

POSTGRADUATE DIPLOMA IN CAPITAL MARKET (PGDCM)

Handbook



Bangladesh Institute of Capital Market (BICM)

Bangladesh Institute of Capital Market (BICM) is the national institute for imparting practical capital market education and training. BICM is striving to be a center of professional excellence through disseminating recent and updated theoretical and practical knowledge.

BICM was established on 24 Jul 2008 and fully funded by Government of the People's Republic of Bangladesh (GoB) from FY 2009-10. Mr. Abul Maal Abdul Muhith, Hon'ble Minister, Ministry of Finance, GoB inaugurated the academic activities of BICM on 09 December 2010.

The Institute has been operating under the policy directions of Bangladesh government and the leadership of a competent board. The Board of BICM, led by able leadership of Professor Dr. M. Khairul Hossain, Chairman of the Board of Directors of BICM & BSEC, has the finest blend of wide array of expertise and knowledge representing cross section of stakeholders, that would contribute towards its academic and professional excellence. Mr. Mohammad Abdul Hannan Zoarder is the Executive President of the Institute.

Why PGDCM is Imperative

With a view to strengthening Bangladesh capital market through elevating knowledge of stakeholders, BICM is offering “Post Graduate Diploma in Capital Market”. Capital market is dynamic and evolving over time both locally and globally. Recently, Bangladesh government has amended securities law and brought derivatives, commodities, future products and ETFs under the regulatory regime of Bangladesh Securities and Exchange Commission (BSEC). BSEC has planned to launch these products within 2017. Exchanges have taken initiatives to set up a securities clearing corporation. Existing stock exchanges may also operate as derivative exchanges.

To excel as a capital market professional, thorough knowledge and skills on new instruments and its regulations is imperative. Sound theoretical, mathematical and technical knowledge will enhance understanding of new instruments and techniques. Comprehensive concept of legal framework and economy is also crucial to outshine in career in this field. PGDCM of BICM will sharpen a student’s required management, mathematical and technical skills by providing blend of rigorous academic and practical application.

Course Objectives

- ❖ To provide blend of theoretical and practical knowledge of the capital markets
- ❖ To aid participants applying techniques of financial analysis, security analysis, portfolio management, risk analysis and corporate financing in their professional work
- ❖ To enhance understanding of compliance with regulatory requirements in capital market
- ❖ To provide an in-depth understanding of capital market operations along with familiarization of new instruments and techniques

Target Audience

- ❖ Individuals working for market intermediaries in Bangladesh capital market
- ❖ Graduates who aspire to pursue career in the capital market in Bangladesh

Course Format

PGDCM consists of 13 courses including internship. Total 36 credit hours including internship should be completed. The program is divided into three Trimesters. Four courses are offered in each Trimester.

Courses Offered in PGDCM

A. Core courses

Course Code	Course Title
D101	The Bangladesh Financial Markets
D102	Economics
D103	Financial Mathematics and Statistics
D104	Analysis and Interpretation of Financial Statements

B. Intermediate Courses

Course Code	Course Title
D201	Security Analysis
D202	Forecasting & Basic Econometrics
D203	Capital Markets Operations
D204	Legal Environment

C. Advance courses

Course Code	Course Title
D301	Corporate Finance and Portfolio Management
D302	Financial Derivatives and Alternative Instruments
D303	Regulations and Ethics in the Capital Markets
D304	Financial Modeling

Internship

Each student will complete internship and prepare a report based on that experience. Two credit hours are assigned to internship.

Mode of Teaching

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

Medium of Instruction

Class deliberations: English (Bengali for clarifications only)

Examination: English

Class Time

Morning (9 AM to 12 PM), Afternoon (3 PM to 6 PM), Evening (6 PM to 9 PM).

Program Fees

Particulars	Amounts (in BDT)
Admission Fee	Tk. 5,000
Course Fee (Tk. 3,000 per course)	Tk. 36,000
Lab Fee (Tk. 1,000 per Trimester)	Tk. 3,000
Library Fee (Tk. 1,000 per Trimester)	Tk. 3,000
Total	Tk. 47,000

Applicant's Eligibility

Minimum requirements to apply for PGDCM program are:

- Graduation in any discipline

Admission

Applicants must fulfill the admission requirements as laid down by BICM. The Admission Test will be held three times annually.

Number of Seats

- Total number of seats is 45
- 80% of the total seats will be from successful candidates in written test and viva-voce
- The rest 20% is from organizational quota as follows:

Organization	Quota
Capital market regulators and institutional regulators	5 seats
Person nominated by ICAB	1 seat
Person nominated by ICMAB	1 seat
Person nominated by ICSB	1 seat
Other	1 seat

Admission Test

All applicants are required to sit for a written test on English, Mathematics, Analytical ability and general knowledge. 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.

Course load for PGDCM students

A regular student will register in four courses in each Trimester. A student may take minimum three courses per Trimester.

Class Attendance

Students are required to attend all classes held during each Trimester. 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:

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Activities	Weight
Class attendance	5%
Class tests and assignments	15%
Mid- term examinations-1	15%
Mid- term examinations-2	15%
Term paper and presentation	20%
Final examination	30%
Total	100%

Brief Course Contents

Course Code: D101

Name of the Course: **The Bangladesh Financial Markets**

Level: Core

Credit Hour: 2.0

Brief Contents:

Bangladesh money market; Bangladesh capital market; Financial institutions; Regulators of financial market; Specialized financial institutions.

