



Curriculum Document				
Curriculum Code	Curriculum Title			
241204000	Financial Markets Practitioner			
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1 CURRICULUM OVERVIEW

1.1 Occupational Cluster

Finance, Insurance, Sales, Marketing, Retail and Logistics Related Occupations

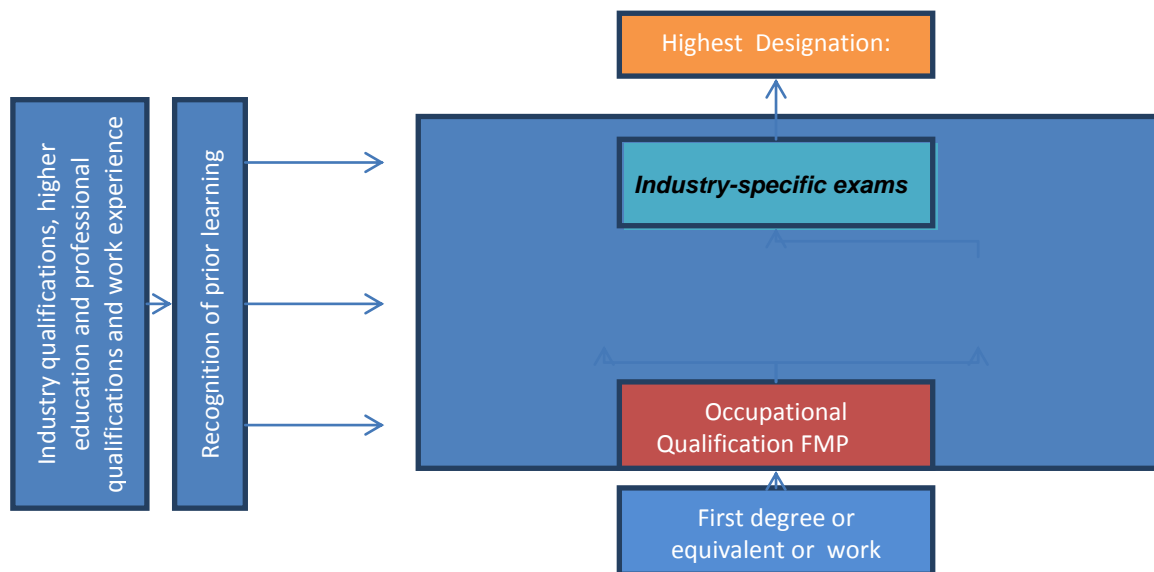
1.2 Occupational Field

2412: Financial and Investment Advisors

1.3 Related Occupation

241204: Financial Markets Practitioner

1.4 Relation of this Curriculum to the Occupation and Occupational Progression



1.5 Curriculum Structure

Knowledge Subjects					
Number	Title			NQF Level	Credits
04060624120401	Introduction to financial markets			6	10
04060624120402	Client service and financial advice			7	10
04060624120403:	Trading in financial markets			7	15
04060624120404	Settlement of financial markets transactions			5	15
04060624120405	The calculation and recording of corporate events			7	5
Total Knowledge Credits					55
Practical Skill Modules					
Number	Title			NQF Level	Credits
241204PS00001	Analyse, evaluate and review information on securities and market conditions on behalf of clients and/or exchange member			6	10
241204PS00002	Critically analyse the profile and related investment needs of the client to advise accordingly			7	10
241204PS00003	Execute buy and sell orders (trading) by applying the ethics, principles values and processes as prescribed			7	5
241204PS00004	Conclude financial market transactions (settlement) according to accepted practice/s			5	10
241204PS00005	Calculate and record corporate events to indicate its effect on the market and client portfolios			7	5
Total Practical Credits					40
Work Experience Modules					
Number	Title			NQF Level	Credits
241204WE00001	Produce and present internal market reports			6	5
241204WE00002	Compile client profile based on established client needs			7	5
241204WE00003	Witness various trading activities			7	5
241204WE00004	Perform financial markets administrative functions			5	5
241204WE00005	Identify financial corporate events and indicate its effect on the market			7	5
Total Workplace Credits					25
Total Qualification Credits					120
Knowledge Credits:	55 (46%)	Practical Credits:	40 (33%)	Workplace Credits:	25 (21%)

1.6 Entry Requirements

1.6.1 Educational Entry Requirements

- NQF level 6 qualification in finance or a related field of study
OR
- Three years' of work experience in the financial markets.

1.6.2 Physical Entry Requirements

None

1.6.3 Legal Entry Requirements

None

1.7 International Comparability

To inform the design and content of this qualification, three international qualifications were analysed:

- The Professional Diploma in Stockbroking leads to a professional designation conferred by the Stockbrokers Association in Australia.
- The Chartered Financial Analyst is an international qualification offered to investment professionals. It is also offered in South Africa.
- The General Securities Representative Examination (also known as the Series 7 Examination) leads to licensing by the United States Financial Industry Regulatory Authority to act as a General Securities Representative (GSR). The functions of GSR are regulated.

The purpose of this analysis was to establish international best practice in the design of financial markets qualifications and to gauge and understanding of the content and structure of other qualifications designed for financial markets practitioners. The table below provides a summarised comparison of the three qualifications that were analysed.

The international qualifications on offer for financial markets practitioners differ substantially in scope and in content. The current qualification content has been developed in a similar manner to the General Securities Representative Qualification Examination of FINRA in the US. In both qualification designs the job functions of financial markets practitioners were used the point of departure. The knowledge elements needed to perform those functions were then identified.

The scope of the two qualifications is relatively similar. However, each focuses on the legislation and regulations pertaining to the particular country. Furthermore, the South African Occupational Qualification Financial Markets Practitioner is unique in its specification of practical skills and workplace experience modules.

