

NATIONAL UNIVERSITY Bangladesh



Syllabus PGD in Capital Markets & Investments (PGDCMI)

Effective From: 2022-2023 Session

PGD in Capital Markets & Investments (PGDCMI)
Department of Finance & Banking Business Studies Group

Course Code	Course Title	Credits
817701	Financial Markets in Bangladesh	4.00
817703	Financial Risk Management	4.00
817705	Merchant Banking	4.00
817707	Security Analysis & Portfolio Management	4.00
817709	Quantitative Techniques	4.00
2nd Semester		
827711	Regulations and Ethics in the Capital Markets	4.00
827713	Capital Markets & Investment Decision	4.00
827715	Fundamental & Technical Analysis	4.00
827717	Stock Market Operations	4.00
827718	Internship/Project & Viva/Defense	4.00

Semester Wise Course Distribution

1st Semester, 20 Credits

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817701	Financial Markets in Bangladesh	4.00
817703	Financial Risk Management	4.00
817705	Merchant Banking	4.00
817707	Security Analysis & Portfolio Management	4.00
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2nd Semester, 20 Credits

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827711	Regulations and Ethics in the Capital Markets	4.00
827713	Capital Markets & Investment Decision	4.00
827715	Fundamental & Technical Analysis	4.00
827717	Stock Market Operations	4.00
827718	Internship/Project and Viva Voce/Defense	4.00

Justifications: Why students should pursue this PGD program?

Presently, capital market listed existing brokerage houses are 313 and in the year 2021 BSEC permitted 55 brokerage houses and listed with capital markets. Total number of brokerage houses are 368 listed with capital markets in Bangladesh. (Source: BSEC: www.sec.gov.bd & DSE: www.dsebd.org). Moreover, existing investment / merchant banks are 65. In 2021, BSEC permitted IFIC Bank as Investment Bank. (Source: <https://www.sec.gov.bd/home/merchantbanks> and www.bmba.com.bd). In 2020 contribution of capital market in GDP is 9.4% and previous year is 13.5%.

Today's dynamic and growing capital markets offer excellent employment opportunities. Besides the Government, organizations and several private companies have entered the capital market of Bangladesh has great prospects to play an important role in the economy. Capital market is vibrant and evolving over time both locally and globally. These have increased the demand of professionally qualified personnel in capital markets. PGDCMI aims at creating professionals who can carve a rewarding and promising career in the capital market in Bangladesh. PGDCMI explores the multifaceted world of capital market reflects on the growing interplay between risk management, capital markets and portfolio management.

Job Opportunity

Portfolio Manager, Finance Officer, portfolio manager of mutual funds; Financial Analyst in Securities Firms, Financial Manager in Investment/Merchant Banks, Risk and Return Management Consultant, Corporate Risk Manager, Fund Manager and Traders in Brokerage Houses.

Target Audience

- Individuals working for market intermediaries of the capital markets in Bangladesh.
- Graduates who seek to pursue career in the capital markets in Bangladesh.

Course Format

Duration of the PGDCMI is 01 (One) Year and PGDCMI consists of 10 (Ten) courses including Internship/Project and Viva Voce. Total 40 credit hours including Internship/Project and Viva Voce should be completed. The program is divided into 02 (TWO) Semesters. Five courses are offered in 1st semester and 4 courses in 2nd semester and Internship/Project and Viva Voce.

Internship/Project & Viva-Voce (Course Code: CMI-110)

Each student will complete internship/project and prepare a report based on those experiences. Two credit hours are assigned to internship/project and two credits for viva-voce.

Mode of Teaching

Interactive lecture sessions, workshops, practical group projects, case studies, videos, and assignments etc.

Medium of Instruction

Class deliberations: English (Bengali for clarifications only)

Examination: English

Class Time

Morning (9:00 A.M to 12:00 Noon)/Afternoon (3:00 to 6:00 P.M)/Evening (6:00 to 9:00 P.M)

Applicant's Eligibility

Minimum requirements to apply for PGDCMI program are:

- Graduation in any discipline.

Admission

Applicants must fulfill the admission requirements as laid down by National University (NU). The Admission Test will be held two times annually.

Number of Seats

- Total number of seats will fix up by the concern department; and
- 100% of the total seats will be fulfilled from successful candidates in written test and viva-voce.

