



Chartered Financial Analyst® Training Program

More Information

Ernst & Young
Academy of Business

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Accreditation number: AL 1376
Registration number: 01-0346-05

Who studies for the CFA® Program?

The CFA® Program is most suitable for those who aspire to become professionals in financial services and investment management. A basic background in accounting, economics and statistics is helpful but is not a pre-requisite.

What are the benefits of the CFA® charter?

The CFA® Program is a comprehensive program in investment management skills.

It takes the candidate to advanced levels in a variety of subjects, such as the following:

- ▶ Investment analysis
- ▶ Portfolio management
- ▶ Asset valuation
- ▶ Securities evaluation
- ▶ Fund management
- ▶ Investment advice
- ▶ Regulation of investment management services.

Candidates not only gain special knowledge in investment management, but also acquire valuable skills in US GAAP. It therefore provides valuable employee training for the employer and enhances the career prospects of the employee.

How long does it take to gain the CFA® charter?

There are three examination levels, which must be passed sequentially. There are no exemptions and in Budapest only one level may be taken in any one year. Candidates should expect to complete the program in three years assuming first-time passes in each exam.

CFA Institute does not require candidates to complete the CFA® Program within a specified time frame, nor does CFA Institute limit the number of times candidates may sit for each exam level or require candidates to repeat an exam level that they have already passed, regardless of the time elapsed between exams.

CFA® curriculum and examinations

The CFA® curriculum for each of the three levels is based on the same list of topics, contained in the “Candidate Body of Knowledge” produced by CFA Institute, and is specified by a list of “learning outcome statements.” The learning outcome statements relate to chapters or excerpts from a series of recommended textbooks, professional journal articles, and other readings that are given as reading assignments. These reading assignments effectively constitute the study material.

The Level I study program emphasizes tools and inputs and includes an introduction to asset valuation and portfolio management techniques.

The Level II study program emphasizes asset valuation and includes applications of the tools and inputs (including economics, financial statement analysis, and quantitative methods) in asset valuation.

The Level III study program emphasizes portfolio management and includes strategies for applying the tools, inputs, and asset valuation models in managing equity, fixed income, and derivative investments for individuals and institutions.

The CFA Institute recommends that a candidate with little financial services experience spends a total of around 250 hours preparing for each level. In addition to the time spent on courses, candidates are assumed to be able to spend a minimum of six hours a week studying.

The body of knowledge and the coverage at each level can be seen in the appendix of this brochure.

Each level is examined in two three-hour exam sessions on the same day, one in the morning and one in the afternoon, with both exams covering the whole syllabus for that level.

CFA Institute publishes a table of examination guideline topic area weights, as follows:

Topic	Level I %	Level II %	Level III %
Ethical & Professional Standards	15	10	10
Investment Tools:			
Economics*	10	0-10	0
Quantitative Analysis	12	0-10	0-10
Financial Statement Analysis ¹	28	25-35	0
Asset Valuation²	30	35-45	30-40
Portfolio Management³	5	5-15	40-60

¹ Economics is part of Portfolio Management at Level II

² Corporate Finance is part of Financial Statements Analysis at Level I and Level II

³ Derivatives are a part of Asset Valuation at Level I and Level II and Portfolio Management at Level III.

The Level I examination consists of a total of approximately 120 selected response / multiple choice questions for each session. Each question carries equal weight.

The Level II examination consists of selected response / item set questions. The item set format consists of a vignette or short case followed by six multiple choice questions based on the vignette.

The Level III examination consists of 50% constructed response (essay style) questions (morning session) and 50% selected response / item set questions (afternoon session).

The examinations are conducted in English.

What does Ernst & Young offer?

Our courses are intensive and are specially designed to help the candidate apply examination technique. Our courses are usually conducted over a weekend to minimize the need for candidates to take additional time off work.

CFA® course

CFA® course covers all the exam topics during 13 days.

- ▶ **We are offering a modularized training program where most of the syllabus is covered with lots of practice questions.** The course moves to an exam level of difficulty with questions to enable candidates to practice exam technique.
- ▶ **Mock exam** – before the exam, candidates take a mock examination prepared by our tutors, which is intended to be fully representative of the likely CFA® examination. The mock exam is conducted under exam conditions and its purpose is to give the candidates feedback before the real thing.
- ▶ **Revision course** – around two to three weeks before the exam, there is an intensive two-day revision course during which all topics are briefly revised and candidates practice exam-level questions.
- ▶ **Hotline** – e-mail contact with the tutors is available throughout the course.