Qualification	Professional Diploma in Stockbroking	Chartered Financial Analyst – Levels 1 - 3	General Securities Representative Qualification Examination (Series 7)
Country	Australia	International	United States
Institution issuing qualification	Stockbrokers Association of Australia	CFA Institute	Financial Industry Regulatory Authority (FINRA)
Entry requirements	None specified	Bachelor's degree or equivalent or four years professional work experience	The candidate must be associated with and sponsored by a FINRA member firm to be eligible to take the Series 7 Examination.
Target audience	Individuals who are employed within institutional and retail stockbroking firms and the investment banking community.	Investment professionals.	Individuals who want to enter the securities industry to sell any type of securities.
Topics covered	<p>Core: Securities & Managed Investments</p> <ul style="list-style-type: none"> • Market participants • Asset classes and their use in investment portfolios • Alternative investment strategies and benchmarks <p>Electives:</p> <ul style="list-style-type: none"> • Derivatives • Superannuation • Margin Lending 	<p>Ethics and professional standards</p> <p>Investment tools</p> <ul style="list-style-type: none"> • Corporate finance • Economics • Financial reporting and analysis • Quantitative methods <p>Asset classes</p> <ul style="list-style-type: none"> • Alternative investments • Derivatives • Equity investments • Fixed income <p>Portfolio management and wealth planning</p>	<p>Content is based on job functions</p> <p>FUNCTION 1: Seeks Business for the Broker-Dealer through Customers and Potential Customers</p> <p>FUNCTION 2: Evaluates Customers' Other Security Holdings, Financial Situation and Needs, Financial Status, Tax Status, and Investment Objectives</p> <p>FUNCTION 3: Opens Accounts, Transfers Assets, and Maintains Appropriate Account Records</p> <p>FUNCTION 4: Provides Customers with Information on Investments and Makes Suitable Recommendations</p> <p>FUNCTION 5: Obtains and Verifies Customer's Purchase and Sales Instructions, Enters Orders,</p>

Qualification	Professional Diploma in	Chartered Financial Analyst – Levels 1 - 3	General Securities Representative Qualification Examination (Series 7)
			and Follows Up 17 Knowledge areas are determined and cross-referenced to job functions Associated rules and regulations are included, e.g. FINRA rules, NASDAC rules and regulations and other relevant legislation and regulations.
Skills to be mastered	Providing investment advice to clients		As specified in job functions above
Volume of work/duration of course	300 hours	+ 4 Years 3 Exams (6 months preparation each) 48 months approved work experience	None specified. Candidates apply for admission to exams when ready.
Delivery mode	Distance education through a local university	Self-study and/or distance education Classes offered by providers Approved work experience	Self-study or content offered by providers
Final assessment	Assignments and online examination	Written examinations	Written examination – multiple choice

2 OCCUPATIONAL PROFILE

2.1 Occupational Purpose

A financial markets practitioner analyses individual securities, industries and the economy, provides investment advice to clients in respect of securities and other financial instruments and executes transactions in securities with/on behalf of clients and/or for an exchange member.

2.2 Occupational Tasks

1. Analyse, evaluate and review information on securities and market conditions on behalf of clients and/or exchange member
2. Critically analyse the profile and related investment needs of the client to advise accordingly
3. Execute buy and sell orders (trading) by applying the ethics, principles values and processes as prescribed
4. Conclude financial market transactions (settlement) according to accepted practice/s
5. Calculate and record corporate events to indicate its effect on the market and client portfolios

2.3 Occupational Task Details

2.3.1 Analyse, evaluate and review information on securities and market conditions

NQF Level 6

Unique Product or Service:

Securities and market conditions information

Occupational Responsibilities:

Collect, interpret and disseminate information on securities and market conditions

1. Select, read, analyse and interpret information relating to the macro economic environment
2. Analyse and interpret data from securities reports, financial periodicals and stock quotation viewer screens
3. Interpret fundamental research reports
4. Evaluate information and provide clients with valid and reliable information

Occupational Context:

Process of producing and presenting internal market reports on:

1. Equities market
2. Derivatives market
3. Bonds market
4. Money market

5. Foreign exchange market

2.3.2 Critically analyse the profile and related investment needs of the client to advise accordingly

NQF Level 7

Unique Product or Service:

Client Profile and related investment needs identified and recommendations formulated regarding appropriate asset classes to suit the profile and needs of the client

Occupational Responsibilities:

Determine profile and related investment needs of a client and formulate advice accordingly

1. Interview clients and obtain information on clients' financial position
2. Assess clients' needs, objectives and risk profiles
3. Obtain clarity on client mandates
4. Document the information obtained from clients
5. Provide information on financial market matters, market conditions and products
6. Measure the performance of an investment portfolio
7. Identify the market asset classes that will satisfy the client needs and profile
8. Identify and articulate the risks related to asset classes
9. Inform clients of regulatory requirements regarding investments

Occupational Context:

Process of compiling a client profile based on established client needs for following markets

1. Equities market
2. Derivatives market
3. Bonds market
4. Money market
5. Foreign exchange market

2.3.3 Executing buy and sell orders (trading)by applying the ethics,principles, values and processes as prescribed

NQF Level 7

Unique Product or Service:

Executed buy and sell orders

Occupational Responsibilities:

Conduct trading by executing buy and sell orders

1. Interpret client orders (quantity, price, instrument, direction)
2. Execute buy and sell orders on behalf of clients using a trading system
3. Relay trade information to clients such as number of contracts bought and sold and the price

Occupational Context:

Trading activities in the following:

1. Equities market
2. Derivatives market
3. Bonds market
4. Money market
5. Foreign exchange market

2.3.4 Concluding transactions (settlement)according to accepted practice/s

NQF Level5

Unique Product or Service:

Concluded transactions

Occupational Responsibilities:

Conclude financial market transactions

1. Recording and transmitting buy and sell orders
2. Calculating and recording costs of transactions and corporate events
3. Process trades with correct prices, associated taxes and fees
4. Allocate prices/fees to correct accounts
5. Make corrections where prices/fees negotiated are different from system process
6. Arrange settlement and custody of securities
7. Segregate client funds according to legislative requirements
8. Perform bank and investment product reconciliations
9. Calculate and process fees
10. Calculate and process interest payments

Occupational Contexts:

Financial markets administrative functions related to

1. Equities market
2. Derivatives market
3. Bonds market
4. Money market
5. Foreign exchange market

2.3.5 Calculating and recording corporate events to indicate its effect on the market and client portfolios

NQF level 7

Unique Product or Service:

Calculated and recorded corporate events

Occupational Responsibilities:

Calculate and record financial market corporate events

1. Advise clients on best practice with regard to the selection of corporate events
2. Record and process corporate events (per client instructions on market default but to firm/client mandate on instruction)

