

This subject provides students with a working knowledge of the analyst's role and the tools used by the analyst, including new methods used to value companies and formulate an investment opinion on a company. Students analyse a number of key industry sectors and company strategies.

Learning outcomes

At the completion of this subject students should be able to:

- Identify fundamental tools and critical information needed to analyse and report on a company and its industry
- Describe the processes and practices used to analyse industrial companies
- Discuss the importance of industry positioning, competitive advantage and corporate strategy when analysing companies
- Assess the impact of key quantitative and qualitative data on industrial equity stocks
- Analyse a company's operational and financial performance via comparison with benchmarks and peer analysis
- Build a basic financial model of a company and apply financial ratio analysis
- Write a report on the analysis of a company
- Analyse key sectors within the industrial equities market and evaluate the critical issues and key drivers of shareholder value
- Evaluate the validity of industry benchmarks for companies within a specific sector
- Apply financial modelling techniques to companies within key sectors

Subject content

- The Analyst's World
- Analysing Non-Financial factors
- Building a Basic Financial Model
- Introducing Complexity to a Financial Model
- Equity Market Sectors
 - Retail
 - Health care
 - Media
 - Infrastructure
 - Banking

Assessment

Assessment Type	Assessed	Weighting
Assignment	Week 6	40%
Examination	Week 12	60%

Delivery method

Kaplan's delivery is primarily through distance education, supported by comprehensive print and online resources. Students will have access to subject notes, pre-recorded lectures, an online subject room, practitioner led Discussion Forums, online exercises, library and further resources.

Pre-requisites

Students enrolling in a Masters level elective subject are assumed to have the pre-requisite knowledge in the four core subjects ([FIN111](#), [FIN112](#), [FIN113](#) and [FIN114](#)). This requirement can be waived where students are studying one or more core subjects concurrently with an elective, or they are studying single subjects and are not enrolled for the Masters, Graduate Diploma or Graduate Certificate courses. Students enrolling into an elective subject without having completed all core subjects should ensure that they have, or have access to, the pre-requisite or assumed knowledge required for successful completion of the elective subject. For further information on pre-requisite study contact a student adviser.

Kaplan recommends that you complete the following Kaplan Professional unit (or have a thorough working knowledge of the content) prior to enrolling in this unit:

- Applied Valuation ([FIN224](#)).

Workload

This subject requires approximately 120 hours of student effort (11-12 hours per week). This includes time spent on activities such as: Reading and review of course notes and other reading material, attending to or listening to live or pre-recorded lectures, participating in e-learning activities, and assessment preparation and review.

Reading list

The following list of references provides the student with key and additional reading material.

Prescribed text

There are no prescribed texts for this subject.

Additional readings:

Koller, T, Goedhart, M & Wessels, D 2005, *Valuation: measuring and managing the value of companies*, 4th University ed., John Wiley.

Lonergan, W 2003, *The valuation of businesses, shares and other equity*, 4th ed., Allen & Unwin.

Lynch, P, & Rothschild, J 2000, *One up on Wall Street: How to use what you already know to make money in the market*, Simon & Schuster.

Malkiel, Burton G. 2007, *A random walk down Wall Street*, 9th rev ed., W.W. Norton & Co.

O'Shea, J, & Madigan, C 1999, *Dangerous company: management consultants and the businesses they save and ruin*, 2nd ed., Nicholas Brealey Publishers.

Reilly, FK, & Brown, KC. 2008, *Investment analysis and portfolio management*, 9th ed., South Western (USA).

Savarese. C. 2000, *Economic Value Added: the practitioner's guide to a measurement and management framework*, Business and Publishing.

White, GI, Sondhi, AC, & Fried, HD 2003, *The analysis and use of financial statements*, 3rd ed., John Wiley & Sons.