



EQUITY ANALYSTS'  
SHORT COURSE  
COURSE BROCHURE

**November 2023**

## 1. THE PURPOSE OF THE COURSE AND ENTRY REQUIREMENTS

The purpose of the Short Course is to provide new equity analysts and/or aspiring investment analysts with practical experience in building an equity model and applying various valuation tools. The Short Course will be practical in nature and provide hands-on experience in using Excel and other tools effectively to build a model for a company. Aspiring new equity analysts are likely to have a good theoretical knowledge of analysis and valuation, but limited experience in doing a real valuation of a company. The Short Course cannot develop a fully-fledged analyst in one week, but it can help analysts feel more confident about how to get started and to start asking relevant questions of their colleagues and of themselves.

Half the course covers the theory and practical application of company valuation and financial value creation/destruction, starting from the basics, and then works through a financial modelling and valuation case study. Participants get to apply this knowledge in a modelling, analysis, and valuation group project, and to receive feedback on their presentation of this. The second component of the course consists of five three-hour sessions where industry professionals share their knowledge, experience, and skills with the participants, ranging from Excel insights to the practical application of equity analysis within specific market sectors.

The programme is aimed at new analysts entering the industry who have the necessary tertiary qualifications but have limited experience in building models and valuing companies in the workplace. Candidates for this short course will be expected to have a reasonable knowledge of accounting (1-2 years of university level accounting). Furthermore, all candidates must provide their own laptops as they will use these while working in groups to build an equity valuation model and present their conclusions with the other groups.

## 2. ACADEMY VISION & CONTEXT

The ASISA Academy creates and delivers high quality solutions to meet the skills development needs of South African Savings, Life Assurance and Investment Management organisations. Our learning solutions are informed by and responsive to industry realities and delivered in an academically sound and practitioner-led manner.

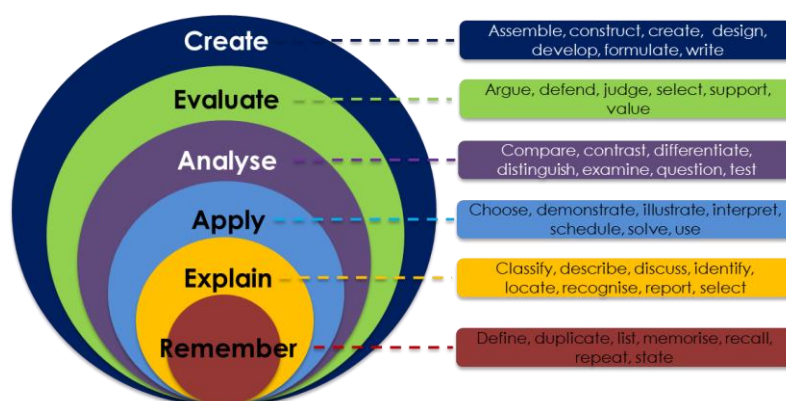
The Academy resulted from the need for a fresh approach to developing savings and investment management skills and achieving broader, more rapid transformation of the industry. The intention is to take delegates' learning beyond that of their tertiary studies using an approach that responds to industry realities and is delivered by industry experts in an academically sound manner.

More than 17,000 people in the Southern African financial services sector have learned with the ASISA Academy since 2008 with over 1000 industry presenters keeping the learning rooted in reality.

The Academy has a Level 1 B-BBEE rating.

## 3. ACTIVE LEARNING

We work hard at the ASISA Academy to ensure every learning experience is as interactive as possible. To achieve this, we draw on the expertise of some of the most experienced and specialised professionals in the industry and we limit the size of our groups. The following diagram captures the Academy approach to learning. We aim to achieve the bulk of our learning in the biggest circles.



Class sizes are limited to enable a supportive learning environment in which no committed participant gets left behind. Delegates will be required to bring a laptop or tablet in order to make full use of the online learning environment during the sessions.

## 4. COURSE LEARNING OUTCOMES

The following table summarises each Learning Area and Learning Outcomes covered during the course.