Admission Test

All applicants are required to sit for a competitive written test on English, Mathematics, Analytical Ability, General Knowledge and conceptual questions regarding Insurance and Capital Markets. Applicants will be selected for viva-voce on the basis of their performances in the written test. The final selection for admission will be based on scores obtained by an applicant in the written test and the viva-voce.

Class Attendance

Students are required to attend all the classes held during each semester. Only absences on valid ground may be excused.

Course Assessment

For each course two mid-term examinations and a final examination will be held. Total marks for each course is 100. The marks distributions are as follows:

Marks distributions are as follows:

Activities	Weights
Class Attendance	10%
Class Tests/ Quiz	5%
Assignments	5%
Mid-Term Examinations	20%
Term Paper and Presentation/Practical	10%
Final Examination	50%
Total	100%

*Course teacher will take practical classes or teach application of software on relevant courses.

Detailed Syllabus of the PGDCMI Program

Course Code: 817701	Marks: 100	Credits: 4	Class Hours:
Course Title:	Financial Markets in Bangladesh		

Course Objectives:

This course allows the students to gather the key concepts on financial markets, its products, pricing, risks and the market participants. This gives a practical support to be able to understand the financial information as well as to be able to work on financial markets. The students learn how to make investment decision applying theory to the real world according to their needs and the characteristics of the products and markets. In summary, this course provides the analytical skills to understand concepts related to the money market, the bond market, the foreign market, the stock market and the derivative markets.

Course Contents:

- 1. Introduction:** Functions of Financial Markets, Financial Market instruments, Understanding financial markets through the Financial Crisis, Financial Intermediaries: Bank and Non Bank Financial Institutions (FIs) , Role of financial Intermediaries (brokers, dealers & market makers), Other financial Intermediaries.
- 2. Central Banking and the Monetary Policy:** Central Banks: origins, structures and functions, Monetary policy, The creation of money, Supply and demand of money.
- 3. Money Markets:** Money market securities: Treasury bills, Commercial paper, Negotiable

certificates of deposit, Repurchase agreement, Bankers acceptance, Institutional use of money market, Valuation of money market securities.

4. Bond Markets: Background of bonds, Bond yields, Treasury bond, Treasury bond auction, Corporate bonds, Characteristics of corporate bonds.

5. Equity Market: Primary and secondary markets, Definition, role and functions, IPO: Process of going public, Investment banker, ICB, Merchant banker, Secondary market liquidity, Elements of liquidity, Intermediation, Broker, Dealer, Specialists, Trading arrangements, Margin trading, Short selling, Market disorder-Wash sale, insider trading, pool, Organized exchanges, DSE & CSE, Third and fourth markets, Regulatory body BSEC.

6. Foreign Exchange Market: Forex Exchange rates (spot & Forward), Theory of Purchasing Power Parity, Arbitrage.

7. The Derivatives Markets: Futures, forward, Options and Swap, Hedging vs speculating with derivatives.

Reference Books:

1. Jeff Madura, *Financial Institutions and Markets*, latest Edition
2. Frank J. Fabozzi, Franco Modigliani and Michael G. Ferri, *Foundations of Financial Markets and Institutions*.
3. Mishkin, Frederic S: *The economics of Money, Banking, and Financial Markets* Ed. Pearson. Latest edition. (some chapters)
4. Ongoing Academic Papers and news during the course

Course Code: 817703	Marks: 100	Credits: 4	Class Hours:
Course Title:	Financial Risk Management		

Course Objectives

This course introduces financial risk management principles, with an emphasis on practical implementation and application. It presents standard market, credit and liquidity risk measurement techniques. This course will emphasize the ability of different risk management approaches. The course will prepare future risk managers to understand their role in regulatory compliance and participate constructively in these interactions. Therefore, regulation is a key driving factor in risk management and the design of risk management policy will be one of the main topics we consider. Of course, the tools of risk management will figure prominently as well.

Course Contents:

1. Risk and its Management: Concept of risk, Types of risk: systematic risk and unsystematic risk, total risk, Corporate risk, Standard deviation (S.D), Coefficient of variation (C.V),

Probability distribution to measure risk, Sources of risk, Risk management and control, Objectives of risk management, Risk and the economic environment, Corporate governance and organisational structure, A risk management framework, Risk measurement tools and techniques.

2. Financial Market Risk (Interest Rates): Overview of the markets for interest bearing instruments, Identifying and assessing interest rate risk, Evaluating interest rate risk, Managing interest rate risk, Interest rate risk management Instruments: short term, Interest rate risk management Instruments: longer term.