Occupational Contexts:

Financial corporate events and its effect on the market for:

1. Equities market
2. Derivatives market
3. Bonds market
4. Money market
5. Foreign exchange market

3 CURRICULUM COMPONENT SPECIFICATIONS

3.1 Summary of Subjects

	Number	Title	NQF Level	Credits
1	04060624120401KS001	(CESM: Public Finance) Introduction to financial markets	6	10
2	04060624120402KS002	(CESM: Public Finance) Client service and financial advice	7	10
3	04060624120403KS003	(CESM: Public Finance) Trading in financial markets	7	15
4	04060624120404KS004	(CESM: Public Finance) Settlement of financial markets transactions	5	15
5	04060624120405KS005	(CESM: Public Finance) The calculation and recording of corporate events	7	5

3.2 Subject Specifications

3.2.1 Subject Specification 104060624120401: Introduction to financial markets NQF level 6 Credits 10

a) Purpose of the Subject

The main focus of the learning in this subject is on the financial markets system, its constituent components and their functioning and the regulatory framework in which they function.

The learning will enable learners to demonstrate an understanding of:

- Local and international financial markets, financial market products and the macro economic environment
- The terminology pertaining to financial markets
- Participants in financial markets and their specific roles
- Rules and regulations pertaining to financial markets and financial instruments
- Risk factors including political risks, legislative risks, currency risks and equity risk premiums
- Exchange control

b) Topic Guidelines

Topic 1: Local and international financial markets, financial market products and the macro economic environment

Topic Elements

- The role of financial markets in the economy
- The interaction between financial markets and the macro economy
- The different financial markets and financial market products
- International financial markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The role of financial markets as a system in the economy is described with specific reference to other components of the economy and their relationship with the financial markets
2	The role and functions of the different financial markets and financial market products are explained
3	The interaction between the local and international financial markets is explained

Topic2: Terminology pertaining to financial markets

Topic Elements

- The equities market and the terminology used in the equities market
- The derivatives market and the terminology used in the derivatives market
- The bonds market and the terminology used in the bonds market
- The money market and the terminology used in the money market
- The forex market and the terminology used in the forex market
- The concepts of authority, power, responsibility and delegation conferred on the exchanges' internal regulatory body.

Internal Assessment Criteria

Internal Assessment Criteria	
1	The concepts related to each of the markets are explained
2	The concepts of authority, power, responsibility and delegation conferred on the exchanges' internal regulatory body are explained correctly
3	The relationship between concepts are explained

Topic 3: Participants in financial markets and their specific roles

Topic Elements

- The role of an exchange and the rules pertaining to the opening, closing or maintaining of an exchange
- The role of a self regulatory organisation and professional body in the financial markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The role of an exchange and the rules pertaining to the opening, closing or maintaining of an exchange are explained
2	The role of a self regulatory organisation and professional body in the financial markets is explained

Topic 4: Rules and regulations pertaining to financial markets and financial instruments

Topic Elements

- The relevant acts, rules and directives that are binding on the members of an exchange and their employees, and on shareholders, investors and other stakeholders
- The specific rules governing transactions on the different financial markets
- The legislation applicable to the protection of investor funds
- The code of conduct binding on authorised users, their officers, employees and clients.
- The acts relevant to the protection against market abuse.
- The general regulatory requirements for listed companies
- The general provisions relating to custody and administration of securities, ownership of securities, transferring of securities, pledge, or cession of securities to secure debt, delivery of securities, and records are correctly interpreted and applied
- Matters to be reported on by the auditor of regulated persons are identified and the role of the auditor in the financial markets is explained
- The rules governing market transactions and the reporting thereof are correctly interpreted and explained
- The necessary accounting records to be maintained by a regulated person are correctly identified
- The basic tax concepts within financial markets are explained.

Internal Assessment Criteria

Internal Assessment Criteria	
1	The full implications that the relevant acts, rules and directives have on the members of an exchange and their employees, and on shareholders, investors and other stakeholders are explained
2	The specific rules governing transactions on the different financial markets are identified and interpreted
3	A full understanding of the legislation applicable to the protection of investor funds is demonstrated
4	The implications of the code of conduct binding on authorised users, their officers, employees and clients are described and illustrated through practical examples
5	The acts relevant to the protection against market abuse are identified and applied in different situations
6	The general regulatory requirements for listed companies are explained
7	An in-depth understanding of the legislation that dictate the take-on procedures and investment advice provided by a member of the exchange to their clients is demonstrated.

Topic 5: Risk factors in the financial markets

Topic Elements

- Political risks
- Legislative risks
- Currency risks
- Equity risk premiums

Internal Assessment Criteria

Internal Assessment Criteria	
1	Political, legislative, and currency risks that may affect financial markets are identified
2	Equity risk premiums are explained

Topic 6: Exchange control

Topic Elements

- The role of an exchange and the rules pertaining to the opening, closing or maintaining an exchange
- The role of the controlling body and the powers exercisable by the controlling body
 - Advisory committees
 - Rules and directive
 - Transactions subject to provisions of the relevant Act
 - Any proposals for amendment of the rules and the directives
 - Responsibility of the controlling body
 - Indemnification
 - Settlement systems
 - Trust accounts
 - Imposition of levies
 - Publication of prices
 - Exchange Guarantee Fund
 - Lien over proceeds of sale of shares
 - Notice to members by the exchange
 - Fees, Levies, charges, penalties and subscriptions

Internal Assessment Criteria

Internal Assessment Criteria	
1	The role of the controlling body and the powers exercisable by the controlling body are explained

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Lecturing facilities
- This module can be offered through distance education

Human Resource Requirements:

- Facilitators who are deemed experts in their field

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Topics to be Assessed Externally for the Subject

All topics should be covered in external assessment

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Subject:			
Number	Title	NQF Level	Type
XXX			
XXX			
XXX			

3.2.2 Subject Specification 2: 04060624120402: Client service and financial advice NQF level 7 Credits 10

a) Purpose of the Subject

The main focus of the learning in this subject is on the provision of investment and investment advice services to clients.