Course Code: D102

Name of the Course: **Economics**

Level: Core

Credit Hour: 2.0

Brief Contents:

Basic economic concepts; Measuring economic growth; National income and inflation; Impact of economic factors on capital market; Money, banking and financial markets; Fiscal policy & monetary policy; International trade and capital flows.

Course Code: D103

Name of the Course: **Financial Mathematics and Statistics**

Level: Core

Credit Hour: 2.0

Brief Contents:

Time value of money; Calculus and probability; Sampling; Normal distribution; Sampling distributions; Descriptive statistics; Hypothesis testing; Correlation analysis; Regression; Time-series analysis; Sensitivity analysis; Simulation analysis.

Course Code: D104

Name of the Course: **Analysis and Interpretation of Financial Statements**

Level: Core

Credit Hour: 2.5

Brief Contents:

Financial statements; Creative accounting: reading between the 'numbers'; Financial statement analysis; Accounting standards: International Financial Reporting Standards (IFRS).

Course Code: D201

Name of the Course: **Security Analysis**

Level: Intermediate

Credit Hour: 3.0

Brief Contents:

Process of professional security analysis; Fundamental analysis; Business valuation, Securities valuation; Fixed income securities valuation; Technical analysis.

Course Code: D202

Name of the Course: **Forecasting and Basic Econometrics**

Level: Intermediate

Credit Hour: 3.0

Brief Contents:

Financial econometrics: scope and methods; Univariate time series; Multivariate time series; Multiple regression; Dynamic econometrics models; Panel data; Nonparametric density estimation.

Course Code: D203

Name of the Course: **Capital Markets Operations**

Level: Intermediate

Credit Hour: 3.0

Brief Contents:

Back office operations in capital market; Stock exchange operations; Commodity exchange operations; OTC market operations; Custodial operations; Clearing corporations.

Course Code: D204

Name of the Course: **Legal Environment**

Level: Intermediate

Credit Hour: 3.0

Brief Contents:

The Company Act, 1994; The Bank Company Act, 1991; The Bank Company (amendment) Act, 2013; The Insurance Act, 2010; The Financial Institutions Act, 1993; Money Laundering Prevention Act, 2012; Securities and Exchange Ordinance, 1969; Securities and Exchange Commission Act, 1993; Depository Act, 1999; Demutualization Act, 2013.

Course Code: D301

Name of the Course: **Corporate Finance and Portfolio Management**

Level: Advance

Credit Hour: 4.5

Brief Contents:

Principles of corporate finance; Capital investment decision; Capital structure decisions; Dividend policy, Mergers and acquisitions; Financial distress and corporate restructuring; Portfolio management theory; Modern portfolio management concepts; Investors' objectives and constraints; Asset classes; Investment policy statement; Portfolio construction & evaluating portfolio performance; Investment & risk management; Underwriting; Behavioral finance.

Course Code: D302

Name of the Course: **Financial Derivatives and Alternative Instruments**

Level: Advance

Credit Hour: 3.0

Brief Contents:

Derivatives; Commodity; Private equity and venture capital; Hedge funds; Pension funds; Exchange traded funds; Recent developments.

Course Code: D303

Name of the Course: **Regulations and Ethics in the Capital Markets**

Level: Advance

Credit Hour: 3.0

Brief Contents:

Principles of securities regulation in Bangladesh; Disclosure; Corporate governance; Conflicts of interest; Capital raising regulations; Market operations regulations; Application of ethics in capital markets.

Course Code: D304

Name of the Course: **Financial Modeling**

Level: Advance

Credit Hour: 3.0

Brief Contents:

Design of financial model; Excel basic: features and functions; Building spreadsheet for financial modeling (functions in excel); Modeling for financial and operational planning for a business unit; Valuation models using discounted cash flow analysis; Modeling for corporate finance transaction (merger, LBO etc.), Evaluation of newly built financial model and an existing model, Software application in financial modeling, Case study.

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:

Numerical Grade	Grade	Grade Points
90 or above	A	4.0
85 to 90	B+	3.5
80 to 84	B	3.0
75 to 79	C+	2.5
70 to 74	C	2.0
65 to 69	D+	1.5
60 to 64	D	1
Below 60	F	0

Degree Requirements

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

- Completion of 12 courses
- Completion of internship and submission of internship report
- Passing of all courses individually and maintaining a minimum CGPA of 2.50.

Trimester Withdrawal

If a student wants to withdraw from a Trimester 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 Trimester 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. If a student receives a GPA below 2.00 in any course s/he can retake the course once.

Probation and Dismissal

If a student fails to maintain a minimum CGPA of 2.00 at the end of a Trimester he/she will be placed on probation. If the student on probation fails to raise his/her CGPA to at least 2.00 in the following Trimester, he/she will stand dismissed from the program.

Why Studying with BICM is Better Investment

- ❖ Certificate from BICM in relevant field will provide eligibility for being Research Analyst as per Bangladesh Securities and Exchange Commission (Research Analysis) Rules 2013.
- ❖ To be a successful financial market professional, an individual needs skills in clarity of thoughts, quick decision-making, financial analysis, and interpersonal relationships. BICM will enhance these skills by imparting apt knowledge to enhance an individual's knowledge, skills and attitude at all levels.
- ❖ By offering a broad array of professional programs, BICM 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.
- ❖ BICM also offers programs for individuals who aspire to pursue their career in the fields of capital market viz. regulation, operations, compliance and investment management.
- ❖ BICM 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 BICM 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 BICM qualifications are set and regularly viewed by senior practitioners to ensure they are up-to-date and relevant.

Program Office

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