

Chartered Financial Analyst®

Background

The Chartered Financial Analyst® (CFA®) designation is for finance professionals who want to work in the investments industry. The CFA® designation is globally recognized as the gold standard for measuring a candidate's competency in the areas of ethical and professional standards, investment valuation, asset valuation, and portfolio management. Graduates of the CFA® program work as leading professionals in securities industries around the world.

Since 1963, the CFA Institute has awarded its designation to 64,000 professionals. Over the years, the CFA® has gained widespread popularity and is currently one of the fastest growing professional designations in the world.

Certification

To become CFA® certified, candidates must pass three levels (I, II, III) of examinations over the course of three years. The three level examinations must be passed sequentially, and candidates may only take one examination per year.

Because candidates generally prepare for the CFA® examinations in a self-study environment, they can schedule their study sessions around their day-to-day work schedules. Candidates average about 250 hours of preparation for each examination.

Curriculum

The CFA® curriculum is designed to broaden the candidate's knowledge of the entire field of portfolio management and investment analysis. Each level examination includes a study guide that includes a list of assigned readings that candidates need to complete.

The following are the material presented on each level examination:

Level 1:

The Level I examination focuses on the tools and concepts that are needed for investment valuation and portfolio management and an overview of the processes of asset valuation and portfolio management. Materials covered include the following:

- financial statement analysis,
- macro- and micro-economics,
- quantitative methods of investment analysis and management,
- financial markets and instruments, and corporate finance.¹

The Level I examination also covers basic concepts regarding securities laws and regulations and the CFA Institute *Code of Ethics* and *Standards of Professional Conduct*.

Level 2:

The Level II examination focuses on the topic of asset valuation. To successfully complete Level II, candidates must apply the tools and concepts learned from Level I in analyzing and valuing investments. Candidates should also have an in-depth understanding how to perform an industry and company analysis. Materials covered include the following:

- analyze specific equity and fixed-income securities and other investments,
- estimate expected investment return and risk,
- compare alternative investment choices and make investment recommendations, and
- apply the CFA Institute *Code of Ethics* and *Standards of Professional Conduct* in practical situations.¹

Level 3:

The Level III examination goes into the field of portfolio management in greater depth. On the exam, candidates must demonstrate the ability to apply a working knowledge of the entire portfolio management process, including the concepts learned from the Level I and II examinations. Additional materials include:

- performance presentation standards and measurement techniques, and
- the CFA Institute *Code of Ethics* and *Standards of Professional Conduct* from an organizational and compliance perspective.¹

¹ CFA Institute – www.cfainstitute.org

Basic Requirements

To qualify for the CFA[®] examinations, you must:¹

- Have a U.S. Bachelor's (or equivalent) degree or four years of qualified, professional work experience.
- Complete the registration and enrollment form and pay the required fees.
- Be prepared to take the examinations in English.

Registering

There are three ways to register for the CFA[®] Program:

- Register online through Online Candidate Registration, a completely electronic registration process via the Internet. Go to www.cfainstitute.org and click on the [Online Candidate Registration](#) button.
- Download forms from the Web. The necessary forms plus registration and enrollment information are available on the Web at www.cfainstitute.org/cfaprogram.
- Obtain a CFA[®] Exam Registration and Enrollment Package. If you'd prefer to be mailed a printed version of the materials, please call the Information Central Department at 800-247-8132 or 434-951-5499.¹

For more information about the CFA[®] exam, including a list of assigned readings for each level CFA[®] exam, visit the CFA Institute online at www.cfainstitute.org

¹ CFA Institute – www.cfainstitute.org