The learning will enable learners to demonstrating an understanding of:

- The correct procedures in respect of the take-on of new clients, their client identification and verification, record keeping and suspicious transaction reporting
- Rules and regulations pertaining the provision of financial markets information and advice
- The codes of conduct applicable to the financial markets
- The risk associated with different asset classes
- A general understanding of risk factors including political risks, legislative risks, currency risks and equity risk premiums
- The tax implications of different asset classes and the trading in those asset classes
- Investment analysis and portfolio management

b) Topic Guidelines

Topic 1: Take-on procedures, record keeping and suspicious transaction reporting

Topic Elements

- Legislation and regulations pertaining to the take-on of new clients
- Client identification and verification
- Record keeping
- Legal requirements regarding suspicious transaction reporting
- Reporting client transactions, client information, monthly statements

Internal Assessment Criteria

Internal Assessment Criteria	
1	The take-on procedures that have to be followed with new clients are described
2	The documents that need to be obtained are listed and the verification procedures that should be followed when new clients are registered as well as the records that need to be kept are described
3	An explanation is given of what constitutes a suspicious transaction and the steps that need to be taken to report suspicious transactions are described
4	The consequences of not reporting suspicious transactions are explained

Topic 2: Rules and regulations pertaining the provision of financial markets information and advice

Topic Elements

- Legislative and professional requirements regarding the provision of financial markets information and advice
- The difference between information and advice

Internal Assessment Criteria

Internal Assessment Criteria	
1	The legislative and professional requirements regarding the provision of financial markets information and advice are explained
2	The difference between information and advice is explained
3	Various share transactions are evaluated, and those transactions that fail to meet the requirements of the acts relevant to the protection against market abuse are identified. The reasons why the transactions don't meet the requirements are explained
4	The qualifications that are required in order to be registered as an investment advisor are described

Topic 3: Codes of conduct

Topic Elements

- Professional codes of conduct applicable to the financial markets – with specific reference to the provision of services to clients

Internal Assessment Criteria

Internal Assessment Criteria	
1	Possible transgressions of the code of conduct are identified and workable solutions to ethical dilemmas are proposed
2	The principles of the code of conduct are explained and the implications of the code of conduct for the interaction between a securities services practitioner and a client are clarified

Topic 4: The risks associated with different asset classes

Topic Elements

- The risks associated with equities
- The risks associated with derivatives
- The risks associated with bonds
- The risks associated with cash
- The risks associated with forex

Internal Assessment Criteria

Internal Assessment Criteria	
1	The risks associated with each asset class are explained

Topic 5: Risk factors – with specific reference to client investment portfolios

Topic Elements

- Political risks
- Legislative risks
- Currency risks
- Equity risk premiums

Internal Assessment Criteria

Internal Assessment Criteria	
1	Possible risk factors are identified and described
2	The effect that risk factors may have on investments is described
3	Ways to mitigate risk are proposed and proposals are justified

Topic 6: The tax implications of different asset classes and of trading in those asset classes

Topic Elements

- Personal income tax
- Companies' tax
- Capital gains tax
- Taxation of mining companies
- Taxation of insurance companies
- Taxation of collective investment schemes
- Taxation of investments.

Internal Assessment Criteria

Internal Assessment Criteria	
1	The tax implications of trading in the different asset classes are explained with specific reference to <ul style="list-style-type: none">○ Personal income tax○ Companies' tax○ Capital gains tax

Topic 7: Investment analysis and portfolio management

Topic Elements

- Client needs analysis
- The investment setting
- The asset allocation decision
- An introduction to portfolio management
- An introduction to asset pricing models
- The organisation and functioning of securities markets
- Security market indicator series
- Efficient capital markets
- Analysis of global investments
- Selecting investments in global markets
- Asset valuation
 - Equity investments
 - Introduction to security valuation
 - Stock market analysis
 - Industry analysis

- Company analysis and stock valuation
- Technical analysis
- Introduction to price multiples
- Rates of return
- Analysis of debt investments
 - Bond fundamentals
 - Analysis and valuation of bonds
 - Overview of bond sectors and instruments
- Analysis of derivative investments
 - Derivative markets and instruments
 - Forward markets and contracts
 - Option markets and contracts
 - Risk management applications of option strategies
- Portfolio management – performance measurement and evaluation
 - Portfolio management ethical and professional conduct standards
 - Regulatory framework for foreign investments by South African investors
- Asset categories and compliance with Reg 28(2) of the Pension Funds Act
- Taxation of investments

Internal Assessment Criteria

Internal Assessment Criteria	
1	Guidelines are given for conducting a client needs analysis
2	The factors that will influence the asset allocation decision are identified and explained
3	Asset pricing models are explained
4	The process of asset valuation is explained with reference to any of the asset classes
5	Criteria are identified for the measurement and evaluation of the performance of an investment portfolio

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Lecturing facilities
- This module can be offered through distance education

Human Resource Requirements:

- Facilitators who are deemed experts in their field

Legal Requirements:

- Provider accreditation with QCTO

d) Critical Topics to be Assessed Externally for the Subject

All topics should be covered in external assessment

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Subject:			
Number	Title	NQF Level	Type

3.2.3 Subject Specification 3: 04060624120403: Trading in financial markets NQF Level 7 Credits 15

a) Purpose of the Subject

The main focus of the learning in this subject is on trading in the various financial markets.

The learning will enable learners to demonstrating an understanding of:

- Trading methodology and automated trading processes
- The different trade types and reporting on the different markets and the regulations governing each trade type (Main board trades, report-only transactions, OTC trades, unlisted trades)
- Legislation, rules and regulations specifically regarding trading in different markets
- Trading risks
- Legislation and regulations regarding the provision of information to clients

b) Topic Guidelines

Topic 1: Trading methodology and automated trading processes

Topic Elements

- The trading capacities, periods and trading times of the various trading systems

Internal Assessment Criteria

Internal Assessment Criteria	
1	The trading capacities, periods and trading times of the various trading systems are explained

Topic 2: Trade types and reporting on the different markets and the regulations governing each trade type

