Ontario College Quality Assurance Service
Service de l'assurance de la qualité des
collèges de l'Ontario

Financial Services - Investment Analysis

Validated   Description

George Brown College | APS # GRBR04012 | MTCU # 72801
Ontario College Graduate Certificate | No funding requested

Purpose

This is a two-semester program with a focus on preparing students for the Chartered Financial Analyst (CFA™) Level One (1) exam and with the professional and interpersonal skills to be successful in the field of investment analysis and management. The Chartered Financial Analyst™ designation is a professional certification offered internationally by the American-based CFA™ Institute to investment and financial professionals. This program focuses on the fundamentals of investment tools, valuing assets, portfolio management, and wealth planning. This graduate certificate is typically completed by those with backgrounds in finance, accounting, economics, or business. CFA™ charterholders are qualified to work in senior and executive positions in investment management, risk management, asset management, and more.
This program will confer an Ontario Colleges Graduate Certificate and prepare graduates for the CFA™ level 1 exam and concepts beyond the exam curriculum needed for success in the industry.

Admission Requirements

Ontario College Diploma, Ontario College Advanced Diploma, Degree, or equivalent

Occupational Areas

The job elements in the NOC's associated with employment in this field are:
Financial and investment analysts (1112-A)
Banking, credit and other investment managers (O122)

Financial sales representatives (6235-B)

A wide range of job roles exists within these different types of organizations. For financial analysts these broadly separate into analytical roles (e.g. equity analyst), investment decision-making roles (e.g. portfolio manager), advisory roles (e.g. corporate finance), and risk and oversight roles (e.g. compliance officer)

This group performs some or all of the following duties:

• Collects industry/company data, analyses companies, and build single company earnings models to conduct valuations in support of portfolio managers

• Identify, test and implement financial models and investment ideas by applying statistical techniques, using data-sets/quantitative tools to analyze and predict market movements and exploit market anomalies, develop efficient decision-making tools to support the investment process.

• Analyses data sets, often from new or alternative sources, applies coding/programming skills and modern analytical techniques to databases to seek meaningful patterns and insights and communicates relevant findings to key stakeholders. Provides support/advice to relevant teams within the organization (including investment teams) and develops tools and dashboards to improve the investment process.

• Promotion, distribution and placement of financial securities and funds through idea-driven, relationship-based client engagement to portfolio managers, private wealth managers, and other investment decision-makers.

• Supports portfolio optimization through the modelling of historic asset returns and covariances, undertaking analysis (e.g. stress-testing, scenario analysis) and suggests trades to maximize risk-adjusted returns or minimize risk exposure.

• Support planned and ad hoc communications and meetings between public corporates and investors to assist with understanding, analysis and valuation of securities. Coaches C-suite to interact with company stakeholders, anticipates and answers key questions, and provides investor feedback to the board.

• Support advisors to private clients (high net worth) and families on how to invest their portfolios and plan their finances to meet their objectives, and do so through high-quality relationship management and client service.

According to the Government of Canada trend analysis for the NOCs related to this field of study, the employment outlook in the Ontario context is rated as fair for the 2021-2023 period. Across all three NOCs, employment growth and retirements will lead to a moderate number of new positions in these employment areas. There is also currently a low unemployment rate across these occupations indicating that the employment market is not overly saturated. The majority of positions available in these occupations are full time and year-round. The credentialing push of positions in this area is driving requirements for the successful completion of CFA™ level 1. This program is designed to prepare graduates for the successful completion of this industry certification.

Laddering Opportunities

It is expected that graduates from a wide variety of diploma, advanced diploma and degree programs may be interested in adding to their skill sets by laddering into this program. Particular programs of interest may include those in finance, accounting, engineering, business, information technology, etc. This entry-level certificate is appropriate for anyone with an interest in financial and investment analysis and/or corporate planning. Ideal pathways to the program are from:
o Honours Bachelor of Commerce (Financial Services)
o Business Administration-Accounting (3 Years)
o Business Administration-Finance (3 Years)
o Future Degree programs

Ideal pathways from the program are:
o Honours Bachelor of Commerce (Financial Services)
o Other business degrees

Program VLOs

1. Integrate ethical decision making into all aspects of planning and investing services provided to the client.

2. Apply recognized financial planning principles and industry standards to the systematic analysis of financial position and requirements

3. Integrate economic and market information into investment portfolios in order to support informed investment decisions

4. Evaluate financial statements, investment products and services, and investment planning and counselling services to meet the needs of the public according to industry standards.

5. Recognise potential tax and legal implications within an investment and financial planning situation to assist clients with risk mitigation.

6. Apply client-focused communication styles and strategies to disseminate financial information to the client to aid portfolio decision-making.