3. Financial Risk (liquidity): Sources of liquidity risk: credit, maturity and liquidity transformation, Market liquidity risk and risk management, Commercial banking and liquidity, Borrowing and investment principles, Identifying and assessing liquidity risk, Evaluating liquidity risk, Managing liquidity risk.

4. Credit Risk Measurement: Overview of credit, Forms of debt, capital structure and collateral, Quantitative measures of default risk, Modeling the credit risk of a single borrower, Expected and unexpected credit loss and credit Value at Risk, Overview of credit portfolio risk: default rates, credit diversification and default correlation.

5. Financial Market Risk (Foreign Exchange): Overview of the foreign exchange markets, Identifying and assessing foreign exchange risk, Evaluating foreign exchange rate risk, Managing foreign exchange risk, Foreign exchange risk management instruments.

6. Risk and Return of Securities: Risk and return, Risk and return characteristics of securities, Variance of combinations of assets, Characteristics of portfolio in general, the expected return, Standard deviation of a portfolio, Capital Assets Pricing Model (CAPM), Beta and measurement of beta.

Reference Books:

1. Stulz, Risk Management and Derivatives, South-Western
2. Myint and Famery, The Handbook of Corporate Financial Risk Management, Risk Books, 2012.
3. Quantitative Risk Management, concepts, techniques and tools, A. McNeil, R. Frey and P. Embrechts
3. Stephen A. Ross, Randolph W. Westerfield, and Jeffrey Jaffer, Corporate Finance, 10th Edition
4. Essentials of Managerial Finance - By Besley & Brigham, 14th Edition

Course Code: 817705	Marks: 100	Credits: 4	Class Hours:
Course Title:	Merchant Banking		

Course Objectives:

The objective of the course is to make the students to understand the functions of merchant

banking paradigm. It will also enable the students to understand the role of merchant banks in securities market and various advisory services rendered by merchant banks.

Course Contents:

1. **Introduction:** Meaning, Definition, Functions of Merchant Bank, Recent Developments and Challenges ahead, Institutional Structure, Legal and Regulatory Framework, Relation with Stock Exchanges, Merchant Banking in Bangladesh.
2. **Issue Management:** Role of Merchant Banker in Appraisal of Projects, Designing Capital Structure and Instruments , Issue Pricing, Book Building, Preparation of Prospectus, Selection of Bankers, Role of Registrars, Bankers to the Issue, Underwriters, and Brokers, Offer for Sale, E-IPO, Private Placement, Bought out Deals, Off - Shore Issues, Issue Marketing, Advertising Strategies, Post Issue Activities.
3. **Financial Advisory Services:** Corporate Restructuring, Leasing and Hire Purchasing, Mergers and Acquisitions, Divestitures, Leveraged Buyouts.
4. **Other Advisory Services:** Debt Syndication, Disinvestment of Public Sector Enterprises, Stock Broking and Depository Services, Credit Rating, Infrastructure Advisory Services.
5. **Capital Market Instruments:** Meaning, types, preference share, Equity share, Non-voting equity shares, warrants, debentures and bonds, global debt instruments.
6. **Venture Capital:** Meaning, definition, Rationale, Features, Origin and Growth of Venture Capital, Stages of Venture Capital Financing, Buyout, Financial Sources, Exit Mechanism.
7. **Mutual Fund:** Definition, Products/Schemes, Meaning, Functions, Portfolio Management Processes in Mutual Fund, Operational Efficiency of Mutual Fund, Causes of Poor Performances of Mutual Fund.

Reference Books:

1. Dr. S. Gurusamy, Thomson, Merchant Banking and Financial Services, Tata McGraw Hill.
2. Giri Pratap S. Investment Banking: Concepts, Analyses and Cases, 3/e; New Delhi: McGraw Hill Education (latest edition)

Course Code: 817707	Marks: 100	Credits: 4	Class Hours:
Course Title:	Security Analysis & Portfolio Management		

Course Objectives:

The purpose of this course is to provide the students with the necessary skills and tools to make investment decision. Students are expected to have knowledge and perform the management of investments in different assets like shares, stocks, bonds, debentures which are traded in the securities market. On completion of this course the students will be able to analyze the securities and make investments for optimum returns.

