

An aerial photograph of a city skyline, featuring a prominent skyscraper with a distinctive, spire-like top. The building is surrounded by other high-rise structures and a body of water. The sky is clear and blue. The text 'THE CFA CHARTER' is overlaid in large, white, bold letters across the center of the image.

# THE CFA CHARTER

**THE CFA® CHARTER IS A GLOBALLY  
RECOGNIZED, GRADUATE-LEVEL  
INVESTMENT CREDENTIAL.**

**EARNING IT DEMONSTRATES A  
COMMITMENT TO PROFESSIONAL  
ETHICS AND EXPERTISE WITH THE  
BROAD RANGE OF SKILLS NEEDED  
FOR COMPETITIVE CAREERS IN THE  
INVESTMENT PROFESSION.**

**TO EARN THE CFA CHARTER YOU  
MUST COMPLETE THE CFA PROGRAM.**

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**I wanted a credential  
that represented a real  
global standard that's  
internationally  
recognized.**

Nina de Martinis-Majstorovic, CFA  
Paris, FRANCE



## TABLE OF CONTENTS

What is the CFA charter?	4
Who earns the CFA charter?	6
What will I learn?	14
What is the CFA Program like?	22
What is it like to be a CFA charterholder?	30
How do I get started?	34

## WHAT IS THE CFA CHARTER?

Since it was first introduced in 1963, the Chartered Financial Analyst® designation, or CFA charter, has become the most respected and recognized investment credential in the world.

Earning the CFA charter demonstrates mastery of the skills most needed for investment analysis and decision making in today's fast-evolving global financial industry. That's why employers and clients around the world are increasingly seeking out CFA charterholders—often making the charter a prerequisite for employment.

To earn the CFA charter you must have four years of qualifying investment work experience; you must become a member of CFA Institute (the global association of investment professionals that administers the CFA charter), pledging to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis; you must apply for membership to a local CFA member society; and you must complete the CFA Program.

The CFA Program is a globally recognized, graduate-level curriculum that provides you with a strong foundation of the real-world investment analysis and portfolio management skills and practical knowledge you need in today's investment industry. It also emphasizes the highest ethical and professional standards.

The Program is organized into three levels, each culminating in a six-hour exam. CFA Program candidates report dedicating in excess of 300 hours of study per level. Completing the entire Program is a significant challenge that takes most candidates between two and five years.

To ensure that the Program maintains a focus on the global investment management profession from the standpoint of practitioners, practicing CFA charterholders from around the world are involved at every stage of curriculum development, exam development, exam grading, and even the setting of the minimum passing scores.

### HOW WELL KNOWN IS THE CFA CHARTER?

- There are currently more than 90,000 CFA charterholders working in over 135 countries around the world.
- Regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements.
- More than 125 distinguished colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own courses, including the University of Oxford's Saïd Business School; New York University; INSEAD; Peking University; and Nanyang Technological University.

**The CFA charter is the future.  
And if I am committed to be  
part of this industry, then  
it's something I should have.**

Ashley Khoo, CFA  
Hong Kong SAR

Ashley has worked in both New York and Hong Kong and mentors students who are interested in the CFA Program.

# WHO EARNS THE CFA CHARTER?





Ken Luce, CFA  
Toronto, CANADA

## WHO EARNS THE CFA CHARTER?

**Our industry has so many different types of products, and the CFA Program covers every single different area.**

Ken Luce, CFA  
Toronto, CANADA

### CAREER CHANGERS

Many non-investment professionals, such as attorneys and accountants, choose to earn the CFA charter to gain broader professional expertise. If you are developing an additional area of proficiency or if you are seeking to make a career change into the investment profession, completing the CFA Program is a cost-effective way to gain the skills you need for success in today's global investment profession and to signal the seriousness of your intentions.

### INVESTMENT PROFESSIONALS

The CFA Program curriculum is designed to complement your experience with a broad range of skills determined to be most relevant by investment practitioners and employers. Acquiring this additional knowledge will enhance your professional abilities and will increase your standing with colleagues, clients, and your employer.

### STUDENTS

If you are a student planning to enter the finance or investment profession, there is no better way to signal your commitment and your ability to perform at a high level than by enrolling in the CFA Program, learning the skills you will need to succeed in the investment industry, and earning the CFA charter.