CFA® Program reading assignments comprise the core of study. The Academy's courses and materials are developed to complement the CFA Program curriculum and to facilitate the learning process, not to be used as a substitute for study of the presented curriculum. The Academy courses are conducted and structured around the Schweser Study Notes, which participants are expected to acquire and bring to the course. KAPLAN Schweser who are among the world's leaders of CFA® publications, review and strictly follow the CFA Institute Prep Provider guidelines. We expect the students to purchase the special calculators allowed for the examination.

Pre-course requirements

To start CFA® training, we advise you to have, in addition to good working knowledge of English, at least background knowledge in the following topics, although these will be covered in our course, however intensively and as a refresher:

- ▶ **Statistics: measures of Central Tendency (Arithmetic mean, Geometric Mean) and Dispersion (variance, standard deviation etc.), Basic Probability Concepts, Common Probability Distributions (Binomial, Uniform, Normal)**
- ▶ **Economics: basic concepts of micro economic models of demand and supply and the determination of the equilibrium price and quantity**
- ▶ **Accounting: basic double entry and construction of simple balance sheets and income statements**

Please note, that courses will be conducted in English.

How much will it cost to register for the CFA® exams?

In addition to the course fee, there is the cost of registration and enrollment for each exam with CFA Institute.

Fees for new candidates June 2009⁴

Levels I, II and III	Payment deadlines		
	September 24, 2008	February 16, 2009	March 16, 2009
Program enrollment (new candidates only)	\$390	\$390	\$465
Exam registration fee Level I	\$600	\$690	\$930
Total cost to enter the CFA® Program	\$990	\$1080	\$1395

⁴ All registrations process and payments for the exams should be done with CFA Institute directly.

Please visit the web site: <http://cfainstitute.org> for details.

How much will the course cost?

The full program costs HUF 550,000 plus 20% VAT per person (payable at the beginning of the course, the fee includes the cost of course notes and the cost of refreshments and snack lunch. Cost of catering is shown on the invoice separately, the benefit-in-kind taxes are not paid by Ernst & Young Academy of Business.

Groups of three or more people from the same company shall receive a 10% discount.

Professional Training Contribution

The Ernst & Young Academy of Business Kft is a registered and accredited adult training institute, our registration number is 01-1347-05 and our accreditation number is AL-1376.

Therefore the training program can be financed from the Professional Training Contribution. The training program meets the requirements of the 13/2006 SZMM decree.

If you wish to use the Professional Training Contribution to finance the course, please indicate your choice on the application form so we can prepare all the relevant documents for you.

The possible training contribution reduction is HUF 8,280 per person per hour. Assuming 13 days, 8 teaching hours per day, the amount of potential reduction is $13 \times 8 \times 8,280 = 861,120$ per person (which is more than the actual course fee). The actual course fee may reduce the professional training tax payable to the central budget.

How to apply?

If you are interested in the CFA® Training Programme and you wish to start, please complete the attached application form and return it to us by fax, preferably not later than 15 December 2008.

If you need more information, please contact us on +36 1 451 8489 or send us an e-mail: academyofbusiness@hu.ey.com.

Course schedule

Courses are held from 9:00 a.m. to 5:00 p.m. in Budapest.

Days	Dates	Topic
Module 1	January 24-25-26 2009	Financial Statement Analysis
Module 2	February 14-15, 2009	Economics
Module 3	February 28- March 01, 2009	Quantitative Analysis, Portfolio Management
Module 4	March 28-29, 2009	Fixed Income, Derivatives and Corporate Finance
Module 5	April 25-26, 2009	Equity Investments, Ethics, Alternative Investments
Revision	May 9-10, 2009	Revision
Mock exam	May, 2009	

CFA® TRAINING PROGRAM APPLICATION FORM

Could you please fill in the application form below and send it by fax: +36 1 451 87 15 not later than 15 December 2008.

