

Chartered Financial Analyst

Introduction

A chartered financial analyst (CFA) is a globally-recognized professional designation given by the CFA Institute, (formerly the AIMR (Association for Investment Management and Research)), that measures and certifies the competence and integrity of financial analysts. Candidates are required to pass three levels of exams covering areas, such as accounting, economics, ethics, money management, and security analysis.

The CFA Program is a three-part exam that tests the fundamentals of investment tools, valuing assets, portfolio management, and wealth planning. The CFA Program is typically completed by those with backgrounds in finance, accounting, economics, or business. CFA charter-holders earn the right to use the CFA designation after program completion, application, and acceptance by CFA institute. CFA charter-holders are qualified to work in senior and executive positions in investment management, risk management, asset management and more.

Skill Set

- Financial Analysis and Modelling
- Good Decision Making Skills
- Time Management and Self Discipline
- Attention to Details
- Good Communication Skills

Examination

The cost management accountancy exams are divided in three levels. They are:

1. CFA Level 1
2. CFA Level 2
3. CFA Level 3

Process of becoming a CFA

Eligibility Final Year of Graduation

Level 1 Qualify all MCQ based papers

Level 2 Qualify all Multiple choice Vignette based papers

Level 3 Qualify all MCQ and Essay based papers

Papers of Level 1	Weightage
Ethical and Professional Standards	15-20%
Quantitative Methods	8-12%
Economics	8-12%
Financial Statement Analysis	13-17%
Corporate Finance	8-12%
Equity Investments	10-12%
Fixed Income	10-12%
Derivatives	5-8%
Alternative Investments	5-8%
Portfolio Management and Wealth Planning	5-8%

Papers of Level 2	Weightage
Fixed Income	10-15%
Derivatives	5-10%
Alternative Investments	5-10%
Portfolio Management and Wealth Planning	10-15%
Ethical and Professional Standards	10-15%
Quantitative Methods	5-10%
Economics	5-10%
Financial Statement Analysis	10-15%
Corporate Finance	5-10%
Equity Investments	10-15%

Papers of Level 3	Weightage
Ethical and Professional Standards	10-15%
Quantitative Methods	0%
Economics	5-10%
Financial Statement Analysis	0%
Corporate Finance	0%
Equity Investments	10-15%
Derivatives	5-10%
Alternative Investments	5-10%
Fixed Income	15-20%
Portfolio Management and Wealth Planning	35-40%

Job Prospects

- Portfolio Management
- Research
- Consulting
- Risk Analysis and Risk Management
- Asset Management
- Private Wealth Management
- Commercial Banking
- Investment Banking
- Insurance

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