Earning the CFA charter helped Ken find a job even during a tough job market.

## CFA Institute and the charter give you an edge in getting the job and then excelling in your job.

Rana Atallah, CFA  
Kuwait City, KUWAIT

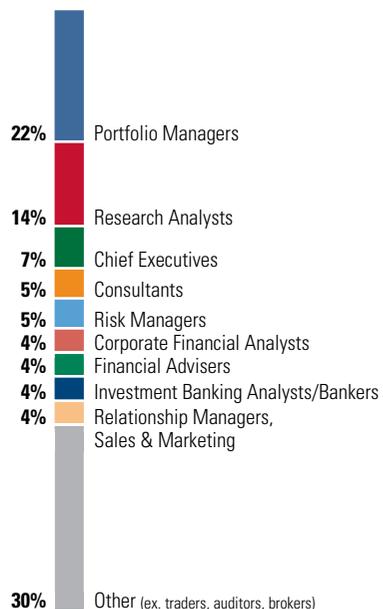
### HOW DOES THE CFA PROGRAM COMPARE WITH AN MBA PROGRAM?

The CFA Program focuses specifically on investment knowledge; most MBA programs cover a broad range of topics. The self-study nature of the CFA Program also enables many candidates to continue working full time while enrolled in the Program. Many professionals find that the CFA charter and an MBA complement each other.

### WHAT JOBS DOES THE CFA CHARTER PREPARE ME FOR?

The CFA Program equips you with the practical and fundamental knowledge you need for a wide variety of career choices in the investment profession. CFA charterholders find that earning the CFA charter provides them with a passport for working within numerous investment specialties and markets across the globe. It also better equips them to change specialties as their careers evolve.

Among these many specialties in the investment profession, CFA charterholders hold the following types of positions in more than 130 countries around the world:



Source: Self-reported employment data as of 1 August 2011. Percentages may not add to 100% due to rounding.

Rana Atallah, CFA  
Kuwait City, KUWAIT



With growing demand for the charter, Rana knows that the hard sacrifices she made to earn the charter were all worth it in the end.



Pan Jiang, CFA  
Shanghai, CHINA

**The CFA Program is different. The knowledge I got from the CFA Program is far more job related than the theoretical knowledge you get from school.**

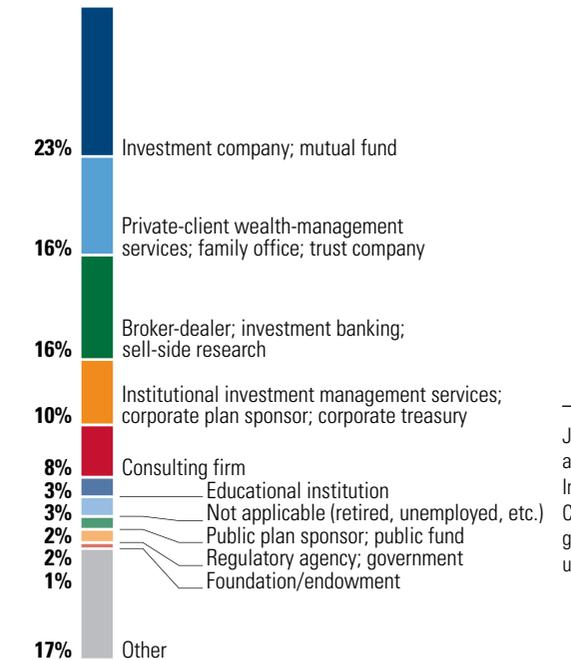
Pan Jiang, CFA  
Shanghai, CHINA

### WHY DO EMPLOYERS AND CLIENTS VALUE CFA CHARTERHOLDERS?

Earning the CFA charter demonstrates your fluency with the skills you need to make sound investment decisions, as well as your understanding of professional and ethical responsibilities.

As the global marketplace becomes increasingly competitive, employers recognize the CFA charter as a reliable way to differentiate the most qualified job applicants and the most committed employees. As a result, employers are increasingly seeking those who have earned the CFA credential, often listing it as a requirement in job advertisements.

### WHO EMPLOYS CFA CHARTERHOLDERS?



Jiang volunteers as a mentor for the CFA Institute Research Challenge, an annual global competition for university students.

Source: June 2011 Practice Analysis Survey of CFA Institute Members. Percentages may not add to 100% due to rounding.

