

Module 3

INVESTMENT PLANNING AND PORTFOLIO MANAGEMENT (2026)

Topic 1 – Investment Concepts

- 1.1 Why do people invest?
- 1.2 Appropriate use for each asset class based upon its risk/return characteristics
- 1.3 Tax implications of each asset class
- 1.4 Investment risks and measurements
- 1.5 Impact of economic events on client's investments

Topic 2 – Economic Analysis in Investment

- 2.1 The Real Economy
- 2.2 The Public Sector
- 2.3 Impact of Government Policies on Investment
- 2.4 International Economics
- 2.5 Economic Analysis and Investment Strategy
- 2.6 Economic Indicators – Usefulness and Practicality for Market Participants

Topic 3 – Concepts of Portfolio Theory and Performance Measures

- 3.1 Statistical measures in investments
- 3.2 Risk aversion and utility
- 3.3 Modern portfolio theory
- 3.4 Capital asset pricing model
- 3.5 Other investment theories- Arbitrage pricing theory and Efficient market hypothesis
- 3.6 Measure and interpret investment returns – time weighted return, money weighted return, after-tax return, holding period return, annual percentage return, effective growth rate
- 3.7 Calculate and interpret risk-adjusted returns – Sharpe ratio, Treynor ratio, Jensen Alpha etc

Topic 4 – Managing Equity Investments

- 4.1 Introduction to equity market
- 4.2 Overview of the Malaysian stock market
- 4.3 Types of equities and classifications
- 4.4 Fundamental analysis and technical analysis
- 4.5 Estimating value of a shares using discounted cash flow and price multiples
- 4.6 Impact of corporate exercise on share price
- 4.7 Roles of equities in client's portfolio

Topic 5 – Debt Securities Investments

- 5.1 Definition of debt securities
- 5.2 The debt securities market
- 5.3 Why invest in debt securities?
- 5.4 Features and characteristics of debt securities
- 5.5 Pricing and yield calculations
- 5.6 Factors affecting price and yield
- 5.7 Duration and Convexity: The Price/Yield Relationship
- 5.8 Roles of debt securities in client's portfolio

Topic 6 – Collective Investment Schemes and Unit Trusts Investments

- 6.1 Overview of unit trust schemes
- 6.2 Parties to unit trust schemes and their roles
- 6.3 Regulation of the unit trust industry in Malaysia
- 6.4 Methods of investment in unit trusts
- 6.5 Selecting an appropriate unit trust fund
- 6.6 Net asset value and the impact of income distribution and unit split
- 6.7 Fund performance metrics
- 6.8 Categories of unit trusts
- 6.9 Other types of collective investment scheme
- 6.10 Code of ethics and standard of professional conduct for the unit trust industry

Topic 7 – Derivatives and Structured Products

- 7.1 Introduction to derivatives
- 7.2 Uses of derivatives
- 7.3 The derivatives markets
- 7.4 Types of derivatives - Options, forwards, futures and swaps
- 7.5 Mechanics and applications of derivatives
- 7.6 Overview of structured products
- 7.7 Uses and Benefits of Using Structured Products
- 7.8 Components of a Structured Product
- 7.9 Features and Payout Structures of Structured Products
- 7.10 Risks of Investing in Structured Products

Topic 8 - Alternative Investments

- 8.1 Types of alternative investment
 - Real Estates
 - Infrastructure and development capital
 - Private equity/venture capital
 - Hedge funds
 - Commodities – gold, base metals etc
 - Collectibles – Arts, antiques, etc
 - Cypro-assets
 - Others
- 8.2 Role of alternative investments in a portfolio and relationship to other asset classes
- 8.3 Factors influencing alternative investment returns
- 8.4 Risks of investing in alternative investments
- 8.5 Valuation issues
- 8.6 Investment strategies

Topic 9 – Managing International Investments

- 9.1 Why invest overseas?
- 9.2 Risks associated with international investments
- 9.3 Factors influencing returns on international investments
- 9.4 Investment strategies
- 9.5 Currency management
- 9.6 Performance benchmark and evaluation

Topic 10– Investment Plan Development and Strategies

- 10.1 Identifying investment objectives, time horizons and risk tolerances
- 10.2 Determine an appropriate benchmark for assessing the value of portfolio management services
- 10.3 Develop and communicate an appropriate Investment Policy Statement (IPS) for a client
- 10.4 Construct an efficient diversified portfolio meeting the goals, risk preferences and time horizon of a client
- 10.5 Determine appropriate investment strategies - buy-and-hold, core and satellite, passive and active management techniques such as tactical allocation, market timing, Environmental, Social, and Corporate Governance (ESG) investing, sector rotation, etc
- 10.6 Managing investment risks