



**Promoting E-Learning for Adults to Improve Quality and Availability of Life-Long Education**

## **STUDY COURSE DESCRIPTION**

<b>STUDY COURSE</b>	Investments Options for SMEs
<b>DURATION</b>	32
<b>RESPONSIBLE INSTRUCTOR:</b>	

**STUDY COURSE ANNOTATION:** The course is devoted to the investment opportunities available for small and medium enterprises in Latvia. The content of the course covers the most important and actual aspects related to investing and trading considered from the SMEs' point of view: taxation related to investing and trading, transaction costs, infrastructure and process of investing, features of financial instruments available for investing, advantages and disadvantages of commonly used financial markets. After the course the representatives of SMEs will have vision of investment opportunities in Latvia, understanding of advantages and disadvantages of investing in different financial markets, knowledge about taxation in the context of investing, and insight in the process of investing. The peculiarities of accounting are excluded from the course.

**STUDY COURSE AIM AND TASKS:**

The aim of the course is to highlight the investment opportunities for SMEs in Latvia.

To achieve the aim of the study course the following tasks are worked out:

- to learn the features of foreign exchange, stock and bond markets, advantages and disadvantages of investing in these markets;
- to learn the features of basic derivative financial instruments available for SMEs and their advantages and disadvantages;
- to learn the principles of investing and trading in different financial markets;
- to review alternative investment opportunities for SMEs in Latvia;
- to learn the particularities of the Latvian taxation law in the field of investing and trading for SMEs.

**STUDY COURSE THEMATIC PLAN**

No.	THEME	Duration (academic hours)
1.	Introduction to investing and trading. Risks related to investing and trading. Common requirements of the Law in the context of taxation and investing/trading.	2
2.	Foreign exchange: features, advantages, disadvantages, transaction costs, taxation, how to start investing.	4
3.	Stock market: features, advantages, disadvantages, transaction costs, taxation, how to start investing.	4
4.	Bond market: features, advantages, disadvantages, transaction costs, taxation, how to start investing.	4
5.	Options market: features, advantages, disadvantages, transaction costs, taxation, how to start investing.	4
6.	Futures market: features, advantages, disadvantages, transaction costs, taxation, how to start investing.	2
7.	Review of other derivatives: CFD, ETF, DR	2

No.	THEME	Duration (academic hours)
8.	Review of alternative investment opportunities: passive investment, PAMM accounts, investment management, crowd funding, etc.	2
9.	Introduction to investment strategies, hedging, diversification and portfolio management.	4
10.	Investing and trading technique: introduction to fundamental and technical analysis.	4
<b>Total:</b>		<b>32</b>

## LITERATURE

The related readings are listed for each theme

### Introduction to investing and trading

1. *Uzņēmumu ienākuma nodokļa likums* (2017) [tiešsaiste]. LR likums, pieņemts Rīgā 2017.gada 28. jūlijā, Latvijas Vēstnesis, interneta vietne Likumi.lv [skatīts 2018. gada 1.maijā]. Pieejams: <https://likumi.lv/ta/id/292700-uznemumu-ienakuma-nodokla-likums>
2. Apsītis, G., Aščuks, I., Cērps, U., Kokorevičs, G., Ozols, G., Sedlenieks, A., Zulgis, H. (2006). Vērtspapīru tirgus zinības. Rīga: apgāds "Jumava" 222 lpp.

### Foreign exchange

1. Rupeika-Apoga, Baumgarte, Zelgalvis, Baumgarte, Dace, & Zelgalvis, Elmārs. (2006). Tirdzniecība ar valūtu kā uzņēmējdarbības veids : Mācību līdzeklis / Ramona Rupeika-Apoga ; red. Dace Baumgarte ; priekšv. sarakst. Elmārs Zelgalvis. Rīga: Datorzinību Centrs.
2. Thompson, A. (2014). Forex trading : The fundamentals of forex trading / Alan Thompson. Newark, DE: Speedy Publishing.

### Stock market

1. Praude, V. (2010). Finanšu instrumenti, 2.daļa. Rīga: SIA "Burtene"487 lpp.
2. Mladjenovic, P. (2016). *Stock Investing For Dummies, 5<sup>th</sup> edition*. Hoboken, NJ: John Wiley & Sons Inc. 384 p.

### Bond market

1. Praude, V. (2010). Finanšu instrumenti, 2.daļa. Rīga: SIA "Burtene"487 lpp.
2. Wild, R. (2012). *Bond Investing For Dummies, 2<sup>nd</sup> edition*. Hoboken, NJ: John Wiley & Sons Inc. 360 p.

