - Earnings per share
- Equity Valuation Models
  - Zero Growth
  - Constant Growth
  - Non-Constant

**How to Use Market Psychology to trade successfully**

Stock trading markets are never stable - losses are inevitable but profits are also inevitable.

- Price Volatility and Risk Management
- Stock trading (Buying and Selling) strategies
  - Bull market
  - Bear market
- Market Intelligence - Monitor market carefully
- Calculated reasoning - Take reasonable decision not a gamble
- Be ready to face a possible loss