Topic Elements

- The different trade types and reporting on the different markets/exchanges and the regulations governing each trade type
- Trading and position keeping on various financial markets
- Trading in various financial instruments
- The rules controlling the trading in Krugerrands
- The reporting of non-exchange traded derivative instruments
- Inward Listed Securities
- The rules with regards to auditors trading through a member of an exchange
- The charges and costs associated with trading on the various markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The different trade types and the reporting requirement and regulations pertaining to the various trade types on the different markets are described
2	The legislation governing the right to transact on the various trading systems within the different financial markets is explained
3	The trading rules in respect Kruger Rands, inward listed securities and non exchange derivative instruments are applied to a given situation

Topic 3: Legislation, rules and regulations regarding trading in different markets

Topic Elements

- The regulations governing trading within the different markets
- The rules pertaining to Best Execution, member's commission, fees and contract notes
- Ethical trading and Best Execution
- Market abuse and insider trading

Internal Assessment Criteria

Internal Assessment Criteria	
1	The critical aspects of ethical trading and the concept of best execution are explained
2	Examples are given of manipulative or deceptive trading practices and the use of false and misleading or deceptive statements, promises and forecasts of information and the consequences of such behavior are explained
3	Given case studies manipulative or deceptive trading practices are identified

Topic 4: Trading risks

Topic Elements

- System risk
- Trader risk
- Client risk
- Credit risk
- Position risk

Internal Assessment Criteria

Internal Assessment Criteria	
1	The different kinds of risk pertaining to the trading process are explained

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Lecturing facilities
- This module can be offered through distance education

Human Resource Requirements:

- Facilitators who are deemed experts in their field

Legal Requirements:

- Provider accreditation with QCTO

d) Critical Topics to be Assessed Externally for the Subject

All topics should be covered in external assessment

5) Exemptions

Qualification or Learning Programmes that allows exemption from this Subject:			
Number	Title	NQF Level	Type

3.2.4 Subject Specification 4: 04060624120404: Settlement of financial markets transactions NQF level 7 Credits 15

a) Purpose of the Subject

The main focus of the learning in this subject is on the conclusion or settlement of financial markets transactions.

The learning will enable learners to demonstrate an understanding of:

- The legislation pertaining to trading, settlement, custody and administration (e.g. Security Services Act)
- The settlement timetable for transactions conducted on the various financial markets and by different participants within the various markets
- The depository rules
- The role played by the clearing house
- The functions of the central securities depositories and participants
- The requirements needed to effect settlement within different financial markets
- Custody and administration of securities within members and authorised users
- The settlement process with respect to Krugerrands
- The general provisions in relation to the regulator
- The procedure required in order to settle uncertified securities
- Settlement requirements regarding position keeping, reporting, matching and clearing on various financial markets and unlisted securities
- Financial requirements for authorised users and members
- Mark-to-market and margin positions on various financial markets

b) Topic Guidelines

Topic 1: The legislation pertaining to trading, settlement, custody and administration (e.g. Security Services Act)

Topic Elements

- Relevant legislation
- Rules and regulations of exchanges
 - The mechanisms that are used in safeguarding client assets, including:-
 - Controlled client accounts
 - Clients' certified equity securities
 - Client assets other than equity securities
 - Other client funds
 - Retention of client funds in JSET
 - Separation of client assets
 - Borrowing or lending of client assets
 - The legislation with respect to client accounts, the loading and use of suspense and misdeals accounts
 - The operation of non-resident controlled client accounts
 - The requirements associated with compliance with exchange control regulations by registered members
 - The rules governing a member's internal client complaints and dispute process as well as the Regulator's dispute process.

Internal Assessment Criteria

Internal Assessment Criteria	
1	Members' full settlement requirements regarding the settlement of securities transactions in the various financial markets are explained

Topic2: The settlement timetable for transactions conducted on the various financial markets

Topic Elements

- Understand the following elements as they pertain to securities
 - Settlement principles for transactions
 - The settlement authority
 - General pre-trade settlement requirements
 - General settlement provisions
 - Non-controlled client settlement obligations
 - Controlled client settlement obligations
 - Member settlement obligations
 - Breaches of client settlement obligations
 - Failed trades
 - Borrowing of equity securities to prevent a trade from failing
 - Lending of funds to prevent a trade from failing
 - Margin on transactions
 - Penalties and fees
- Timetable for settlement of transactions in the derivatives, bonds, forex and money market instruments

Internal Assessment Criteria

Internal Assessment Criteria	
1	The settlement timetables for transactions conducted on the various financial markets are explained

Topic 3: The requirements and procedures needed to effect settlement within different financial markets

Topic Elements

Requirements and procedures to effect settlement in

- Equities market
- Derivatives market
- Forex market
- Bond market
- Money market

Internal Assessment Criteria

Internal Assessment Criteria	
1	The requirements and procedures needed to effect settlement in the different financial markets are explained

Topic 4: The settlement process, custody and procedures required with respect to Krugerrands

Topic Elements

The settlement process and custody with respect to Krugerrands

Internal Assessment Criteria

Internal Assessment Criteria	
1	The settlement process and custody with respect to Krugerrands are explained

Topic 5: The settlement process, custody and procedures required with respect to unlisted securities

Topic Elements

Process and time lines with regard to the settlement of unlisted securities

Internal Assessment Criteria

Internal Assessment Criteria	
1	The process and time lines with regard to the settlement of unlisted securities are explained

Topic 6: Custody and administration of securities

Topic Elements

Custody and administration of securities as per legislation

Internal Assessment Criteria

Internal Assessment Criteria	
1	The legislative requirements regarding the custody and administration of securities are explained

Topic 7: The functions of the central securities depositories and participants as per legislation and timelines within the CSD and participants

Topic Elements

- The functions of the CSD and participants as per legislation
 - The registration of securities
 - Ownership of securities
 - Transfer of securities
 - Pledge or cession of securities to secure debt
 - Delivery of securities
 - Records
 - Warranty
 - Relationship of trust
 - Attachment
- Timelines of CSD

Internal Assessment Criteria

Internal Assessment Criteria	
1	The legislated functions of the CSD and participants are explained
2	The time lines of the CSD are described

Topic 9: The depository rules

Topic Elements

The depository's own rules pertaining to the different markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The depository's rules pertaining to the different markets are explained