## WHAT WILL I LEARN?



# WHAT WILL I LEARN?

## PRACTICAL, REAL-WORLD SKILLS

The CFA Program curriculum is firmly grounded in the enduring knowledge and skills you will use every day in the investment profession. It is also designed to evolve each year to include new tools, ideas, and concepts to reflect the dynamic and complex nature of the global investment profession.

The curriculum provides a comprehensive framework of knowledge for investment decision making. This framework contains concepts that you will use at all stages of your career and in many areas of specialization. You can view samples of the CFA Program curriculum, study sessions, and sample exam questions at [www.cfainstitute.org/cfaprogram/courseofstudy](http://www.cfainstitute.org/cfaprogram/courseofstudy).

## WHAT DOES EACH EXAM LEVEL COVER?

At Level I, you will be asked basic knowledge and comprehension questions focusing on asset valuation. Some questions will require that you perform analysis. Level II further emphasizes analysis along with application, while Level III focuses on synthesizing basic knowledge with evaluation tools and analytical methods for effective portfolio management.

### LEVEL I—TOOLS

- Tools and concepts that apply to investment valuation and portfolio management
- Basic concepts regarding asset classes, securities, and markets
- CFA Institute Code of Ethics and Standards of Professional Conduct

### LEVEL II—ASSET VALUATION

- Application of tools and concepts of investment valuation
- Industry and company analysis
- Analysis of investment vehicles and instruments
- CFA Institute Code of Ethics and Standards of Professional Conduct

### LEVEL III—PORTFOLIO MANAGEMENT

- Management of institutional and individual portfolios
- Management of specific asset class portfolios
- CFA Institute Code of Ethics and Standards of Professional Conduct



**The CFA curriculum, in general, is the best I have seen in trying to dig into economic reality.**

Zouheir Tamim-Jarkas, CFA  
Abu Dhabi, UNITED ARAB EMIRATES

Zouheir instructs new employees at his firm through Level I of the CFA exam. His students achieve a near-perfect pass rate.



## WHO CREATES THE CURRICULUM?

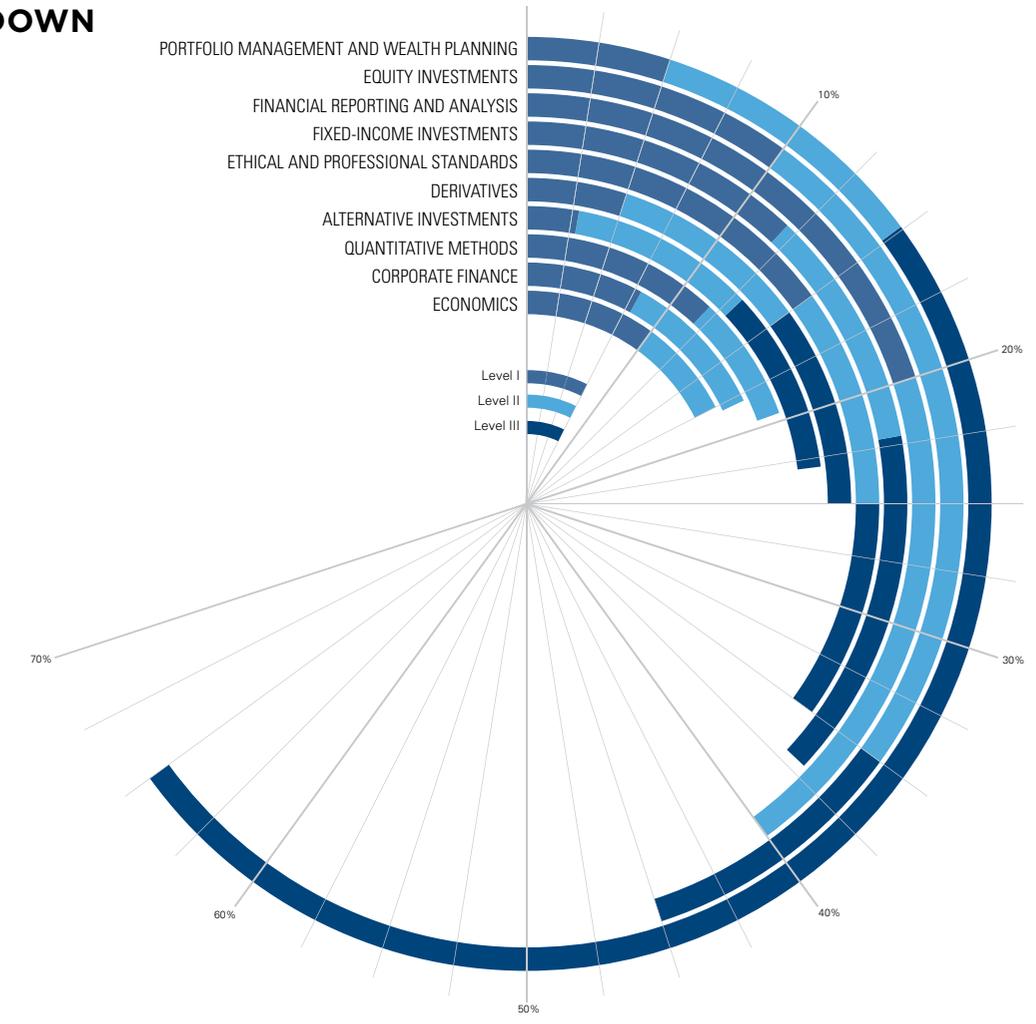
Practice Analysis  
London, UNITED KINGDOM

