



ETC Quarterly Report Ending November 99
Summary

<p>Courses & Seminars Using the ETC</p> <ul style="list-style-type: none"> • F728 MBA – Mergers and Acquisition • I601 MBA – International Business • 4SA3 Commerce – International Business • 4FH3 Commerce – Mergers and Acquisition • MBA – Professor Mountain • MBA & Commerce – Options & Futures • Commerce 1S03 – Intro. to Business • General sign – up presentations <p>See page 2 for details</p>	<p>ETC Media Coverage</p> <ul style="list-style-type: none"> • Money Show – CBC • Hamilton Spectator • Business Sense <p>See page 3 for details</p>
<p>Student Activities</p> <ul style="list-style-type: none"> • Accounting students • Research for interviews • Finance Students • International Business Students <p>See page 3 for details</p>	<p>Faculty Research</p> <ul style="list-style-type: none"> • Collection of tick data on inter-listed Canadian equities for Professors Kwan and Cheung <p>See page 4 for details</p>
<p>Recommendations & Comments Received by ETC</p> <ul style="list-style-type: none"> • A suggestion box • Volunteer positions • A printer • Seminars on Technical Analysis • E-Mails <p>See page 4 for details</p>	<p>Number of Users to Date</p> <ul style="list-style-type: none"> • Over 1500 ETC users and guests. • 1084 students and faculty attended the mini-course ETC 101 (Intro. to Financial Markets). <p>See page 5 for details</p>
<p>ETC Tools Available</p> <ul style="list-style-type: none"> • Reuters 2000 (Terminal, Graphics) • Reuters 3000 (Equity, Money Market, Fixed Income) • Reuters manual • Technical analysis manual • Options Toolbox <p>See page 5 for details</p>	<p>Bulletin Board</p> <ul style="list-style-type: none"> • Upgraded Web page/Web cam • New trading courses at MAC. • An ETC brochure • Canadian Securities Institute Courses • Library Resource Centre • Rental of ETC • Employment Opportunity – VIP training <p>See page 6 for details</p>
<p>Guest List</p>	
<ul style="list-style-type: none"> • Recruiters • Dr. Jahangir Sultan, Bentley College • Canadian Pacific • Michael Gange, Pratt and Whitney Canada • Ken Troy, Reuters Canada • Dr. Baba, Michael G. DeGroot School of Business • Kira von Rosenstiel, Canadian Securities Institute • Anne Hoekstra, Business Sense • Janet Burton, Edward Jones • Tours from potential students 	<ul style="list-style-type: none"> • Business Advisor Board • Quentin Broad, National Bank • Donald Tong, Hong Kong Special Administrative Region • Eddie Cheung, Hong Kong Special Administrative Region • Robert Lack, CBC News • John Mentek, Hamilton Spectator • Brian Shaw, CIBC World Markets • Ms. Jeannine Brooks - CGA • Mr. Fred Burke (COO)- InterCorp Excel <p>See page 5 for details</p>

ETC Report November, 1999

The following report covers the Educational Trading Centre activities for the period starting September 1999 and ending November 1999.

In September eight new students were hired bringing the number of students that are employed by the centre to ten. These students were trained as ETC consultants, who are currently conducting the weekly presentations.

Courses and Seminars

The ETC has given forty-seven presentations to date by the ETC Supervisors. The presentations were offered to both faculty and students to acquaint them with the capabilities of the ETC and to encourage the faculty to incorporate the ETC into their courses. Furthermore, some of the presentations were customized to meet the needs of the individual courses. For example, the MBA International Business classes, the MBA and undergraduate Mergers and Acquisitions classes, both the commerce and MBA options and futures course, and many others. Other professors have shown interest in booking the ETC for other courses at the undergraduate level as well. The response by students who attend the presentations was positive.

The following is the list of ETC presentations given so far:

F728 MBA – Mergers and Acquisition (Professor Chamberlain)

The presentation was given to 30 students, and was customised to cover topics such as Mergers news and analysis of various merging companies using the Reuters 2000 and 3000 Equity and Excel applications.

I601 MBA – International Business (Professor Tiessen)

A total of six presentations were given to about 180 students, the presentations emphasised topics such as currencies, news stories, economic indicators from Reuters 2000 and 3000 Equity and Excel applications.

4SA3 Commerce- International Business (Professor Stockton)

Five presentations have been given for a total of approximately 150 students. The presentations were customised to cover topics such as currencies, news stories, economic indicators from Reuters 2000 and 3000 Equity and Excel applications.