Topic 10: The role played by the clearing house

Topic Elements

- The roles and responsibilities of a clearing house
- Legislation pertaining to clearing houses
- The rules of clearing houses within the different markets
- The matching and clearing of various financial markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The roles and responsibilities of a clearing house are explained
2	The legislation pertaining to clearing houses is explained
3	The rules of clearing houses in the different markets are explained
4	The matching and clearing of various financial markets are explained

Topic 11: Financial requirements of members and authorised users of exchanges

Topic Elements

Capital requirements as per rules and directives of the exchanges

Internal Assessment Criteria

Internal Assessment Criteria	
1	The capital requirements set by the different exchanges are explained

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Lecturing facilities
- This module can be offered through distance education

Human Resource Requirements:

- Facilitators who are deemed experts in their field

Legal Requirements:

- Provider accreditation with QCTO

d) Critical Topics to be Assessed Externally for the Subject

All topics should be covered in external assessment

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Subject:			
Number	Title	NQF Level	Type

3.2.5 Subject Specification 5: 04060624120405: The calculation and recording of corporate events NQF level 7 Credits 5

a) Purpose of the Subject

The main focus of the learning in this subject is on the calculation and recording of corporate events.

The learning will enable learners to demonstrating an understanding of:

- The definitions of corporate actions, various event types and the timelines involved
- The general principles of corporate actions and the application thereof

b) Topic Guidelines

Topic 1: The definitions of corporate actions, various event types and the timelines involved

Topic Elements

- Definitions relevant to corporate actions as per the rules of the exchanges and as defined in legislation
- Event types (definitions and how each event type is handled)
- Corporate action time lines

Internal Assessment Criteria

	Internal Assessment Criteria
1	Corporate actions are correctly defined
2	The effects of corporate actions on market price are explained
3	The implication of the timelines on corporate actions are explained
	The effects of corporate actions on a portfolio are explained

Topic2: The general principles of corporate actions and the application thereof

Topic Elements

- Principles applying to specific events types
- Reconciliation of corporate action control accounts
- Management of corporate actions

Internal Assessment Criteria

	Internal Assessment Criteria
1	The time lines pertaining to the reconciliation of corporate action accounts are explained

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Lecturing facilities
- This module can be offered through distance education

Human Resource Requirements:

- Facilitators who are deemed experts in their field

Legal Requirements:

- Provider accreditation with QCTO

d) Critical Topics to be Assessed Externally for the Subject

All topics should be covered in external assessment

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Subject:			
Number	Title	NQF Level	Type

4 PRACTICAL SKILLS MODULE SPECIFICATIONS

4.1 List of Practical Skill Modules

	Number	Title	NQF Level	Credits
1	241204PS00001	Analyse, evaluate and review information on securities and market conditions on behalf of clients and/or exchange member	6	10
2	241204PS00002	Critically analyse the profile and related investment needs of the client to advise accordingly	7	10
3	241204PS00003	Execute buy and sell orders (trading) by applying the ethics, principles values and processes as prescribed	7	5
4	241204PS00004	Conclude financial market transactions (settlement) according to accepted practice/s	5	10
5	241204PS00005	Calculate and record corporate events to indicate its effect on the market and on client portfolios	7	5

4.2 Practical Skills Modules Specifications

4.2.1 Practical Skill Module Specification 1: 241204PS00001: Analyse, evaluate and review information on securities and market conditions on behalf of clients and/or exchange member NQF Level 6 Credits 10

a) Purpose of the Practical Skill Module

The focus of the learning in this module is on providing the learner an opportunity to analyse, evaluate and review information on securities and market conditions on behalf of clients and/or exchange member

b) Practical Skills Guidelines

Scope of Practical Skill

Given a certain practical situation the learner must be able to:

- Select, read and interpret information relating to the macroeconomic environment
- Interpret data from securities reports, financial periodicals and stock quotation viewer screens
- Interpret fundamental research reports
- Consolidate securities and market conditions information that could be disseminated to clients

Applied Knowledge

- Terminology pertaining to financial markets

- General understanding of local and international financial markets, financial market products and the macro economic environment
- General understanding of exchange control
- Participants in financial markets and their specific roles
- Rules and regulations pertaining to financial markets and financial instruments
- Risk factors including political risks, legislative risks, currency risks and equity risk premiums

Internal Assessment Criteria

Internal Assessment Criteria	
1	The relevant data sources were identified and used to inform the question at hand
2	Terminology used is apt and relevant to the analysis
3	Related data and information sources were used and valid inferences made
4	Information is articulated at the level of the client (someone that does not have a financial market qualification)

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Training programme approved by regulated industry body(ies)
- Access to current case studies/practical situations

Human Resource Requirements:

- Facilitators with industry experience

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Practical Activities to be assessed externally for the Module

External assessment should cover the entire scope of the module. Different aspects could be integrated.

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Practical Skill Module:			
Number	Title	NQF Level	Type

4.2.2 Practical Skill Module Specification 2: 241204PS00002: Critically analyse the profile and related investment needs of the client to advise accordingly NQF Level 7 Credits 10

a) Purpose of the Practical Skill Module

The focus of the learning in this module is on providing the learner an opportunity to Critically analyse the profile and related investment needs of the client and to prepare advice accordingly

b) Practical Skills Guidelines

Scope of Practical Skill

Given various client situations (case studies) the learner must be able to:

- Interview clients and obtain information on clients' financial position
- Assess clients' needs, objectives and risk profiles
- Obtain clarity on client mandates
- Document the information obtained from clients
- Provide information on financial market matters, market conditions and products
- Measure the performance of an investment portfolio
- Identify the market asset classes that will satisfy the client needs and profile
- Identify and articulate the risks related to asset classes
- Identify elements of regulatory requirements regarding investments that need to be communicated to clients

Applied Knowledge

- The correct procedures in respect of the take-on of new clients, their client identification and verification, record keeping and suspicious transaction reporting
- Rules and regulations pertaining the provision of financial markets information and advice
- The codes of conduct applicable to the financial markets
- The risk associated with different asset classes
- A general understanding of risk factors including political risks, legislative risks, currency risks and equity risk premiums
- The tax implications of different asset classes and the trading in those asset classes

Internal Assessment Criteria

Internal Assessment Criteria	
1	The relevant information (profile and investment needs) is sourced from the client
2	The minimum regulatory requirements regarding client needs analysis are complied with
3	The profile of the client is based on actual information and reflects the unique needs and situation of the client
4	There is congruence between the agreed risk profile and the preferred asset classes

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Training programme approved by regulated industry body(ies)
- Access to current case studies/practical situations

Human Resource Requirements:

- Facilitators with industry experience

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Practical Activities to be assessed externally for the Module

External assessment should cover the entire scope of the module. Different aspects could be integrated.