The CFA Program curriculum is founded on an extensive and ongoing global practice-analysis process that relies on input, discussions, surveys, and review from thousands of active practitioners and CFA charterholders.

Administered by CFA Institute, this process leverages the broad expertise and specialized knowledge of our global membership as well as panels of industry experts and employers. The body of knowledge that results from this process directly informs the content within 10 general topic areas of the CFA Program curriculum and is tested in the CFA Program examinations.

For further information on the practice-analysis process and curriculum development, please visit [www.cfainstitute.org/cfaprogram/courseofstudy/curriculum](http://www.cfainstitute.org/cfaprogram/courseofstudy/curriculum).

## CURRICULUM TOPIC BREAKDOWN BY EXAM LEVEL



## CURRICULUM TOPICS

### ETHICAL AND PROFESSIONAL STANDARDS

Professional Standards of Practice  
Ethical Practices

### QUANTITATIVE METHODS

Time Value of Money  
Probability  
Probability Distributions and  
Descriptive Statistics  
Sampling and Estimation  
Hypothesis Testing  
Correlation Analysis and Regression  
Time Series Analysis  
Simulation Analysis  
Technical Analysis

### ECONOMICS

Market Forces of Supply and Demand  
The Firm and Industry Organization  
Measuring National Income and Growth  
Business Cycles  
The Monetary System  
Inflation  
International Trade and Capital Flows  
Currency Exchange Rates  
Monetary and Fiscal Policy  
Economic Growth and Development  
Effects of Government Regulation  
Impact of Economic Factors on  
Investment Markets

### FINANCIAL REPORTING AND ANALYSIS

Financial Reporting System (IFRS and GAAP)  
Principal Financial Statements  
Financial Reporting Quality  
Analysis of Inventories  
Analysis of Long-Lived Assets  
Analysis of Taxes  
Analysis of Debt  
Analysis of Off-Balance-Sheet Assets  
and Liabilities  
Analysis of Pensions, Stock Compensation,  
and Other Employee Benefits  
Analysis of Inter-Corporate Investments  
Analysis of Business Combinations  
Analysis of Global Operations  
Ratio and Financial Analysis

### CORPORATE FINANCE

Corporate Governance  
Dividend Policy  
Capital Investment Decisions  
Business and Financial Risk  
Long-Term Financial Policy  
Short-Term Financial Policy  
Mergers and Acquisitions and  
Corporate Restructuring

### EQUITY INVESTMENTS

Types of Equity Securities and  
Their Characteristics  
Equity Markets: Characteristics, Institutions,  
and Benchmarks  
Fundamental Analysis (Sector, Industry, Company)  
and the Valuation of Individual Equity Securities  
Equity Market Valuation and Return Analysis  
Special Applications of Fundamental Analysis  
(Residual Earnings)  
Equity of Hybrid Investment Vehicles

