

EQUITY MARKETS

Equity Markets is a module in the Financial Markets Program. The module surveys exchange-traded equity products, including equity derivatives, commonly traded by Australian dealers and outlines how they may be used to construct hedging, speculative and arbitrage strategies. Also addressed is the client advising process, including the ASX requirements for advising retail clients on exchange-traded warrants and options.

LEARNING OUTCOMES

Once you have successfully completed the Equity Markets module, you will be equipped to:

- ✓ describe the different types of equity securities and how they can be used
- ✓ analyse the behaviours and motivations of equity market participants
- ✓ outline the steps in the equity transaction process, from order through to clearing and settlement
- ✓ execute equity trading strategies
- ✓ analyse and track the market performance of equities
- ✓ analyse the behaviours and motivations of equity derivatives market participants
- ✓ use futures and options to control risk and add value to an equity portfolio
- ✓ construct and manage strategies using options
- ✓ construct and manage strategies using warrants
- ✓ provide advice to a client on equity securities, options and warrants.

ASSESSMENT TASKS

Advising stream	Dealing stream
Assignment	Assignment
Skills assessment <ul style="list-style-type: none">• Case study (Part A & B)• Role-play (Part A & B)	Skills assessment <ul style="list-style-type: none">• Case study• Role-play

Assignment

The assignment is based on a series of short answer questions covering market structure, economic drivers, financial products, the regulatory framework and the role of risk.

Both the Advising and Dealing stream complete the assignment.

Skills assessment

The skills assessment for this module consists of two separate activities – a case study and a role play exercise.

Case study: the case study consists of a scenario and a series of questions that are based on authentic workplace issues. To complete the questions, you must draw on both the knowledge that you have gained from studying this module and the knowledge you have gained through your experience of working in financial markets.

Role play: the role play exercise, in which you act the part of a dealer or adviser, allows you to demonstrate oral communication skills when advising clients on strategies and transactions. You will need to book the role play assessment via Moodle.

Students registering for the [advising stream](#) of this module will be required to complete a split skills assessment (Parts A and B). Both parts will consist of a case study and role play exercise. Part A assesses the prerequisite units of competency required to complete the ASIC advising units of competency. Part B assess the ASIC advising units of competency.

Those registering for the [dealing stream](#) will complete a single skills assessment.

LEARNING ACTIVITIES

You must read the manual and attempt the activities which will assist with your learning and completion of the skills assessments.

STUDY SCHEDULE

It is recommended that you follow the study schedule to complete this module.

Week	Tasks
Week 1	Download assessments and start
	Complete Chapter 1: Learning Outcome 1
Week 2	Complete Chapter 1: Learning Outcome 2
Week 3	Complete Chapter 1: Learning Outcome 3
	Assignment due
Week 4	Complete Chapter 1: Learning Outcome 4
Week 5	Complete Chapter 1: Learning Outcome 5
Week 6	Complete Chapter 2: Learning Outcome 6
Week 7	Complete Chapter 2: Learning Outcome 7
Week 8	Complete Chapter 2: Learning Outcome 8
Week 9	Complete Chapter 2: Learning Outcome 9
Week 10	Complete Chapter 2: Learning Outcome 10
Week 11	Complete Chapter 3: Learning Outcome 11
	Advising skills assessment (case study) - Part A due
Week 12	Complete Chapter 3: Learning Outcome 12
	Advising skills assessment (role play) - Part A due
Week 13	Complete Chapter 3: Learning Outcome 13
Week 15	Dealing skills assessment (case study) due
	Advising skills assessment (case study) - Part B due
Week 16	Advising skills assessment (role play) - Part B due
	Dealing skills assessment (role play) due

WHAT WILL YOU ACHIEVE FROM COMPLETING THIS MODULE?

Upon successful completion of the module and related assessment tasks, you will be awarded the following competency units from the Diploma of Financial Markets FNS51015:

Advising stream

Part A

- FNSFMK502 Analyse financial market products for clients
- FNSFMK503 Advise clients on financial risk
- FNSCUS505 Determine client requirements and expectations
- FNSCUS506 Record and implement client instructions

Part B

- FNSASICV503 Provide advice in derivatives
- FNSASICW503 Provide advice in securities

Dealing stream

- FNSFMK509 Process transaction documentation
- FNSFMK601 Price financial transactions
- FNSFMK602 Hedge financial products
- FNSFMK510 Prepare trading strategies for clients
- FNSFMK511 Apply limits when trading

OTHER INFORMATION

Student support

Jason Sheil, Learning Services Manager at AFMA is your main point of contact as you progress through the module, so if you have any concerns or questions, or need additional guidance as to what you should be doing, Jason can be reached at education@afma.com.au.

If your question relates to the learning material then you should post to the Support Forum on the module page in the AFMA Moodle.

Duration

AFMA provides a maximum of 18 months to complete the full FNS51015 Diploma of Financial Markets (from date of initial registration) or 9 months if you intend on completing one module only (from date of initial registration).

It is important to note that AFMA has structured each module so that it should be completed in a time frame of 4 months.

Grading of assessments

AFMA grades student work as either 'competent' or 'not yet competent'. Grades that indicate level of achievement, e.g. high distinction or distinction, are not awarded.

Extensions for assessments

If you require an extension, you must submit your request **before** the submission date to psivanesan@afma.com.au.

Extensions are granted only on the basis of sickness, major family crisis, or unexpected emergency travel connected with employment (employer's confirmation is required).

Any extensions granted are for a fixed period of two weeks and your results may be delayed.

Submitting your skills assessment

You must submit your completed skills assessment for marking through AFMA Moodle. When you upload the skills assessment, it will be checked by Turnitin, a plagiarism detection software.

Academic honesty

Personal integrity is a core ethical principle in AFMA's Code of Ethics. Consequently academic integrity is an important principle to which all students enrolled in the Financial Markets Program are expected to adhere. For example, any academic work that you submit for assessment must be your own work and when you do include ideas and work from other people, this must be acknowledged.