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Practical Skill Module:			
Number	Title	NQF Level	Type

4.2.3 Practical Skill Module Specification 3: 241204PS00003: Execute buy and sell orders (trading) by applying the ethics, principles values and processes as prescribed NQF Level 7 Credits 5

a) Purpose of the Practical Skill Module

The focus of the learning in this module is on providing the learner an opportunity to execute buy and sell orders

b) Practical Skills Guidelines

Scope of Practical Skill

Given a simulated client situation the learner must be able to:

- Interpret client orders (quantum, price, instrument, direction)
- Execute buy and sell orders on behalf of clients using a trading system
- Relay trade information to clients such as number of securities bought and sold and the price

Applied Knowledge

- Trading methodology and automated trading processes
- The different trade types and reporting on the different markets and the regulations governing each trade type (Main board trades, report-only transactions, OTC trades, unlisted trades)
- Legislation, rules and regulations regarding trading in different markets
- Trading risks
- Legislation and regulations regarding the provision of information to clients

Internal Assessment Criteria

Internal Assessment Criteria	
1	The (simulated) trading system is used correctly
2	The orders from clients – quantum, price, instruments and direction are interpreted correctly and clearly recorded
3	Client orders are processed using the relevant trading systems
4	An audit trail of transactions is kept
5	Trade information is recorded and communicated to clients
6	The order is executed according to instruction (e.g. "over the day" "vwap")
7	The specific regulations pertaining to trading in the asset class are applied
8	The "best execution" elements/principles are identified for the given scenario

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Training programme approved by regulated industry body(ies)
- Access to current case studies/practical situations
- Access to simulated trading system

Human Resource Requirements:

- Facilitators with industry experience

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Practical Activities to be assessed externally for the Module

External assessment should cover the entire scope of the module. Different aspects could be integrated.

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Practical Skill Module:			
Number	Title	NQF Level	Type

4.2.4 Practical Skill Module Specification 4: 241204PS00004: Conclude financial market transactions (settlement) according to accepted practice/s NQF Level 5 Credits 10

a) Purpose of the Practical Skill Module

The focus of the learning in this module is on providing the learner an opportunity to Conclude financial market transactions (settlement) according to accepted practice/s.

b) Practical Skills Guidelines

Scope of Practical Skill

Given various simulated situations (case studies) the learner must be able to:

- Record and transmit buy and sell orders
- Calculate and record costs of transactions and corporate events
- Process trades with correct prices, associated taxes and fees.
- Allocate prices/fees to correct accounts.
- Make corrections where prices/fees negotiated are different from system process.
- Arrange settlement and custody of securities
- Segregate client funds according to legislative requirements
- Perform bank, regulatory and investment product reconciliations
- Calculate and process fees
- Calculate and process interest payments

Applied Knowledge

- Knowledge of the legislation pertaining to trading, settlement, custody and administration (e.g. Security Services Act)
- Knowledge of the settlement timetable for transactions conducted on the various financial markets. Which will incorporate the following:-
 - Settlement principles for transactions
 - The settlement authority
 - General pre-trade settlement requirements
 - General settlement provisions
 - Non-controlled client settlement obligations
 - Controlled client settlement obligations
 - Member settlement obligations
 - Breaches of client settlement obligations
 - Failed Trades
 - Borrowing of equity securities to prevent a trade from failing
 - Lending of funds to prevent a trade from failing
 - Margin on transactions
 - Penalties and fees
- Custody and administration of securities, with respect to:
 - The registration of securities
 - Ownership of securities
 - Transfer of securities
 - Pledge or cession of securities to secure debt
 - Delivery of securities
 - Records
 - Warranty
 - Relationship of trust

- Attachment
- the functions of the central securities depositories and participants.
- the function of a nominee account
- the different requirements needed to effect settlement within different financial markets
- the settlement process with respect to Krugerrands
- the general provisions in relation to the regulator
- the procedure required in order to settle uncertified securities
- the Depository Rules
- the role played by the clearing house
- settlement requirements regarding position keeping, reporting, matching and clearing on various financial markets
- mark-to-market and margin positions on various financial markets

Internal Assessment Criteria

Internal Assessment Criteria	
1	The client mandate and information is compiled and interpreted correctly
2	Information is correctly captured on the system
3	Book and report on daily transactions in financial markets (multi asset class) <ul style="list-style-type: none"> • The costs of transactions and corporate events are calculated correctly • Trades are processed with correct prices, associated taxes and fees. • Prices/fees are allocated to correct accounts. • Corrections are made where prices/fees negotiated are different from system process
4	Clients are advised of settlement obligations
5	The correct reports and systems are identified and interpreted to monitor clients' settlement obligations and commitments
6	Daily trading and cash and share positions are reconciled, exception reports are interpreted and risks are identified
7	The corrective action is identified
8	The settlement cycles, timelines and deadlines are explained graphically
8	The "best execution" elements/principles are identified for the given scenario

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Training programme approved by regulated industry body(ies)
- Access to current case studies/practical situations

Human Resource Requirements:

- Facilitators with industry experience

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Practical Activities to be assessed externally for the Module

External assessment should cover the entire scope of the module. Different aspects could be integrated.