Course Contents:

1. **Introduction to Investment:** Financial and economic meaning of Investment, Characteristics and objectives of Investment, Types of Investment, Investment alternatives, Choice and Evaluation, Measures of returns and Risks, Determinants of Required Rate of Returns, Relationship between Risk and Return.
2. **Equity Market Securities:** Common Stock Valuation Models, Preferred stock, Forms of Dividend, Dividend Policy, Valuation of share, Estimating the Growth Rate of dividends, Valuation Using the relative Valuation Approach, Estimating Expected EPS, Estimating the Earning Multiplier for a Stock Series, Calculating Expected Rate of Return on Common Stocks.
3. **Debt Market Securities:** Basic Features of a Bond, Global Bond Market Structure, Alternative Bond Issues, Obtaining Information on Bond Prices. Fundamentals of Bond Valuation, Computing Bond Yields, Calculating future Bond Prices, Bond Valuation using Spot Rates, What Determines Interest Rate? What determines Price Volatility for Bonds?
4. **Capital Asset Pricing Model and Efficient Market Theory:** Capital Market Line, Security and Capital Market line, Expected Return And risk, Pricing of capital assets, Efficient Capital market, Efficient Market hypotheses, Arbitrage Pricing Theory.
5. **Portfolio Management Strategies:** Background Assumptions, Markowitz Portfolio theory, Combining Individual Assets into portfolio. Passive versus Active Portfolio Management, Overview of Passive Equity Portfolio Management Strategies, Overview of Active Portfolio Management Strategies, Value versus Growth Investment.
6. **Evaluation of Portfolio Performance:** What is required of a Portfolio Manager? Composite Portfolio Performance Measures, Evaluation of Bond Portfolio Performance, Reporting Investment Performance, Portfolio analysis, Portfolio Selection, Portfolio Revision, Portfolio Evaluation.

Reference Books

1. Reilly and Brown, *Investment Analysis and Portfolio Management*, Latest edition
2. S. Kevin, *Security Analysis and Portfolio Management*, latest edition

Course Code: 817709	Marks: 100	Credits: 4	Class Hours:
Course Title:	Quantitative Techniques		

Course Objectives:

This course is an introduction to statistics, the science of collecting, organizing, and interpreting data. Emphasis will be placed on statistical reasoning and data analysis. The main topics are study design, descriptive and quantitative statistics, and statistical inference. Hands-on data analysis projects will be assigned. Students will be required to use computer software package to solve various statistical problems.

Course Contents:

1. Introductory Concepts: Meaning of Statistics, Functions of Statistics, Scope of Statistics, Limitations of Statistics, Variables and Attribute, Population and Sample, Parameter and Statistic.

2. Collection and Presentation of Data: Sources of data, Methods of collecting primary data, Classification of data, Construction of frequency distribution, Tabulation of data, Diagrammatical and graphical representation of data.

3. Measures of Central Tendency: Objectives of averaging, Characteristics of good average, Arithmetic mean, Mode, Median. Geometric mean, Harmonic mean, Weighted arithmetic mean, Weighted geometric mean, Quartiles, Deciles & Percentiles.

4. Measures of Dispersion or Variation: Significance of measuring dispersion, Methods of measuring dispersion-range, mean deviation, standard deviation, co-efficient of variation.

5. Shape Characteristics of Distribution: Skewness and Kurtosis, Various measures of skewness and kurtosis.

6. Correlation and Regression: Types of correlation, Methods of studying correlation- Scatter diagram method, Karl Pearson's coefficient of correlation, Spearman's rank correlation coefficient, Difference between correlation and regression analysis, The liner bivariate regression model, Method of least squares, Concept of partial and multiple correlation & regression.

7. Time Series Analysis: Role of time series analysis, Components of time series, Methods of measuring trend, and seasonal, cyclical & irregular variations.

8. Random Variable and Its Distribution: Concept of random variable, Discrete and continuous random variables, Probability function, Probability mass function and Probability density function, Probability distribution, Distribution function, Expected value and variance of a random variable and their properties.

9. Sampling and Sampling Distributions: Concept of sampling, Objective of sampling, Methods of sampling, Simple random sampling, Stratified sampling, Systematic sampling, Size of sample, Merits of sampling method, Limitations of sampling, Sampling and non-sampling errors, The population (universe) distribution, The sample distribution, The sampling distribution, Relationship between population, sample and sampling distributions, Sampling distribution of mean, median, standard deviation, difference of two means, number of successes, proportions, difference of two proportions, Concept of t, F & Chi-square (χ^2) distributions.