Participant	
Name	
Position	Telephone
E-mail address	Fax
Company	
Name	
Invoicing address	
Mailing address	
Tax number	
Employer, manager (if covering your costs)	
Name	Position
E-mail address	

I apply for the CFA® Training Program (net HUF 550,000 or net HUF 495,000 after the group discount)

My Employer would like to use the Professional Training Contribution to finance to course, so please prepare the documentation.

The person in charge of Profession Training Contribution

Name:

E-mail address

Telephone:

A Jelentkezési lap Résztvevő által aláírt példányának megküldésével a Résztvevő elfogadja az Ernst & Young Academy of Business Kft. tréningajánlatát, és kötelezettséget vállal arra, hogy a tréning díját határidőre megfizeti, és részt vesz a tréningen. Az Ernst & Young Academy of Business Kft. a jelentkezést visszaigazolja és megküldi a részvételi díjról a Jelentkezési lapon megadott névre és címre kiállított számlát. A tréningen való részvétel feltétele a részvételi díj kifizetésének igazolása. Az étkezés díja a számlán külön kerül feltüntetésre, a természetbeni juttatások adóját az igénybevevő fizeti.

Az Ernst & Young Academy of Business Kft. lemondást csak írásban, (telefax) a képzés megkezdése előtt legalább 11 nappal fogad el. Ekkor a díj 50%-a jár vissza, egyéb esetben Résztvevő a díj teljes összegét köteles megfizetni és a már megfizetett díjat nem követelheti vissza. A dátumok megváltoztatásának és a tréning törlésének jogát fenntartjuk. A tréning törlése esetén a befizetett díj visszajár, egyéb igény azonban nem érvényesíthető.

A szakképzési hozzájárulás igénylésétől függetlenül a résztvevőkkel a Felnőttképzési törvény értelmében felnőttképzési szerződést kell kötni. A felnőttképzési szerződésben megadott adatokat kizárólag az OSAP kötelező statisztikához használjuk fel.

A személyes adatok kezelésére és a kezeléshez történő hozzájárulásra a honlapról elérhető (Jogi közlemény/ Adatbiztonság) adatkezelési szabályok megfelelően vonatkoznak. Adatkezelési nyilvántartási számunk: 02511-0001.

Dátum és aláírás, pecsét

Appendix - CFA® Body of Knowledge

Body of Knowledge	Level I	Level II	Level III
1. Corporate Finance			
Basic concepts of corporate finance Capital investment decisions Long-term financing decisions Mergers and acquisitions	Capital budgeting Capital budgeting with rationing Analysis of risk in Capital budgeting Cost of capital Effect of leverage on cost of capital	Warrants and convertibles Mergers Leveraged buyouts, management buyouts, leveraged restructurings	
2. Financial Statement Analysis			
Financial statements and other required disclosures Specific accounting principles and practices Ratio and financial analysis Short-term financing decisions Cash and liquidity management Credit and inventory management Analysis of business combinations Analysis of multinational operations	Financial statements Ratio analysis Analysis of inventories Capitalization & depreciation of long-term assets Analysis of debt financing Analysis of leases & off-balance sheet financing Analysis of taxes	Consolidated accounting Analysis of minority investments Analysis of subsidiary investments Analysis of international operations International Financial Reporting Standards Accounting for pension costs and pension fund accounts Detecting and adjusting for creative accounting Forecasting future performance	
3. Ethical and Professional Standards			
Applicable laws and standards Professional standards of practice Ethical conduct and professional obligations Global differences	Code of Ethics Standards of Professional Conduct Overview of soft dollar standards Overview of other Applicable Laws and Regulations	Case study analysis, including: - fiduciary duty - insider trading - personal investing - corporate governance - soft dollar standards	Case study analysis involving application and interpretation of the Code and Standards in the context of specific, complex situations
4. Quantitative Methods			
Basic concepts Required input variables for valuation models Time value of money Basic statistical concepts Probability theory and concepts Random variables Probability distributions Sampling theory and distributions Statistical inference Regression and correlation Decision making under uncertainty Time-series analysis and forecasting Multivariate techniques	Descriptive statistics Measures of location & dispersion Probability theory Probability distributions Sampling theory Hypothesis testing Linear regression and correlation (bivariate) Time value of money Measuring stock returns	Application of binomial distribution to option pricing Linear regression & correlation (bivariate) Linear regression & correlation (multivariate) Analysis of variance Statistical decision making techniques	Using statistical theory to support portfolio management strategies