### FIXED INCOME

Types of Fixed-Income Securities  
and Their Characteristics  
Fixed-Income Markets: Characteristics,  
Institutions, and Benchmarks  
Fixed-Income Valuation (Sector, Industry,  
Company) and Return Analysis  
Term Structure Determination and Yield Spreads  
Analysis of Interest Rate Risk  
Analysis of Credit Risk  
Valuing Bonds with Embedded Options  
Structured Products

### DERIVATIVES

Types of Derivative Instruments and  
Their Characteristics  
Forward Markets and Instruments  
Futures Markets and Instruments  
Options Markets and Instruments  
Swaps Markets and Instruments  
Credit Derivatives Markets and Instruments

### ALTERNATIVE INVESTMENTS

Types of Alternative Investments and  
Their Characteristics  
Real Estate  
Private Equity/Venture Capital  
Hedge Funds  
Closely-Held Companies and  
Inactively Traded Securities  
Distressed Securities/Bankruptcies  
Commodities  
Tangible Assets with Low Liquidity

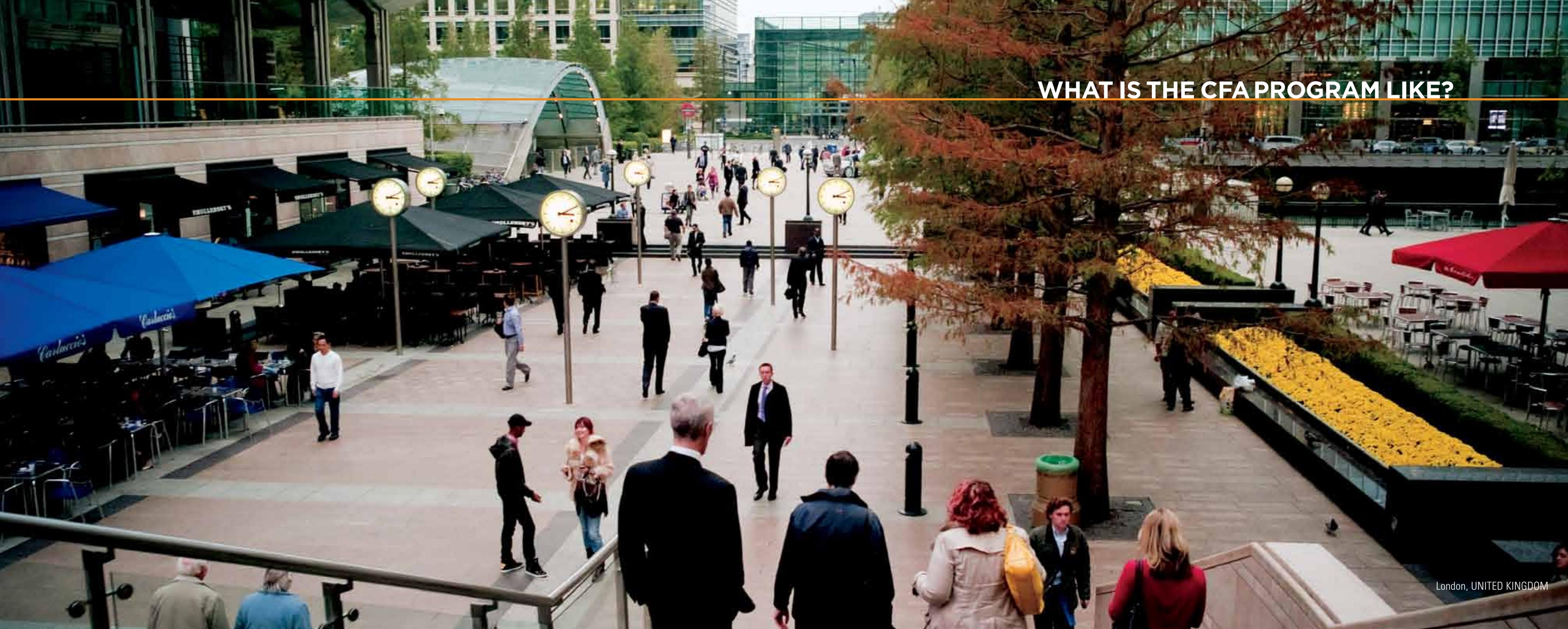
### PORTFOLIO MANAGEMENT AND WEALTH PLANNING

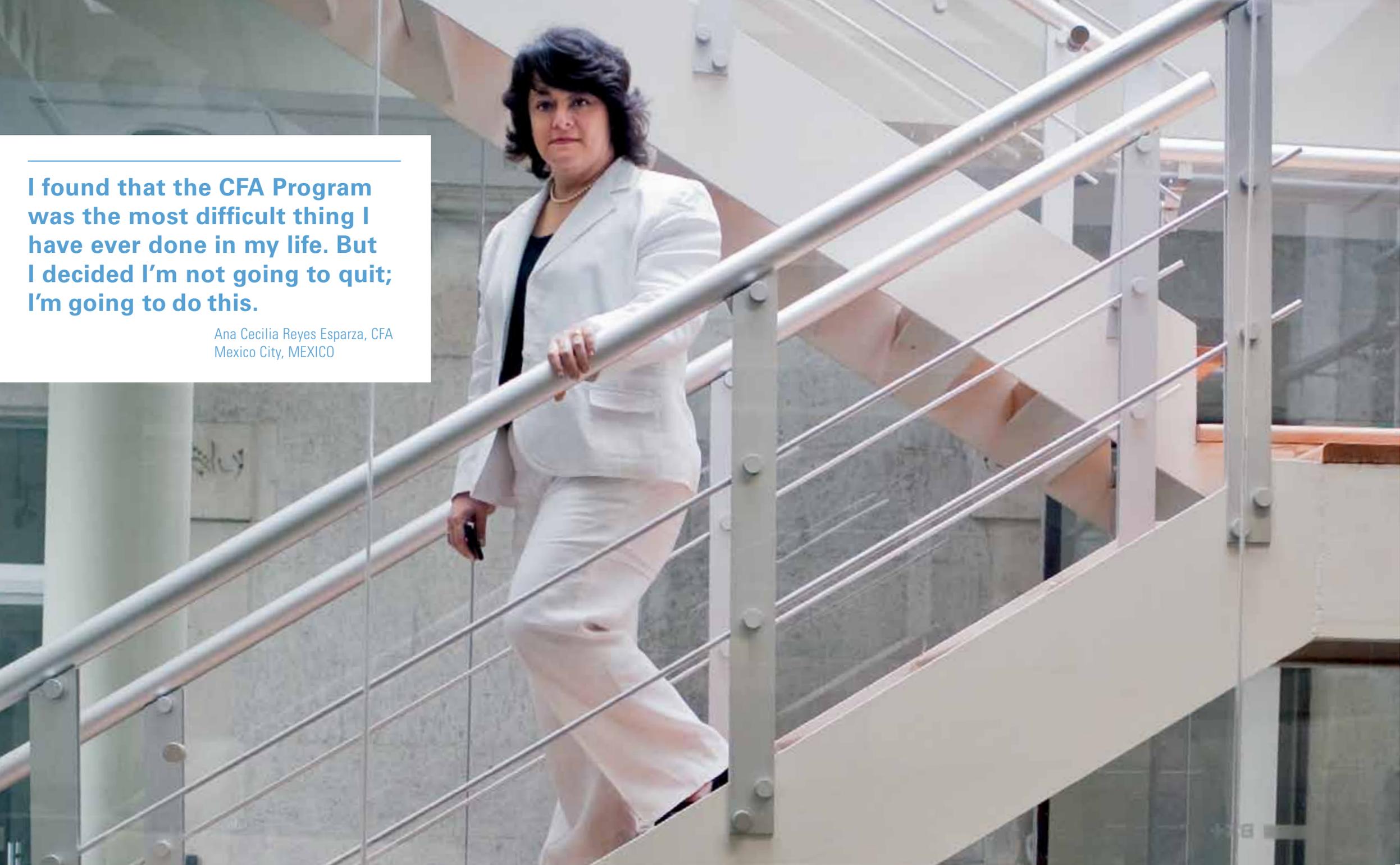
Portfolio Concepts  
Management of Individual/  
Family Investor Portfolios  
Management of Institutional Investor Portfolios  
Pension Plans and Employee Benefit Funds  
Investment Manager Selection  
Other Institutional Investors  
Mutual Funds, Pooled Funds, and ETFs  
Economic Analysis and Setting Capital  
Market Expectations  
Tax Efficiency  
Asset Allocation (including Currency Overlay)  
Portfolio Construction and Revision  
Equity Portfolio Management Strategies  
Fixed-Income Portfolio Management Strategies  
Alternative Investment Management Strategies  
Risk Management  
Execution of Portfolio Decisions (Trading)  
Performance Evaluation  
Presentation of Performance Results