10. Test of Hypothesis: Procedure of hypothesis testing, Type I and Type II errors, One-tailed and two-tailed tests, Applications of normal, z, t, F & χ^2 tests on business data, Analysis of Variance (ANOVA), Factor Analysis and Discriminant Analysis.

Practical/Application of Statistical Packages: SPSS & Excel, Introduction, Operation commands, Data definition, manipulation, commands and procedure commands for calculation of different measures of central tendency, dispersion, skewness, kurtosis, correlation and regression, different tests, etc. Statistical diagrams/graphs using computer.

Reference Books:

1. Allan G. Bluman, *Elementary Statistics: A Step by Step Approach, Latest Edition, Mcgraw Hill Inc.*
2. Levin & Rubin: *Statistic for Management*
3. Gupta, S. P. & M. P. Gupta, *Business Statistics, Latest edition*
4. Gupta and Kapoor, *Fundamentals of Applied Statistics*
5. Mustafa, M G, *Methods of Statistics*
6. Barrow, M. *Statistics for Economics, Accounting and Business Studies*
7. Meyer A, *Probability and Statistics, Addison-Wesley, USA*
8. Islam M N, *An Introduction to Statistics and Probability (Latest edition)*
9. *SPSS Reference Manual*

Course Code: 827711	Marks: 100	Credits: 4	Class Hours:
Course Title:	Regulations and Ethics in the Capital Markets		

Course Objectives:

The subject of Regulations and Ethics in the Capital Markets is inherently complicated and is subject to constant refinement through new primary legislations, rules and regulations made there under. Therefore every student updates himself with the various legislative changes made from time to time by Bangladesh Securities & Exchange Commission (BSEC) and Stock Exchanges.

This course is designed to give concepts regarding Regulations and Ethics and ongoing reforms of Capital Markets of Bangladesh. The course also covers ethical conduct of finance professionals by focusing on the code of ethics and standards of professional conduct. The study of regulations and how market practitioners should conduct themselves in the Capital Markets will help students strengthen their ethical responsibilities.

To summarize, this course covers the regulations, investors, financial products, product issues, exchanges, financial ethics and code of conduct for finance professionals.

Course Contents:

TREC Regulations, Listing Regulations, The Exchanges Demutualization Act 2013, Demutualization Scheme, Memorandum and Articles of Association, Corporate Governance Code, Settlement Regulations, Settlement Guarantee Fund Regulations 2013, Short Sale Regulations 2006, Automated Trading Regulations-99, Investors Protection Fund Regulations, Margin Rules-99, TREC Holders Margin Regulations, Board and Administration Regulations and Securities Related Laws.

Reference Books:

1. Vishal Saraogi: Capital Markets and Securities Laws simplified, Law point Publication
2. Rules and Regulations of Dhaka Stock Exchange (DSE), Source: Website: www.dsebd.org
3. Securities Laws, Rules and Regulations, Source: <https://www.sec.gov.bd/home/laws>

Course Code: 827713	Marks: 100	Credits: 4	Class Hours:
Course Title:	Capital Markets & Investment Decision		

Course Objectives: Capital markets play a critical role in the economy, that of allocating surplus savings to their productive use. As a consequence, a vast array of financial instruments has been created to accommodate different investors' objectives and risk preferences. In this course, students focus on resolving two major issues: asset allocation and security selection. To do this effectively, students learn about financial markets, financial instruments and institutions, securities trading process, mutual funds, portfolio theory, risk-return relationship, security analysis, Index Models, The Capital Asset Pricing Model and Arbitrage Pricing Theory, Efficient Market Hypothesis (EMH) and Behavioral Finance, and International Diversification. These topics are handled at the introductory level, enabling students to take first steps toward building portfolios for themselves and/or their clients should they choose to pursue a career in financial services.