5. Economics			
<p>Microeconomics Macroconomics International financial systems Perfect markets Imperfect markets Relationship of economic activity to investment process Relationship of macro- and microeconomic expectations to expected returns and risk for asset classes Currency (foreign exchange) markets</p>	<p>Basic economics, the supply & demand curves, national economics and the business cycle Microeconomics - economic models of competition Macroeconomics - fiscal & monetary policies for economic stability International economics Foreign exchange markets and systems</p>	<p>Macroeconomic analysis Policies for economic stabilization and growth Foreign exchange and parity theories</p>	<p>Incorporating an economic forecast into the asset allocation decision</p>
6. Analysis of Debt Investments			
<p>Characteristics of debt markets Market structures Alternative bond types Structural features of debt markets Term structure analysis Yield spread analysis Sources of risk Return or yield measures Option-free bonds Analysis of bonds with embedded options Analysis of mutual bonds Analysis of structured securities: mortgage-backed Analysis of structured securities: asset-backed Analysis of structured securities: structured notes Credit analysis for corporate bonds</p>	<p>Fundamentals of debt investments and markets Valuation of debt investments Yields on debt investments Risks associated with debt investments Measurement of interest rate risk Term structure of interest rates Simple analysis of debt investments with embedded options</p>	<p>Analysis & valuation of asset-backed securities Analysis of credit risk Use of duration and convexity to reduce interest rate risk Analysis of the term structure of interest rates Valuation of debt investments with embedded options Bond trading strategies</p>	<p>Bond portfolio management (domestic & international)</p>
7. Analysis of Equity Investments			
<p>Characteristics of financial markets Market structures Market organizations Structural features of financial markets Equity markets and instruments Fundamental analysis Technical analysis</p>	<p>Fundamentals of financial markets Fundamental & technical analysis, market efficiency Fundamentals of equity investments and markets Valuation and analysis of equity investments Company analysis and stock selection Dividend policy</p>	<p>Market efficiency Multi-stage cash flow valuation models Free cash flow valuation models Multiplier valuation models Competitive strategy - five forces model Valuing corporate restructurings Valuing merger/acquisition and demerger opportunities Measures of value added</p>	<p>Market indexes International equity investment and emerging markets</p>

8. Analysis of Derivatives			
Options markets Futures markets Swap markets Analysis of fixed-income derivatives Custom interest rate agreements Analysis of interest rate swaps Analysis of equity options Analysis of warrants Hedging and hedging strategies	Fundamentals of derivatives markets and instruments Features of interest rate derivatives Features of index derivatives	Mechanism of arbitrage pricing of derivatives Pricing and valuation of interest rate forwards/futures Hedging strategies using forwards/futures Fundamentals of swaps Option strategies and payoffs Option valuation models Hedging strategies using options	Managing equity risk using index derivatives Managing interest rate and credit risk using derivatives
9. Analysis of Alternative Investments			
Analysis of real estate investments Real estate portfolio management Analysis of private equity [venture capital] Special applications of fundamental analysis Hedge funds and other alternative investments	Analysis of real estate investments Venture capital	Valuation of real estate investments Structuring a venture capital deal	Real estate and alternative investments portfolio management
10. Portfolio Management			
Efficient market theory Portfolio theory Asset pricing theories and models Portfolio management policies for individuals Mutual funds Portfolio management policies for institutions Capital market expectations Asset allocation General portfolio construction and revision Fixed income portfolio management strategies Equity portfolio management strategies Risk measurement and management Currency portfolio management strategies	Portfolio Theory Capital asset pricing model Portfolio management Asset management	Portfolio Theory Capital asset pricing model Arbitrage pricing theory (factor models) Incorporating real estate investments	Overall portfolio management Investor characteristics, objectives and constraints Investment policy for individual investors Investment policy for institutional investors (e.g., pension plans, employee benefit funds, foundations, insurance companies) Asset allocation Portfolio construction and revision Equity and debt portfolio management strategies Firm wide and portfolio risk management Derivatives in portfolio management Performance measurement - evaluation and attribution Presentation of performance results - Global Investment Performance Standards (GIPS)