7. Implement an evidence-based investment plan using market research in support of a client's needs.

8. Recommend investment products and options to clients in order to decrease overall risk and increase public confidence in investment planning.

9. Evaluate government and corporate investment products using financial planning and statistical

models in order to offer clients the product that best serves their needs

10. Perform analytics-based decision making using technological tools available in the investment industry.

Curriculum

- **CFA1001 - Quantitative Methods for Investment Analysis**
  > Semester 1 | 42 hours
  In this course, the student will learn to explain and demonstrate the use of time value of money, data collection and analysis, elementary statistics, probability theory, probability distribution testing, sampling and estimation, hypothesis testing, and simple linear regression in financial decision-making. Quantitative methods are used widely in securities and risk analysis. Probability theory, sampling and estimation, and hypothesis testing support investment and decision making in the presence of uncertainty. Linear regression helps to understand the relationship between two variables, understand if causality exists between them, and use the independent variable to help make predictions about the value of the dependent variable.

- **CFA1002 - Corporate Issuers**
  > Semester 1 | 42 hours
  In this course, students will be introduced to corporate governance and investing and financing decisions. An overview of corporate governance is presented along with a framework for understanding and analyzing corporate governance and stakeholder management. The growing impact of environmental and social considerations in investing is also covered. The course covers the capital allocation process and the assessment of capital investment opportunities using NPV and IRR methods and calculations. The course includes coverage of the short and long-term options companies may have to finance themselves and techniques for assessing a company's short-term liquidity management. This course moves on with practical methods and calculations to estimate a company's, or project's, cost of capital, a key input used into not only corporate decision-making but also investor analysis. Methods to estimate the costs of the various sources of capital are covered. Next capital structure considerations are covered, including factors affecting the use of leverage by companies. The course concludes with coverage of the optimal long term capital structure and how various types of leverage may have an impact on a company's earnings and financial ratios.

- **CFA1003 - Financial Reporting and Analysis I**
  > Semester 1 | 42 hours
  In this course, students will be introduced to financial statements, the reporting procedures, and the standards that govern financial reporting disclosure. The course emphasis is on basic financial statements and how alternative accounting methods (IFRS vs US GAAP) affect those statements and the analysis of them. Because no set of accounting standards has universal acceptance,

companies around the world may differ in reporting treatment based on their jurisdiction. Financial statement analysis requires the ability to analyze a company's reported results with its economic reality, normalize differences in accounting treatment to make valid cross-company comparisons, identify quality issues that may exist in reported financial statements, and to be able to discern evidence of financial statement manipulation by management.

- **CFA1004 - Applied Investment Economics**
  > Semester 1 | 42 hours
  In this course, the student will learn to demonstrate knowledge of microeconomic and macroeconomic principles. Microeconomic factors such as a firm's competitive environment and its pricing strategy may be critical inputs for cash flow forecasting and bottom-up security selection approaches. Economic output, global trade flows, monetary and fiscal policies, and the business cycle are key considerations for conducting top-down investment analysis and economic forecasting. Monetary and fiscal policy, including their use, is discussed. The student learns about international trade and its benefits, and how the fundamentals of currency market transactions impact trade flows.

- **CFA1005 - Equity Analysis and Valuation**
  > Semester 1 | 42 hours
  In this course, the student will learn to describe the important characteristics of equity investments, security markets, and indexes. The student will learn how to analyze industries, companies, and equity securities and to describe and demonstrate the use of basic equity valuation methods. Global equities are an important asset class for meeting longer-term growth and diversification objectives. Global equities also represent a substantial share of capital markets that has been expanding in breadth and depth as developing economies come to market for equity capital. The student will learn how equities trade on different markets, and how to value them with a variety of different models.

- **CFA1006 - Investment Software Applications**
  > Semester 1 | 56 hours
  This course takes MS Office and Fintech skills to the next level. Students will learn second level spreadsheet analysis, database analysis and design concepts including vocational application use and other analytical tools as required by Investment Analysts in the industry. Techniques are applied using common software for various industry-specific needs. There will be an emphasis on practical database and spreadsheet creation and use in the context of understanding complex information systems from a practical standpoint

- **CFA1007 - Career Planning**
  > Semester 1 | 28 hours
  In this course, students will learn important skills that will enable them to secure appropriate employment opportunities in the financial services industry. The student will be presented with various resume formats and then will be guided to prepare their own resume. The student will learn about "behaviourally-based interview questions" and then have extensive coaching about

how to respond to them in an actual interview setting. The student will have the opportunity to listen to various guest speakers who will present detailed information about career opportunities, career paths, and the responsibilities, duties and compensation associated with different work.