Learning Area	Learning Outcomes - By the end of the course successful participants will be able to...
<b>Industry context</b>	<ul style="list-style-type: none"> <li>Describe the investment industry context, legislative and regulatory environment and provide an overview of the financial services landscape and main role players.</li> </ul>
<b>Ethics</b>	<ul style="list-style-type: none"> <li>Discuss the importance of ethics in the asset management industry and what some of these ethical dilemmas are.</li> </ul>
<b>A day in the life of an Equity Analyst</b>	<ul style="list-style-type: none"> <li>Describe what an equity analyst does based on an equity analyst sharing their experiences of the job.</li> </ul>
<b>Different approaches to investing</b>	<ul style="list-style-type: none"> <li>Describe the advantages and disadvantages of different approaches to investment and equity analysis.</li> <li>Explain the role of equities in the context of asset allocation.</li> </ul>
<b>Investment philosophies and styles</b>	<ul style="list-style-type: none"> <li>Contrast the different investment styles and philosophies and explain the importance of identifying and understanding one's personal style.</li> <li>Discuss the importance of investment philosophy and how it influences equity research.</li> </ul>
<b>Excel skills</b>	<ul style="list-style-type: none"> <li>Use Excel to develop a financial model for valuing a company.</li> </ul>
<b>Overview of an exemplar company and that company's sector in SA</b>	<ul style="list-style-type: none"> <li>Explain the different types of companies an equity analyst may analyse and different approaches to analysis within each sector, including financials, industrials, mining, retail etc.</li> </ul>
<b>Ratio analysis</b>	<ul style="list-style-type: none"> <li>Identify what ratios may be relevant in helping one analyse a company's financial strength, profitability and historic performance, and calculate and interrogate these ratios.</li> </ul>
<b>Equity analysis of different kinds of companies</b>	<ul style="list-style-type: none"> <li>Describe how to analyse and value different kinds of companies based on what industry experts have shared.</li> <li>Identify and apply various valuation tools and describe their strengths and weaknesses.</li> </ul>
<b>Modelling a company's financial statements</b>	<ul style="list-style-type: none"> <li>Build a model of a SA listed company's financial statements to perform valuations.</li> <li>Identify the links between the different financial statements.</li> <li>Build a forecast model for a company by forecasting the income statement, balance sheet and cash flow statements.</li> </ul>
<b>Equity Valuation</b>	<ul style="list-style-type: none"> <li>Using the Excel model, apply different valuation tools value the shares and critique each tool in the context of these valuations.</li> <li>Choose an appropriate risk-free rate for net present value calculations.</li> <li>Define the link between equities and bonds</li> </ul>



<b>Learning Area</b>	<b>Learning Outcomes</b> - By the end of the course successful participants will be able to...
<b>Management interviews</b>	<ul style="list-style-type: none"><li>• Conduct a management interview more effectively.</li><li>• Demonstrate a number of interview techniques.</li><li>• Apply to their situations input from industry experts on their experiences of what works and what doesn't work</li><li>• Know what questions to ask and not to ask.</li></ul>

## 5. PROGRAMME CHAMPION



### Francois Toerien – PhD (Chemistry), MBA, CFA

Francois is an associate professor in finance in the Department of Tax and Finance at the University of Cape Town where he also serves as Finance Section Head. He teaches third and fourth year BBusSci, B Comm and Economics students. Prior to joining UCT he worked as an equity analyst for Allan Gray. Francois has been presenting on the Academy's programme for the past 12 years.

## 6. FEEDBACK FROM PAST CANDIDATES

Some comments from past Academy delegates about their experiences on our courses:



- “Today's session meant that I could consolidate everything that I had learnt over the days of the course. It has been very valuable. I am very excited about the knowledge I have gained. Great course!”

- “Overall it was definitely encouraging and I learnt new things once again. The course was good, and in my opinion it would be a great tool for all our staff members”.

- “What an excellent day! Learnt a tremendous amount from the brilliant speakers today. Could easily spend a day with each of them”.

- “Great lecturers from the industry that has a wealth of knowledge to share. Thoroughly enjoyed it!”
- “In a nutshell, the investment industry summed up in a week and getting top industry professionals to simplify complexity in our working environment was one of the most fulfilling things in my career, and am ready to apply all the concepts learned, from Excel to self-management and through to compliance to add value and simplify my life, most of all and those that I work with, and continue to question status quo”.
- “It's a great course and should really be given a lot more attention to newcomers to the industry”.
- “The program has broadened my perspective in terms of the actual industry - I am learning so much. It has been a great experience so far”.
- “Have enjoyed and found it very helpful and informative”.
- “Programme is fantastic, makes you apply your mind especially to the things you know but are ignorant of”.



- “It has been very valuable. I am very excited about the knowledge I have gained. Great course!”

- “The course was highly beneficial to me as a newbie in this industry. I would recommend that everyone who is unfamiliar with the big picture of the investment world do the course. Really great experience.”

## 7. CONTACT INFORMATION

For course dates, venues, pricing, and other information please contact the ASISA Academy on:

- Email: [LEARN@asisaacademy.org.za](mailto:LEARN@asisaacademy.org.za)
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