Course Contents:

- 1. The Investment Environment:** Real Assets versus Financial Assets, Functions of the Financial Markets, Financial Markets and the Macroeconomy, Direct vs. Indirect Finance, Issuance and Trading of Securities, Privately vs. Publicly Held Firms, Initial Public Offerings, Shares Outstanding vs. Float, Trading of Securities on the Secondary Market, Conventional Market Structure.
- 2. Asset Classes and Financial Instruments:** Money Market, Bond Market, Equity Securities, Stock and Bond Market Indexes, Derivative Markets.
- 3. How Securities Are Traded:** How Firms Issue Securities?, How Securities Are Traded, How Securities Are Traded, Bangladesh Securities Markets, Market Structure in Other Countries, Trading Costs, Buying on Margin, Regulation of Securities Markets.
- 4. Mutual Funds and Other Investment Companies:** Investment Companies, Types of Investment Companies, Mutual Funds, Costs of Investing in Mutual Funds, Taxation of Mutual Fund Income, Exchange-Traded Funds, Mutual Fund Investment Performance, Information on Mutual Funds.
- 5. Portfolio Theory and Practices:** Determinants of the Level of Interest Rates, Interest Rates, Returns and Holding Period, Risk Premium, Measures of Risk and Return: Equities and Long-Term Investments, Diversification and Portfolio Risk, Portfolios of Two Risky Assets, The Markowitz Portfolio Optimization Model, Risk Pooling, Risk Sharing, Fixed Income Securities,

Bond Pricing, Yield to Maturity (YTM), Default Risk and Bond Pricing, Credit Risk, Interest Rate Risk, Duration Convexity, The Term Structure of Interest Rates, Theory and Evidence on Term Structure. The “Layers” of Portfolio Decisions, Attitudes toward Risk, Portfolio Optimization, Efficient Diversification

6. Index Models: A Single-Factor Security Market, The Single-Index Model, Estimating the Single-Index Model, Portfolio Construction and the Single Index Model, Practical Aspects of Portfolio Management with the Index Model.

7. The Capital Asset Pricing Model and Arbitrage Pricing Theory: The Capital Asset Pricing Model (CAPM), Assumptions, Extensions and Applications, Structure of the Model, Liquidity and the CAPM, Arbitrage Pricing Theory (APT) and Multifactor Models of Risk, The APT and the CAPM.

8. Efficient Market Hypothesis (EMH) and Behavioral Finance: Theoretical Foundations of EMH, Implications of the EMH, Are Markets Efficient?, Empirical Tests, Technical Analysis and Behavioral Finance.

9. International Diversification: Global Markets for Equities, Risk Factors in International Investing, International Investing: Risk, Return, and Benefits from Diversification, Assessing the Potential of International Diversification, International Investing and Performance Attribution.

Text Book:

1. Investments by Bodie, Kane and Marcus, McGraw-Hill, Latest Edition.

Reference Books:

2. An Introduction to Capital Markets: Products, Strategies, Participants (The Wiley Finance Series)
3. Capital Markets and Investment Decision Making By Dhankar, Raj S.
4. Capital Markets and Investments: Essential Insights and Concepts for Professionals by Siddhartha G. Dastidar, Latest Edition.

Course Code: 827715	Marks: 100	Credits: 4	Class Hours:
Course Title:	Fundamental & Technical Analysis		

Course Objectives:

The purpose of this course is to provide students clear concepts regarding fundamental analysis and technical analysis to make an investment decision in the capital markets. Providing a detailed analysis of the stock markets, “Introduction to Stocks” offers students of all majors and backgrounds an alternative to the conventional finance class. Students will get a basic introduction to stocks as well as learn practical applications of how to invest. This course aims to help students build the ability and knowledge to make their own decisions with their investment decisions in the stock market. By the end of the course, students will not only know how to start investing on their own with a solid foundation.

Course Contents:

1. Fundamental Analysis (An Introduction): Meaning of Fundamental Analysis, Investing & Fundamental Analysis, Efficient Market Hypothesis (EMH), Arguments against EMH, Does Fundamental Analysis Work?, Steps in Fundamental Analysis, Qualitative vs. Quantitative Analysis, Technical vs. Fundamental Analysis, Value vs. Growth Investing.

2. Financial Statement Analysis: Where can one find financial statements – The Director's Report, The Auditor's Report, Financial Statements: Balance Sheet, Income Statements, Schedules and Notes to the Accounts, Cash Flow Statement, Financial Statement Analysis and Forensic Accounting, Comparative and Common-size financial statements, Financial Ratios, Du-Pont Analysis, Cash Conversion cycle, The Satyam case and need for forensic accounting.

3. Introduction to Technical Analysis: Technical analysis, Basic assumptions, Strengths and Weakness, Support and resistance, Trend line (technical analysis), Breakout (technical analysis), Market trend, Dead cat bounce, Elliott wave principle, Fibonacci retracement, Pivot point, Dow Theory.