Roger Urwin  
Practice Analysis  
London, UNITED KINGDOM

## WHAT IS THE CFA PROGRAM LIKE?





**I found that the CFA Program was the most difficult thing I have ever done in my life. But I decided I'm not going to quit; I'm going to do this.**

Ana Cecilia Reyes Esparza, CFA  
Mexico City, MEXICO

## WHAT IS THE CFA PROGRAM LIKE?

The Program is organized into three levels, each culminating in a six-hour exam held in more than 180 locations around the world. Level I exams are held in June and December. Levels II and III are held in June. The entire CFA Program can be accomplished in as few as two years, but many candidates schedule their exams around work and family commitments. You may take as long as you need to complete the CFA Program. Your exam results never expire, and we don't limit the number of times you can sit for each exam level.

### WHAT IS IT LIKE TO BE A CANDIDATE FOR THE CFA PROGRAM?

The CFA Program is designed for self-study, distance learning, but you can also enroll in preparatory classes. This means that you won't have to leave your current position or interrupt another academic program while enrolled in the CFA Program.

Nevertheless, completing the Program is an experience that requires significant personal sacrifice. Successful CFA Program candidates will tell you to be fully prepared for a sustained, long-term commitment. They often report dedicating in excess of 300 hours of study per level. Depending on your circumstances and academic background, you may need substantially more time for appropriate exam preparation.

Once you enroll in the CFA Program and register for an exam, CFA Institute will contact you via e-mail at regular intervals to remind you of important exam and registration dates, testing policies, updated news, and helpful study resources. Many CFA candidates form study groups with others in their area through their college or through local CFA Institute member societies, and some enroll in formal preparatory courses. For a list of educational providers that follow the CFA Program guidelines, please visit [www.cfainstitute.org/partners/examprep](http://www.cfainstitute.org/partners/examprep). For more information on CFA member societies and to learn about opportunities for candidates at the society closest to you, please visit [www.cfainstitute.org/about/locations](http://www.cfainstitute.org/about/locations).

Ana Cecilia, the first woman charterholder in Mexico, works with local regulators and investment banks to raise awareness of the CFA designation.

## HOW IS THE CURRICULUM ORGANIZED?

The curriculum is organized into multiple study sessions to help candidates navigate the material. Each study session includes assigned readings, learning outcome statements (LOS), and problem sets that demonstrate practical application and reinforce the concepts presented in the readings. Readings are drawn from textbook chapters, professional journal articles, CFA Program-commissioned content, case studies, and selected analyst research reports.

The LOS and the recommended study schedule are intended to help you plan your preparation and ensure you have adequate time for review before each exam.

## HOW DO I ACCESS THE CFA PROGRAM CURRICULUM?

The complete CFA Program curriculum is included in the cost of the registration and will be provided directly to you after you register for each exam.

If you prefer, you can elect to access the curriculum online or download the materials to your personal computer in addition to or as an alternative to the hard-copy printed version. Curriculum samples, study sessions, and sample exams are also available online for all candidates.

## WHAT IS THE FORMAT FOR THE EXAMS?

Each level of the exams is six hours long and is divided into morning and afternoon sessions. The Level I examination consists of 240 multiple-choice questions. The Level II examination contains 20 “mini-cases” or vignettes that describe investment challenges practitioners are likely to encounter. Each item-set contains six questions based on the vignette. The Level III exams contain constructed response (essay) questions in the morning session and 10 item-sets in the afternoon session.

New exam questions are written every year. They undergo an intense process of refinement and review by a group of independent experts, CFA Institute staff, academics, and practitioners—all of whom hold the CFA charter. This group is recruited based on their geographic diversity and expertise in different areas of investment practice and the CFA curriculum.

In order to ensure fairness and global consistency in administering the exam questions and in grading candidate responses, we offer the exams in only one language—English. CFA Institute administers the exams throughout the world. Learn more about the CFA exam format at [www.cfainstitute.org/cfaprogram/exams](http://www.cfainstitute.org/cfaprogram/exams).