### Options market

1. Praude, V. (2010). Finanšu instrumenti, 2.daļa. Rīga: SIA "Burtene"487 lpp.
2. Duarte, J. (2006). *Futures and options For Dummies, 2<sup>nd</sup> edition*. Hoboken, NJ: John Wiley Publishing Inc. 387 p.

### Futures market

1. Praude, V. (2010). Finanšu instrumenti, 2.daļa. Rīga: SIA "Burtene"487 lpp.
2. Duarte, J. (2006). *Futures and options For Dummies, 2<sup>nd</sup> edition*. Hoboken, NJ: John Wiley Publishing Inc. 387 p.

### Review of other derivatives

1. Wild, R. (2011). *Exchange-Traded Funds For Dummies, 2<sup>nd</sup> edition*. Hoboken, NJ: Wiley publishing Inc. 384 p.
2. Kozlovsksis, K. (2017) *Kas ir CFD?* [tiešsaiste]. Sarunas.lv [skatīts 2018.gada 5.maijā]. Pieejams: <http://www.sarunas.lv/lv/karjera-nauda/finances-un-pl-no-ana/1444-kas-ir-cfd#.WwAMyGiFOUk>
3. *Kas ir CFD?* (2018) [tiešsaiste]. Dukascopy [skatīts 2018.gada 5.maijā]. Pieejams: <https://www.dukascopy.com/europe/lv/cfd/what-are-cfds/>
4. *Depositary Receipt* (2018) [online]. Investopedia [accessed 2 may 2018]. Available at: <https://www.investopedia.com/terms/d/depositaryreceipt.asp>

#### Review of alternative investment opportunities

1. Kozlovsksis, K., Bistrova, J. (2016). *Investīciju finanšu instrumenti*. Rīga: RTU Izdevniecība 120 lpp.

#### Introduction to investment strategies, hedging, diversification and portfolio management.

1. Praude, V. (2010). *Finanšu instrumenti, 2.daļa*. Rīga: SIA "Burtene" 487 lpp.

#### Investing and trading technique: introduction to fundamental and technical analysis.

1. Praude, V. (2010). *Finanšu instrumenti, 2.daļa*. Rīga: SIA "Burtene" 487 lpp.

### **THE STUDY COURSE SCHEDULE AND ORGANISATION**

*Teaching language: Latvian.*

*Duration of one academic hour is 45 minutes.*

*Lectures are organized as a two-academic-hours lectures each day.*

### **THE STUDY COURSE REQUIREMENTS**

- final presentation of the solution on a given investment goal
- at least 70% of successfully solved tasks & assignments

### **THE STUDY COURSE EVALUATION RESULTS**

Learning outcomes	Evaluation method	Evaluation criteria		
		40-69%	70-89%	90-100%
<b>KNOWLEDGE AND UNDERSTANDING</b>				
Aware of and understand the core of the main financial concepts	In-class discussion	Lack of understanding of the subject-related concepts and principles	Understands the subject-related concepts and principles, but encounters a difficulty in understanding details	Fully understands the subject-related concepts
Knows and understands the meaning of the basic terms regarding financial markets, financial instruments, and corporate financial management	Theoretical knowledge test In-class discussion	40-69% of the tasks performed correctly	70-89% of the tasks performed correctly	90-100% of the tasks performed correctly
Knows about and understands of functioning specifics of	Theoretical knowledge test In-class	40-69% of the tasks performed correctly	70-89% of the tasks performed correctly	90-100% of the tasks performed correctly

financial markets	discussion			
<b>SKILLS</b> (ability to apply knowledge, communication, general skills)				
Is able to read and analyze a specialized literature regarding financial markets and instruments	In-class discussion	Is not able to read and analyze a specialized literature to acquire new knowledge	Is able to read and analyze a specialized literature, but encounters a difficulty in understanding some details	Is able to read and analyze a specialized literature, as well as to explain material to others in a clear manner
Is able to identify and evaluate main characteristics of different types of financial instruments	Practical tasks	40-69% of the tasks performed correctly	70-89% of the tasks performed correctly	90-100% of the tasks performed correctly
<b>COMPETENCES</b> (analysis, synthesis, evaluation)				
Is able to find necessary information about current market conditions and current quotes on many financial instruments	Independent work	Is not able to find necessary information with no assistance	Is able to find necessary information but still needs some assistance in solving difficulties	Is able to find new sources of necessary information without assistance
Is able to analyze the current situation in the financial markets and to make forecast based on different techniques.	Independent work	Is not able to solve a given task	Is able to solve a given task but encounters a difficulty in details	Is able to solve a given task without assistance
Is able to find a solution to achieve a given investment goal	Independent work	Is not able to implement all obtained skills and knowledge	Is able to implement all obtained skills and knowledge but encounters a difficulty in solving more complicated problems	Is able to implement all obtained skills and knowledge