4. Charts: Candlestick chart, Open-high-low-close chart, Line chart, Point and figure chart, Kagichart.

5. Patterns (Chart Pattern): Chart pattern, Head and shoulders (chart pattern), Cup and handle, Double top and double bottom, Triple top and triple bottom, Broadening top, Price channels, Wedge pattern, Triangle (chart pattern), Flag and pennant patterns, The Island Reversal, Gap (chart pattern).

6. Patterns: (Candlestick Pattern): Candlestick pattern, Doji, Hammer (candlestick pattern), Hanging man (candlestick pattern), Inverted hammer, Shooting star (candlestick pattern), Marubozu, Spinning top (candlestick pattern), Three white soldiers, Three Black Crows, Morning star (candlestick pattern), Hikkake Pattern.

7. Indicators (Trend): Average Directional Index, MACD, Mass index, Moving average, Parabolic SAR, Trix (technical analysis), Vortex Indicator, Know Sure Thing (KST) Oscillator.

8. INDICATORS (Momentum & Volume): Momentum (finance), Relative Strength Index, Stochastic oscillator, Williams %R, Volume (finance), Accumulation/distribution index, Money Flow Index, On-balance volume, Volume Price Trend, Force Index, Negative volume index

9. INDICATORS (Volatility & Other Indicators): Volatility (finance), Average True Range, Bollinger Bands, Donchian channel, Standard deviation, Advance decline line, Commodity Channel Index, Coppock curve, Keltner channel, McClellan Oscillator, Ulcer Index, Ultimate Oscillator

10. Risk Management, Trading Psychology & Trading Strategies: Risk Management-Need, techniques, uses of stop loss, qualities of successful traders, golden rules of traders, do's and

don'ts in trading, Rules to stop losing money, Choosing the right market to trade, Importance of discipline in trading, Trading, Risks associated with trading, Strategies for Trading, Momentum Trading Strategies, Roles Played by Trader- Speculator, Hedger, Arbitrager, Modern Trend in Trading, Algo Trading and High Rhythmic Trading.

Practical:

- ❖ Practical/application of software for technical analysis and fundamental analysis.
- ❖ Memorandum of Understanding (MOU) with Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Bangladesh Institute of Capital Market (BICM), Stock BD and Amar Stock for providing training teachers and students.

Reference Books:

1. Raghu Palat, *Fundamental Analysis for Investors*, 4th Edition/Latest Edition, Vision Books Pvt. Ltd.
2. Robert D. Edwards, *Technical Analysis of Stock Trend*, Vision Books Pvt. Ltd.
3. Martin J. Pring, *Technical Analysis Explained*, Latest Edition, McGraw Hill.
4. Darell R. Jobman; Probus, *Handbook of Technical Analysis*, and *Technical Analysis of Stocks, options*; William Eng, Probus.
5. Jack D. Schwager, *Technical Analysis*, Latest Edition, John Wiley & Sons.

Course Code: 827717	Marks: 100	Credits: 4	Class Hours:
Course Title:		Stock Market Operations	

Course Objectives:

This course aim at giving a comprehensive understanding on the stock market operations in terms of its structure, trading, settlement procedures, processes and related components and the regulations, emerging challenges in the Stock market of Bangladesh.

Course Contents:

1. Capital Markets in Bangladesh: An overview of Securities Market of Bangladesh, Meaning, Functions, Intermediaries, Role of Primary Market, Methods of selling securities in primary market, New financial instruments, New Issues–BSEC guidelines for public issues, pricing of issue, promoters’ contribution, appointment and role of merchant bankers, underwriters, brokers, registrars and managers, bankers etc., Underwriting of issues, Allotment of shares, Procedures for new issues, e-trading, Problems of New Issues Market, IPO’s, Investor protection in primary market, Recent trends in primary market, BSEC measures for primary market.

2. Stock exchanges and its Functions: Meaning, Nature, Functions of Secondary Market – Organisation and Regulatory framework for stock exchanges in Bangladesh–BSEC: functions and measures for secondary market, Overview of major stock exchanges in Bangladesh, Listing of Securities: Meaning, Merits and Demerits, Listing requirements, procedure, fee, Listing of rights issue, bonus issue, Listing conditions of DSE and CSE, Delisting.