## HOW ARE THE EXAMS GRADED?

After the examinations, multiple-choice and item-set portions of the Levels I, II, and III examinations are machine graded. The constructed responses from Level III are hand graded by hundreds of volunteer CFA charterholders. Their involvement is one of many rigorous steps in the CFA Program exam administration and grading process designed to ensure that each candidate receives fair and consistent evaluation.

**It's very important that the people advising clients have a comprehensive understanding of the issues relevant to wealth management. Our goal is to have the investment department run solely by CFA charterholders.**

John C. DeMoss, CFA  
Chattanooga, Tennessee, UNITED STATES



## Earning the CFA designation makes you part of a coveted circle of finance professionals.

Saurav Mishra, CFA  
Mumbai, INDIA



### HOW ARE PASSING SCORES DETERMINED?

After grading is concluded, CFA charterholders on the CFA Institute Board of Governors convene to set the minimum passing score (MPS) for that exam. To determine a consistent competency standard across years and ensure the greatest objectivity in setting the MPS, the Board relies heavily on data from workshops conducted with a geographically diverse group of charterholders in a widely accepted psychometric process called “standard setting.”

Standard setters calibrate the exam questions’ relative difficulty by judging how a competent investment practitioner (adjusted for exam level) would answer each question. Standard setters evaluate each question on an exam and make their judgments in two rounds: once before seeing actual candidate exam performance statistics, and once again after briefly viewing the statistics. The combined results are used by the Board of Governors to help set the MPS.

For further information on exam development, grading, and standard setting, please visit [www.cfainstitute.org/cfaprogram/exams/development](http://www.cfainstitute.org/cfaprogram/exams/development).

You can view exam question samples for each level online at [www.cfainstitute.org/cfaprogram/courseofstudy/samples](http://www.cfainstitute.org/cfaprogram/courseofstudy/samples).

### ROADMAP TO THE CFA CHARTER



Saurav serves as a director of the CFA member society in India and helps to find and promote educational resources and speakers relevant to the work of fellow Indian charterholders.

# WHAT IS IT LIKE TO BE A CFA CHARTERHOLDER?



## WHAT IS IT LIKE TO BE A CFA CHARTERHOLDER?

After earning the CFA charter, you join a global community of more than 100,000 investment professionals who have set themselves apart for their commitment to the highest ethical and professional standards and their dedication to serve the interests of investors and society throughout their careers.

This community is a true meritocracy based not on wealth or geography but on the personal commitment to master a rigorous body of knowledge. It represents a globally diverse range of people from a variety of backgrounds who have demonstrated their ability to excel in the investment profession. Membership in this select group offers you continuing education resources; opportunities to demonstrate your leadership and expertise; an array of career-enhancing programs; and access to a global network of fellow investment professionals with whom you can share ideas throughout your career.

Through regional offices and a network of more than 135 local member-organized CFA societies around the world, CFA Institute advocates for investment professionals and market fairness with regulatory bodies around the world.

Olivia has attended 7 of the last 10 CFA Institute annual conferences and is currently a member of the CFA Institute Annual Conference Committee.

**Sharing investment ideas with charterholders from other countries is often easier than in your own market because competition isn't such a concern.**

Olivia Engel, CFA  
Sydney, AUSTRALIA

CFA Institute also provides members access to:

- Locally relevant educational and networking events
- CFA Institute conferences held around the world
- Publications and research developed by CFA Institute and its partners focused on the investment practitioner
- Podcasts, webcasts, and article abstracts on timely topics prepared by thought-leaders and academic experts from around the world
- A personalized website with educational, networking, and career resources



Olivia Engel, CFA  
Sydney, AUSTRALIA

# HOW DO I GET STARTED?



## HOW DO I GET STARTED?

If you're ready to earn the most respected investment credential in the world, then enroll in the CFA Program and register for the Level I exam today.

For application forms, a list of upcoming exam locations and dates, and scholarship opportunities, please visit [www.cfainstitute.org/cfaprogram](http://www.cfainstitute.org/cfaprogram).

Find out more about the charterholders profiled in this brochure at [www.cfainstitute.org](http://www.cfainstitute.org).

Early in my career, my boss told me if you want to be successful, you'd better think about earning the CFA charter.

Dr. Bruce Wonil Lee, CFA  
Seoul, SOUTH KOREA



**“Among the countless finance degrees around the world, the Chartered Financial Analyst qualification has become the gold standard.”**

*Financial Times*  
13 August 2010

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