- **CFA2001 - Fixed Income Investment Analysis**
  > Semester 2 | 42 hours
  In this course, the student will learn to describe the various types of fixed-income securities and their markets, yield measures, risk factors, and valuation measures and drivers. The student will learn how to calculate the fair value of fixed-income products, given their cash flows and the appropriate discount rates. Risk factors include default risk and interest rate risk, and interest rate risk is broken down into the component parts of duration and convexity. The student is introduced to the key ratios used by fixed-income analysis and how to evaluate the creditworthiness of various fixed-income products

- **CFA2002 - Derivatives and Alternative Investments**
  > Semester 2 | 42 hours
  In this course, the student will learn to demonstrate a working knowledge of the analysis of derivatives including forwards, futures, call and put options, and swaps. Essential features and valuation concepts for these derivatives are explained. Basic hedging and speculative strategies and their risk/reward characteristics are integral to the understanding of derivative products. The student should be able to demonstrate a working knowledge of alternative investments, including hedge funds, private capital, real estate, natural resources, and infrastructure. The student will be able to describe key attributes and considerations in adding alternative investments to a portfolio currently made up of the traditional investment classes.

- **CFA2003 - Financial Reporting and Analysis 2**
  > Semester 2 | 56 hours
  In this course, students will continue to examine the three major financial statements - the income statement, the balance sheet, and the cash flow statement. This course incorporates financial analysis techniques including the use of ratios to evaluate the corporate financial health and examines financial reporting for specific categories of assets and liabilities. Inventories, long-lived assets, income taxes, and non-current liability are examined in greater detail because of their effect on financial statements and reported measures of profitability, liquidity, and solvency. Students will better understand how a chosen accounting treatment has a corresponding effect on reported performance and the potential for financial statement manipulation. The course examines the financial reporting quality differences that may exist between companies and the means for identifying them. Warning signs of poor- or low-quality reporting are covered through the application of financial analysis techniques to evaluate a company's past and projected performance, and to assess credit risk.

- **CFA2004 - International Portfolio Management**
  > Semester 2 | 42 hours
  In this course, students will be introduced to the portfolio planning and construction process,

including the development of an investment policy statement (IPS) which is developed in advance of constructing a portfolio that is expected to define a client's investment objectives. The course describes and broadly characterizes behavioural biases within two broad categories: cognitive errors and emotional biases. The course includes a description of each bias, potential consequences, guidance on detecting and mitigating the effects of the bias, and examines market anomalies. Investment risk management is covered including the various types and measures of risk and return and non-financial sources of risk is also covered. Technical analysis, a set of tools that uses asset price, trading volume, and other similar data for making investment decisions, is then examined. The course covers how financial technology (fintech) is impacting areas within the investment industry, such as investment analysis, automated advice, and risk management.

- **CFA2005 - Research Challenge Capstone**
  > Semester 2 | 56 hours
  In this course, students will learn to assess the equity research and valuation, investment report writing, and presentation skills of students. The course will have the students working in groups, produce an original work of the team members, research a designated publicly traded company, prepare a written report on that selected company, and then present their findings to a panel of investment industry stakeholders. A buy, sell or hold recommendation will be presented supported by facts and the team will be questioned on their logic and methodologies. The research report includes sections on a business description, industry overview & competitive positioning, an investment summary, appropriate valuation methodologies, a thorough financial analysis of the industry, company & competitors, investments risks, and corporate governance. Teams may use an industry mentor or faculty adviser as resources but may not enlist the help of any other professionals in writing the actual report.

- **CFA2006 - Ethical and Professional Standards**
  > Semester 2 | 42 hours
  In this course, students will explore the need for high ethical standards in the investment industry and the ethical responsibilities required by the CFA Institute Code of Ethics and Standards of Professional Conduct. The course examines challenges to ethical behaviour, and the role played by ethics and professionalism in the investment industry. A framework to support ethical decision-making is provided to help guide behaviour. The CFA Institute Code of Ethics and Standards of Professional Conduct (Code and Standards) are examined, with attention given to each standard and its application. The course also covers an understanding of the Global Investment Performance Standards (GIPS).

VLO Mapping

	VLO 1	VLO 2	VLO 3	VLO 4	VLO 5	VLO 6	VLO 7	VLO 8	VLO 9	VLO 10
CFA1001		X	X				X			
CFA1002		X	X		X					
CFA1003		X		X						
CFA1004			X							
CFA1005	X		X	X		X	X	X	X	
CFA1006		X				X				X
CFA1007	X					X				
CFA2001			X	X				X	X	
CFA2002						X		X	X	
CFA2003		X		X	X					
CFA2004	X					X	X	X		X
CFA2005	X		X	X	X	X	X			
CFA2006	X									

Certification/Accreditation

Certification type

None exist.

Contact Information

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