3. Trading, Settlement and Surveillance System In Stock Exchanges: Different trading systems in DSE & CSE, Different types of settlements, Pay-in and Pay-out, Bad Delivery, Short delivery, Market types, Order types and books, De-mat settlement, Physical settlement, Institutional segment, Funds settlement, Valuation debit, Valuation price, Bad and short delivery, Risk management system in DSE & CSE, Margins, Exposure limits, Surveillance system in DSE & CSE, Circuit breakers.

4. Stock Market Indices: Meaning, Purpose, and Construction in developing index Methods (Weighted Aggregate Value method, Weighted Average of Price Relatives method, Free-Float method), Stock market indices in Bangladesh: DSEX Index, DSES Index, DSE30 Index, DSE CDSET Index, SME Board, Construction–Stock market indices in foreign countries (Overview).

5. Commodity and Currency Markets: Commodity exchanges: evolution and history, role in globalizing economy, governing regulations, price, risk management, commodity exposure, hedge accounting, currency futures, managing exchange rate, carbon markets, Bonds, derivatives, ETFs–Purpose, Importance, types, construction.

Practical:

- ❖ Application of DSE Flex Tp, Oms, DSE Mobile/Desktop software for trading in the capital market through brokerage house.
- ❖ Memorandum of Understanding (MOU) with Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Bangladesh Institute of Capital Market (BICM), Stock BD and Amar Stock for providing training teachers and students.

Reference Books:

1. Punithavathy Pandian, “Security Analysis and Portfolio Management”, Vikas Publishing House Pvt. Ltd.
2. Prasanna Chandra, “Investment Analysis and Portfolio management”, Tata McGraw Hill, 3rd Edition, 2008/Latest Edition.
3. Dalton, John M, How The Stock Market Works, *Prentice Hall, New Delhi.*

Grading System

In each course, students receive letter grades depending on their performance. The numerical equivalence (grade point) of each grade will be followed in calculating CGPA is as follows:

Marks	Grade	Grade Points
80 or above	A+	4.0
75 to 79	A	3.75
70 to 74	A-	3.50
65 to 69	B+	3.25
60 to 64	B	3.00
55 to 59	B-	2.75

50 to 54	C	2.50
Below 50	F	0

Degree Requirements

In order to qualify for the post graduate diploma in insurance and capital market, a student has to meet the following requirements:

- Completion of 10 courses.
- Completion of internship/project and viva-voce and submission of internship/project report.
- Passing of all courses individually and obtaining a minimum GPA of 2.50.

Withdrawal of Course

- If a student wants to withdraw course from a semester on any reasonable ground, accepted by the management, she/he will have the opportunity to withdraw once.

Incomplete Course

- Students must complete the course work within two weeks from the date of publication of the semester results.

Retake of a Course

- A student who has received an „F“ grade in any course must retake that course in order to meet the degree requirement. Moreover, if a student receives a GPA below 2.50 in any course s/he can retake the course once.

Probation and Dismissal

- If a student fails to maintain a minimum GPA of 2.50 at the end of a semester, he/she will be placed on probation. If the student on probation fails to raise his/her GPA to at least 2.50 in the following semester, he/she will stand dismissed from the program.

Why Studying PGDCMI with National University (NU)?

- Certificate from NU in relevant field will provide eligibility for being Portfolio Manager, Finance Officer, portfolio manager of mutual funds; Financial Analyst in Securities Firms, Financial Manager in Investment/Merchant Banks, Risk and Return Management Consultant, Corporate Risk Manager, Fund Manager and Trader in Brokerage House.
- To be a successful financial market professional, an individual needs skill in clarity of thoughts, quick decision-making, financial analysis, and interpersonal relationships NU will enhance these skills by imparting knowledge to enhance an individual’s knowledge, skills and attitude at all levels.
- By offering a broad array of professional programs, NU provides participants with progressive career building opportunities. The program will also boost a person’s credibility and maximize professional opportunities in the field of financial market in general and capital market in particular.
- NU offers this program for individuals who aspire to pursue their career in the fields of capital market i.e. agent, regulation, operations, compliance and investment management.

- NU will provide a deeper insight into how economies and capital market work, which will enrich decision making ability of an investor.
- The blend of rigorous academic core and practical application provided by NU will help sharpening participant's management as well as technical skills that are sought by financial institutions, companies and public organizations.
- Course contents and questions of all NU qualifications are set and regularly viewed by senior practitioners to ensure they are up-to-date and relevant.

Course Code: 827718	Marks: 100	Credits: 4	Class Hours:
Course Title:	Internship/Project and Viva Voce/Defense		