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Practical Skill Module:			
Number	Title	NQF Level	Type

**4.2.5 Practical Skill Module Specification 5: 241204PS00005: Calculate and record corporate events to indicate its effect on the market and on client portfolios
NQF Level 7 Credits 5**

a) Purpose of the Practical Skill Module

The focus of the learning in this module is on providing the learner an opportunity to calculate and record corporate events to indicate its effect on the market.

b) Practical Skills Guidelines

Scope of Practical Skill

Given various simulated situations the learner must be able to:

- Advise clients on best practice with regard to the selection of financial market corporate events
- Record and process financial market corporate events (per client instructions on market default but to firm/client mandate on instruction)

Applied Knowledge

- The definitions of corporate actions, various event types and the timelines involved
- The general principles of corporate actions and the application thereof

Internal Assessment Criteria

Internal Assessment Criteria	
1	The settlement cycles, timelines and deadlines are explained in terms of corporate actions
2	A minimum of 5 corporate event types are identified, the selection criteria and the effect on the markets are explained
3	Various corporate action accounts are set up and used
4	Corporate events are selected, recorded and processed (per client instructions on market default but to firm/client mandate on instruction)

c) Provider Accreditation Requirements for the Module

Physical Requirements:

- Training programme approved by regulated industry body(ies)
- Access to current case studies/practical situations

Human Resource Requirements:

- Facilitators with industry experience

Legal Requirements:

- Provider accreditation with the QCTO

d) Critical Practical Activities to be assessed externally for the Module

None

e) Exemptions

Qualification or Learning Programmes that allows exemption from this Practical Skill Module:

Number	Title	NQF Level	Type

5 WORK EXPERIENCE MODULE SPECIFICATIONS

5.1 List of Work Experience Modules

	Number	Title	NQF Level	Credits
1	241204WE00001	Produce and present internal market reports	6	5
2	241204WE00002	Compile client profile based on established client needs	7	5
3	241204WE00003	Witness various trading activities	7	5
4	241204WE00004	Perform financial markets administrative functions	5	5
5	241204WE00005	Identify financial corporate events and indicate its effect on the market	7	5

5.2 Work Experience Module Specifications

5.2.1 Work Experience Module Specification 1: 241204WE00001 Produce and present internal market reports NQF Level 6 Credits 5

a) Purpose of the Work Experience Module

The focus of the work experience is on providing the learner an opportunity to produce and present internal market reports.

b) Work Experiences Guidelines

Scope of Work Experience

The learner will be expected to engage in the following work activities:

- Production of internal written market reports
- Making presentations to a selected audience on market movements - including local and international markets

Supporting evidence

- Written market reports – with evaluation sheet signed by supervisor
- Hard copy of presentation
- Report on presentation signed by supervisor

c) Contextualised Workplace Knowledge

- Relevant information systems and software other than Microsoft packages

d) Criteria for Workplace Approval

Physical Requirements:

None

Human Resource Requirements:

As prescribed by the FSB or the exchange

Legal Requirements:

The workplace must be regulated by the FSB or it must be a member of an exchange

e) Assignments to be Assessed Externally

None

The supporting evidence specified above should be handed in together with the application for final assessment for the qualification

Work Experience Module Specification 2: 241204WE00002 Compile client profile based on established client needs NQF Level 7 Credits 5

a) Purpose of the Work Experience Module

The focus of the work experience is on providing the learner an opportunity to compile client profiles, based on determined client needs

b) Work Experiences Guidelines

Scope of Work Experience

The learner will be required to:

- Conduct an interview to profile client
- Prepare and deliver a presentation to a selected audience on client profile, variation of products, legislation including advice relating to the client profile

Supporting evidence

- Written report on client interview
- Hard copy of presentation
- Report on presentation signed by supervisor

c) Contextualised Workplace Knowledge

- Stationary and report formats
- Business protocols related to client interactions

d) Criteria for Workplace Approval

Physical Requirements:

None

Human Resource Requirements:

As prescribed by the FSB or the exchange

Legal Requirements:

The workplace must be regulated by the FSB or it must be a member of an exchange

e) Assignments to be Assessed Externally

None

The supporting evidence specified above should be handed in together with the application for final assessment for the qualification

5.2.2 Work Experience Module Specification 3: 241204WE00003 Witness various trading activities NQF Level 7 Credits 5

a) Purpose of the Work Experience Module

The focus of the work experience is on providing the learner an opportunity to shadow traders, witnessing various trading activities and to compile a report

b) Work Experiences Guidelines

Scope of Work Experience

The learner will be required to:

- Shadow traders, witnessing various trading activities
- Compile report on trading activities witnessed

Supporting evidence

A written report on trading activities observed

c) Contextualised Workplace Knowledge

- Trading software
- Understanding of the way in which screens are set up

d) Criteria for Workplace Approval

Physical Requirements:

None

Human Resource Requirements:

As prescribed by the FSB or the exchange

Legal Requirements:

The workplace must be regulated by the FSB or it must be a member of an exchange

e) Assignments to be Assessed Externally

None

The supporting evidence specified above should be handed in together with the application for final assessment for the qualification

5.2.3 Work Experience Module Specification 4: 241204WE00004 Perform financial markets administrative functions NQF Level 5 Credits 5

a) Purpose of the Work Experience Module

The focus of the work experience is on providing the learner an opportunity to:
Perform financial market administrative functions

b) Work Experiences Guidelines

Scope of Work Experience

The learner will be required to:

- Work in an administration office
- Compile a report on all aspects of the administration process

Supporting evidence

Learner report on administration process evaluated and signed by supervisor

c) Contextualised Workplace Knowledge

- General exchange trading and settlement systems

d) Criteria for Workplace Approval

Physical Requirements:

None

Human Resource Requirements:

As prescribed by the FSB or the exchange

Legal Requirements:

The workplace must be regulated by the FSB or it must be a member of an exchange

e) Assignments to be Assessed Externally

None

The supporting evidence specified above should be handed in together with the application for final assessment for the qualification

5.2.4 Work Experience Module Specification 5: 241204WE00005 Identify financial corporate events and indicate their effects on the market NQF Level 7 Credits 5

a) Purpose of the Work Experience Module

The focus of the work experience is on providing the learner an opportunity to identify financial corporate events and indicate its effect on the market.

b) Work Experiences Guidelines

Scope of Work Experience

The learner will be required to:

- Identify a minimum of 5 corporate events in the workplace.
- Explain the selection criteria used and the effect of the corporate event on the market.

Supporting evidence

Report on corporate events selected and analysed

c) Contextualised Workplace Knowledge

Relevant information systems

d) Criteria for Workplace Approval

Physical Requirements:

None

Human Resource Requirements:

As prescribed by the FSB or the exchange

Legal Requirements:

The workplace must be regulated by the FSB or it must be a member of an exchange

e) Assignments to be Assessed Externally

None

6 ASSESSMENT SPECIFICATION

Please refer to the assessment specification document for detail.