

Module Outline

Module Title:	ECF (RWM) –Financial Planning and Wealth Management (M7)
Credit:	20 (9 or 15 contact hours, around 180 self-study hours and 3 examination hours)
Teaching/Training & Learning Activities:	Training Class
Pre-requisite:	ECF (RWM) -- M1 to M6

Module Objective:

The module aims to equip candidates with the essential skills of wealth management with an exemplary comprehensive financial plan and special purposed investment plan case studies.

Module Intended Learning Outcome (MILO) & Unit of Competency (UoC)

Upon completion of the Module, learners should be able to:

MILO1: Demonstrate awareness of the key features of Hong Kong's financial dispute resolution scheme	<ul style="list-style-type: none"> • 107295L4 • 107310L5 • 107311L4
MILO2: Conduct financial planning in accordance with prescribed steps, such as financial needs analysis and risk assessment;	<ul style="list-style-type: none"> • 107312L4 • 107398L3/106670L3 • 107399L3
MILO3: Apply the suitability obligation to the sale of specific types of investment and insurance products;	<ul style="list-style-type: none"> • 107518L4 • 107519L4
MILO4: Construct financial plans based on analysis on the needs of customers;	<ul style="list-style-type: none"> • 107520L4 • 107521L4 • 107522L4
MILO5: Employ appropriate communication skills to make presentation to customers based on analysis on preference and styles of customers;	<ul style="list-style-type: none"> • 107523L4 • 107545L4 • 107542L5 • 107543L5
MILO6: Explain the duties of a practitioner to disclose and report knowledge or suspicion of illegal or improper activities.	<ul style="list-style-type: none"> • 107620L4 • 106874L5 • 106884L5 • 106823L5 • 106853L5 • 106872L6 • 106873L6 • 106609L6

Assessment Activity

Type of Assessment Activity	MILOs	Weighting (%)
Examination	MILO 1-6	100

Examination Format and Duration

Time allowed: 3 hours

The examination consists of 2 parts:

Part A: 40-50 Multiple Choice Questions (1 hour 15 minutes); and

Part B: 1 Case and Oral Examination (1 hour 30 minutes for case study, 15 minutes for oral presentation).

Syllabus

Chapter 1: Overview of the wealth management industry and asset management industry	
1	Wealth management business models and industry outlook
2	Clients and stakeholders
3	Investment management services for high net worth individual (HNWI)
4	Private wealth management services
Chapter 2: Fundamentals of financial planning	
1	Financial planning process
2	Financial management
Chapter 3: Managing client relationship management	
Chapter 4: Upholding professional ethics and avoiding conflicts of interest	
Chapter 5: Case studies in financial planning	
1	Life cycle financial planning
2	Investment planning

Recommended Readings

Essential Readings:

1. HKIB Study Guide – ECF-RWM Financial Planning and Wealth Management

Supplementary Readings

1. Bain & Company / China Merchants Bank, “2014 China Wealth Report”

2. Boston Consultant Group / Chinese Construction Bank, “2012 China Wealth“
3. Chan, Norman T.L., “Hong Kong as a Private Banking Hub – A Regulator’s Vision”, Hong Kong Monetary Authority, 2012
4. Dagong Europe Credit Rating, “China’s Insurance Market Overview”, 2014
5. Fitch Ratings, “China Asset Management Industry”, 2015
6. Goldman Sach Asset Management, “FAQ: China’s Bond Market”, 2015
7. Hong Kong Monetary Authority, “The Premier Offshore Renminbi Business Centre”, 2015
8. Hong Kong Special Administrative Region Government, “Hong Kong – The Facts: Financial Services”, 2015
9. Huran Report / China Minsheng Bank, “China Ultra High Net Wealth Report (2014-2015)”
10. Ito, Takatoshi, “The Internationalization of the RMB - Opportunities and Pitfalls”, The Council on Foreign Relations, 2011
11. McKinsey & Company / China Ping An Trust Co., Ltd, “The Coming Transformation of China’s Trust Industry — China Trust Industry Report 2013”
12. Tanner De Witt, “Accumulators and Lehman Brothers Minibonds: Know the products, know your rights”, <http://www.tannerdewitt.com/>
13. E-Learning on HKIB Website: Financial Planning
14. HKIB Study Guide - ECF (RWM) –Regulatory Environment for Banking and Financial Planning
15. HKIB Study Guide - ECF (RWM) – Investment Planning
16. HKIB Study Guide - ECF (RWM) – Essentials of Banking
17. HKIB Study Guide - ECF (RWM) – Insurance and Retirement Planning
18. HKIB Study Guide - ECF (RWM) – Investment and Asset Management: Product Solutions
19. HKIB Study Guide - ECF (RWM) – Investment and Asset Management: Alternatives and Wealth Solutions

Further Readings

Chapter 1

1. China Banking Regulatory Commission, 2014 Annual Report
2. Dagong Europe Credit Rating, “China’s Insurance Market Overview”, 2014
3. Fitch Ratings, “China Asset Management Industry”, 2015
4. Goldman Sachs Asset Management, “FAQ: China’s Bond Market”, 2015
5. Hong Kong Monetary Authority, “The Premier Offshore Renminbi Business Centre”, 2015

6. Ito, Takatoshi, "The Internationalization of the RMB - Opportunities and Pitfalls", The Council on Foreign Relations, 2011
7. McKinsey & Company / China Ping An Trust Co., Ltd, "The Coming Transformation of China's Trust Industry — China Trust Industry Report 2013"

Chapter 2

1. Dan Richards, Getting Clients, Keeping Clients – The Essential Guide for Tomorrow's Financial Adviser, 2000 (John Wiley & Sons)
2. Jae K Shim, Handbook of Financial Planning – An Expert's Guide for Advisors and Their Clients, 2003 (South-Western)

Chapter 3

1. Walker, D., Walker, T., and Schmitz, J., 2003, Doing Business Internationally, 2nd edition, New York, NY: McGraw-Hill.
2. Xiao, J. and J. G. Anderson, 1993, A Hierarchy of Financial Needs Reflected by Household Paper Assets, in T. Mauldin (Ed.), The Proceedings of the American Council on Consumer Interests 39th Annual Conference, pp. 207-214, Columbia, Missouri, American Council on Consumer Interests.

Chapter 4

1. HKMA circular dated 14 October 2014 on "Customer Data Protection"
2. HKMA circular dated 29 September 2016 on Frequency Asked Questions on Customer Due Diligence
3. HKMA's Supervisory Policy Manual, Module IC-4: Complaint Handling Procedures
4. Hong Kong Treasury Markets Association: Code of Conduct and Practice
5. SFC Circular to Licensed Corporations and Registered Institutions - Frequently Asked Questions on Corporate Professional Investor Assessment and Description of Services in Client Agreements (Annex 2), available at <http://www.sfc.hk/edistributionWeb/gateway/EN/circular/doc?refNo=15EC4>

Chapter 5

1. Private Wealth Management: The Complete Reference for the Personal Financial Planner, Ninth Edition 2015, McGraw-Hill
2. Financial Management: Theory & Practice, Fourteenth Edition 2013, Cengage Learning

3. Statistics for Management and Economics, Tenth Edition 2014, Cengage Learning

