

HKSI Diploma Programme Examination

List of Suggested Readings*

Paper 1 – Economics, Financial Markets and Analytical Tools

1. **HKSI Diploma Programme Examination Paper 1 Study Manual – Economics, Financial Markets & Analytical Tools**, Ying-Foon Chow & Raymond W. So, 1st Edition, 2003.
2. **Essentials of Economics**, Bradley R. Schiller, 4th Edition, McGraw Hill, 2002.
3. **Fundamentals of Corporate Finance**, Ross, Westerfield and Jordan, 5th Edition, McGraw Hill, 2000.
4. **Financial Statement Analysis: Theory, Application and Interpretation**, Leopold A. Bernstein and John J. Wild, 7th Edition, McGraw Hill, 2001.
5. **Practical Business Statistics**, Andrew F. Siegel, 4th Edition, McGraw Hill, 2000.
6. **The Hong Kong Securities Industry**, Leslie S.F. Young & Raymond C.P. Chiang, 3rd Ed., The Stock Exchange of Hong Kong and Asia-Pacific Institute of Business, The Chinese University of Hong Kong.
7. **Securities Investment Practice in Hong Kong**, Richard Yau, The Hong Kong Institute of Bankers, 1998.
8. 香港金融體系, 呂汝漢, 商務印書館1998 年第十一版.

Paper 2 – Law, Code and Ethics

I. Regulatory Framework

- Securities and Futures Ordinance, Part II and Part III.
- SFC Quarterly Bulletin Spring 2002, *The Securities and Futures Ordinance, 2002 – Continuity and Change* (can be downloaded from www.hksfc.org.hk).
- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 1 (2003): Fundamentals of Securities and Futures Regulation (Topic 1).

II. Scope of Regulation

- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 1 (2003): Fundamentals of Securities and Futures Regulation (Topics 4 and 9).
- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 6 (2003): Regulation of Asset Management (Topic 2).

III. Regulation Over Business Activities

- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 1 (2003): Fundamentals of Securities and Futures Regulation (Topics 5 and 6).
- Major Subsidiary Legislation:
 - Securities and Futures (Financial Resources) Rules
 - Securities and Futures (Client Securities) Rules
 - Securities and Futures (Client Money) Rules
 - Securities and Futures (Keeping of Records) Rules
 - Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules
 - Securities and Futures (Accounts and Audit) Rules
 - Securities and Futures (Professional Investor) Rules
 - Securities and Futures (Unsolicited Calls - Exclusion) Rules
 - Securities and Futures (Short Selling and Securities Borrowing and Lending (Miscellaneous)) Rules
 - Securities and Futures (Disclosure of Interests - Securities Borrowing and Lending) Rules
 - Securities and Futures (Contract Limits and Reportable Positions) Rules
 - Securities and Futures (Price Stabilising) Rules
 - Securities and Futures (Recognised Counterparty) Rules
 - Securities and Futures (Stock Market Listing) Rules

IV. Raising and Maintenance of Company Capital

- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 5 (2003): Regulation of Corporate Finance (Topic 2).

V. Corporate Governance

- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 5 (2003): Regulation of Corporate Finance (Topic 1).
- Consultation Conclusions on Proposed Amendments to the Listing Rules Relating to Corporate Governance Issues, 2003 issued by the Hong Kong Exchanges and Clearing Limited (can be downloaded from www.hkex.com.hk).
- Consultation Paper on Proposed Amendments to the Listing Rules Relating to Corporate Governance Issues, January 2002 issued by the Hong Kong Exchanges and Clearing Limited (can be downloaded from www.hkex.com.hk).

VI. Takeovers and Mergers and Substantial Acquisition

- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 5 (2003): Regulation of Corporate Finance (Topic 3).

VII. Regulation of Market Abuses

- Securities and Futures Ordinance, Part XIII and Part XIV.
- Fairer markets: the SFO and more effective market misconduct laws (an article by Eugene Goynes, Enforcement, SFC, November 2002) [can be downloaded from www.hksfc.org.hk].
- HKSI Licensing Examination for Securities and Futures Intermediaries Study Manual for Paper 1 (2003): Fundamentals of Securities and Futures Regulation (Topic 9).

VIII. Enforcement and Remedies

- Securities and Futures Ordinance, Part VIII and Part IX.
- Information Booklet published by the Investor Compensation Company Limited (can be downloaded from www.hkicc.org.hk).

Paper 3 – Investment Analysis and Portfolio Management

1. **HKSI Diploma Programme Examination Paper 3 Study Manual – Investment Analysis & Portfolio Management**, Man-kit Lai, 1st Edition, 2002.
2. **Derivative Markets: Theory, Strategy and Application**, Peter Ritchken, HarperCollins College Publisher, 1996.
3. **Fundamentals of Investing**, Lawrence J. Gitman, Michael D. Joehnk, 8th Edition, Addison Wesley, 2002.
4. **Investment: Concepts, Analysis and Strategy**, Robert C. Radcliffe, 5th Edition, Addison Wesley, 1997.
5. **Investment Analysis and Portfolio Management**, Frank K. Reilly and Keith C. Brown, 6th Edition, Dryden, 2000.
6. **Portfolio Management: Theory and Application**, James L. Farrell, 2nd Edition, McGraw Hill, 1997.

Useful Websites

Securities and Futures Commission —www.hksfc.org.hk

Hong Kong Exchanges and Clearing Limited —www.hkex.com.hk

Investor Compensation Company Limited —www.hkicc.org.hk

Hong Kong Monetary Authority —www.info.gov.hk/hkma

Mandatory Provident Fund Schemes Authority —www.mpfa.org.hk

*** The list above is for reference only and is by no mean exhaustive. Candidates are recommended to refer to the most updated version of the suggested readings.**