4FH3 Commerce – Mergers and Acquisition (Dr. Chamberlain)

One presentation was given to about 14 students, the presentation included topics such as Mergers news and analysis of various merging companies using the Reuters 2000 and 3000 Equity and Excel applications.

(Professor Mountain)

A customized presentation was given to about 10 MBA students. The presentation covered a list of specific stock, its historical daily close, 30 day T-Bill and how to use Excel, for research purposes.

MBA & Commerce – Options and Futures (Professor Charupat)

Two presentations have been given to about 80 students. The presentations were customised to cover topics such as futures, options, interest rates, swaps and FRAs using Reuters 2000 and 3000 Equity and Excel applications.

1S03 Commerce – Introduction to Business (Professor Cossa)

Eighteen presentations have been given to about 600 first-year students, during the week of November 15, 1999. The presentations included topics such as currency, news quotes and equity analysis using the Reuters 2000, Reuters Graphics and Equity 3000. The students enjoyed the presentations and the feedback was positive. (See attached)

ETC Weekly Seminars

Every week the centre offers general presentations on the use of Reuters 2000, and Reuters Graphics and Excel. The weekly seminars are offered to anyone interested in acquiring basic ETC operating knowledge. Sign up sheets are placed outside the door of the ETC at the beginning of every week. Three of these presentations have already been given thus far.

Media Coverage

Robert Lack from the Canadian Broadcasting Company featured the ETC on the Money Show, which gave the ETC Canada wide exposure.

John Mentek, from the Hamilton Spectator featured the ETC as a resource for Investment Clubs in the business section of the newspaper.

Anne Hoekstra from Business Sense interviewed ETC employees and McMaster students along with the ETC Director John Siam and Mr. Bob Hodgson. Business Sense is Canada's leading business student magazine, the magazine will feature the ETC in its January issue.

Student Activities

The traffic at the Educational Trading Centre has been continuously increasing over 1500 people since September. Students use the room for research purposes, such as - to aid in assignments like International Business, New Venture Capital, Accounting and Mergers and Acquisitions courses and to research companies prior to interviews.

Increase in the level of activity has also been due to the Trading Challenge, encouraging students to come into the room to pick and track their stocks on a daily basis.

The ETC is being used as a resource centre for the McMaster Student Investment Club, Matt Casey – a head broker at the Hamilton branch of Merrill Lynch, has offered the club his assistance.

Faculty Research

In keeping with one of the ETC objectives of being a research resource, the ETC is dedicating a number of Reuter's stations for students and faculty research. The center has been storing tick-data for Professors Kwan and Cheung from the business school. Currently four computers are being used to store tick data on all inter-listed stocks of the TSE. Tick data is being handled by ETC Coordinators and saved on zip drives. The data collection started at the beginning of the term and is expected to continue to the end of December.

Recommendations & Comments received by ETC

The educational trading centre has received numerous e-mails inquiring about job/volunteer opportunities, courses and seminars offered at the centre.

The centre has received inquiries from professionals working in the financial services industry requesting information on our MBA program with a focus on Trading/Finance. The centre also received e-mails from current McMaster MBA students and other prospective MBA students interested in trading courses at the MBA level.

Students from York University, University of Regina and the University of Ottawa inquired about intensive trading courses offered part-time – evenings, weekends or in the summer. Another student from University of Toronto inquired about a designation /certificate program in trading that might be offered at the ETC.

The centre has even received e-mails from as far as the American University of Beirut, Lebanon and Nova Scotia.

A recommendation was received to have a suggestion box situated outside the ETC to have inputs from the centre users.

Another recommendation received is to have people interested in a part-time job at the centre, come in and volunteer there time to learn the system, while at the same time assist in saving tick data when the centre gets busy.

Students have also inquired about having a printer in the centre, so they could print off news stories, graphs and other data. As well, a fax machine to receive market summaries from brokerage firms.

Offering a course/seminar in technical analysis by someone from the industry, would be well attended by students, and is recommended for the future.

Number of Users

The ETC has approximately eight people at any time doing research. To date the centre has had approximately 1500 visitors.

ETC Tools Available

The centre currently has Reuters 2000 and 3000 products, access to Reuters' intranet and excel on all 21 workstations.

The ETC recently installed an Options Toolbox program on all 21 terminals. This program is an interactive educational software for investors from the Chicago Board Options Exchange. The Toolbox covers basic definitions, principal factors affecting an option's price, placing an order, LEAPS, Index options, equity options and how to construct and test a simulated option position.

Information:

The ETC developed a manual on understanding the Reuters Terminal, Graphics and its interface with Excel to develop quote lists, tick data and intra-day graphs to assist the students in understanding the Reuters on their own time.

