

BUSM 7083 SECURITY ANALYSIS AND PORTFOLIO THEORY

Credit Points 10

Legacy Code 51212

Coordinator Heath Spong ([https://directory.westernsydney.edu.au/search/name/Heath Spong/](https://directory.westernsydney.edu.au/search/name/Heath%20Spong/))

Description This subject examines the valuation of assets, firms and securities. The focus is on the attempt by active investors to identify mispriced securities through projection of a firm's future cash flows based on pro forma financial statements, translating those projections to values and dividing the firm value among the different security holders of the firm. Students develop their understanding of accounting, finance and economic concepts in this applied unit by building models of a firm and conducting analyses of the equity valuation.

School Business

Discipline Business And Management

Student Contribution Band HECS Band 4 10cp

Level Postgraduate Coursework Level 7 subject

Restrictions

Students must be enrolled in a postgraduate Business program.

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Analyse financial and non-financial company and industry information;
2. Assess a company's future prospects;
3. Classify the concepts and limitations of traditional valuation approaches;
4. Valuate different types of securities;
5. Classify the concepts of alternative valuation approaches;

Subject Content

Introduction to valuation
 Understanding the business
 Accounting Analysis
 Financial Ratio Analysis
 Cash Flow Analysis
 Forecasting Details
 The cost of capital
 Valuations
 Valuation ratios
 Some complications

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Type	Length	Percent	Threshold	Individual/ Group Task
Intra-session Exam	1.5 hours	20	N	Individual
Report	2,000 words	20	N	Group
Final Exam	2 hours	50	N	Individual
Reflection	500 words	10	N	Individual

Prescribed Texts

- Lundholm, R & Sloan, R 2013, Equity valuation and analysis, 3rd edn, McGraw-Hill.

Teaching Periods

Quarter 2 (2022)

Parramatta City - Macquarie St

Evening

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View timetable (https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=BUSM7083_22-Q2_PC_E#subjects)

Quarter 2 (2023)

Parramatta City - Macquarie St

On-site

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