A manual explaining technical analysis and trend lines was developed and is readily available for use by students interested in this type of analysis.

Guest List

During the September-November period, the ETC has received numerous distinguished visitors and recruiters from the industry.

Friday 10th September, 1999 - Robert Lack from the Canadian Broadcasting Company featured the ETC on the Money Show, which gave the Centre exposure across Canada.

Mr Michael Gange, Manager HR - Planning and Development at Pratt and Whitney Canada, visited the ETC to look at the prospects of using the centre in a training program.

Thursday 23rd September, 1999 - Bryan Shaw, Managing Director Co-Head Global Equities, our first "trader-in-residence" outlined the benefits and uses of the ETC from the industry perspective.

Thursday 23rd September, 1999 - The ETC hosted Dr. Jahangir Sultan, Founding Director of Bentley College's trading centre in Massachusetts. Dr. Sultan gave valuable insights into fulfilling the ETC's potential.

Tuesday 26th October, 1999 - Anne Hoekstra from Business Sense interviewed ETC employees and McMaster students along with the ETC Director John Siam and Mr. Bob

Hodgson. Business Sense is Canada's leading business student magazine, and it will feature the ETC in its January issue.

Thursday 30th September, 1999 - There was also a presentation during the School of Business' welcome to the new dean, Dr. Baba and the Business Advisor Board. The President of Reuters Canada, Mr. Ken Troy attended this presentation.

Thursday 30th September, 1999 - A presentation was given to several recruiters from Toronto Dominion Bank and Scotia Bank.

Monday 4th October, 1999 - Janet Burton, Investment Representative of Edward Jones visited the ETC and was interested in offering courses through the ETC.

Tuesday 5th October, 1999 - Mr. Quentin Broad an Alumni currently a Bank and Insurance Analyst with National Bank Financial also visited the ETC and will be one of the traders-in residence.

Wednesday 6th October, 1999 - Canadian Pacific Limited visited, and a brief presentation session on the room, with the emphasis on CP related information.

Friday 8th October, 1999 - Mr. John Mentek, from the Hamilton Spectator featured the ETC as a resource for Investment Clubs in the business section of the newspaper.

Tuesday 12th October, 1999 - Kira von Rosenstiel, from the Canadian Securities Institute also visited the centre and was interested in developing a working relationship with the ETC.

Donald Tong, Director and Eddie Cheung, Deputy Director of the Hong Kong Economic and Trade Office, Toronto - The Government of the Hong Kong Special Administrative Region toured the facility.

Friday 26th November, 1999 - Ms. Jeannine Brooks, FCGA - President of the Certified General Accounts and Mr. Fred Burke - Chief Operating Officer of InterCorp Excel visited the centre.

The ETC also held tours to students considering McMaster University for their undergraduate and MBA endeavours.

Bulletin Board:

As a first step, the ETC's web page is being upgraded to feature all the activities of the centre. In addition there are plans to install two web cams to allow for video conferencing with other trading floors on Bay Street.

Commerce 4FI3 - Trading in Financial Markets - (January 2000)

The course will use a combination of lectures, presentations, supervised trading and unsupervised trading in an attempt to develop practical skills in trading securities. Securities such as fixed income, equities, futures and options will be covered. The course will focus on

trading strategies based on market analysis and risk management using the Reuters products and simulated trading programs.

MBA F738 - Market Trading and Risk Management (September 2000)

The course attempts to develop practical skills in trading financial securities with a focus on risk management and return enhancement. The course deals comprehensively with the increased importance played by risk and uncertainty in today's financial markets. Classes and trading sessions will be conducted at the Educational Trading Centre.

A brochure on the Educational Trading Centre is also currently being designed.

There are also plans to incorporate the ETC into various external courses. The ETC is currently having discussions with the Canadian Securities Institute to offer the Canadian Securities Course in five weeks instead of three months. The plan is to have lecturers come in to teach the course in a five-week period instead of students doing it via correspondence in three months.

Having Library Resource Centre, where students could look at books on technical analysis, securities and other assorted topics.

Another option currently being explored, is the rental of the ETC to investment firms for training purposes and to host guest speakers.

The ETC has advertised job opportunities for the co-ordinator positions, beginning Winter 2000 term. In addition, the ETC has developed a volunteer internship program (VIP) to any McMaster student interested in obtaining some practical trading room skills. The skills developed in VIP training may qualify applicants for a position as an ETC Co-ordinator. The students with VIP training will be given employment priority at the ETC.

For further information:

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