

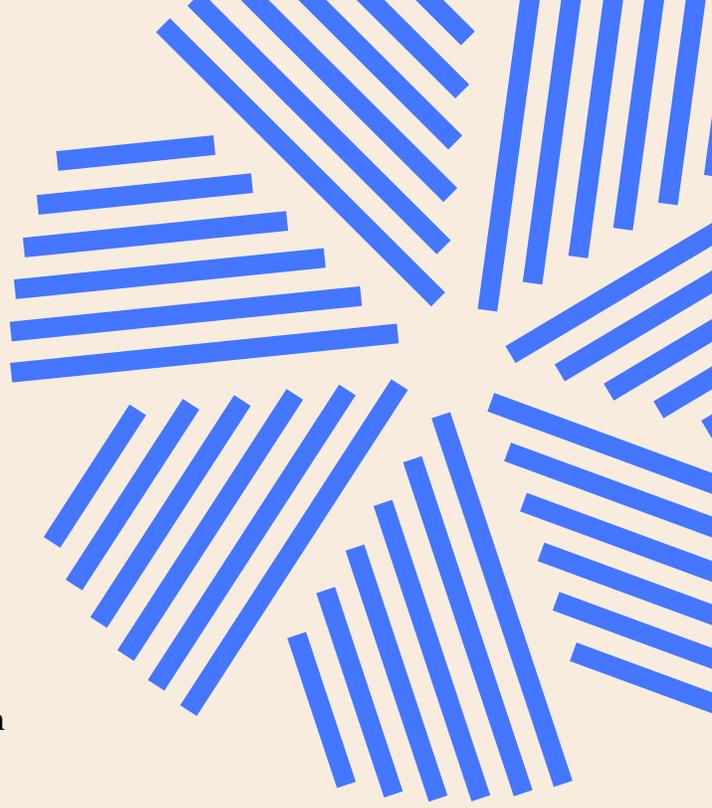
# Members' Guide

## 2024 Refresher Readings

In the mainland China, CFA Institute accepts CFA® charterholders only.



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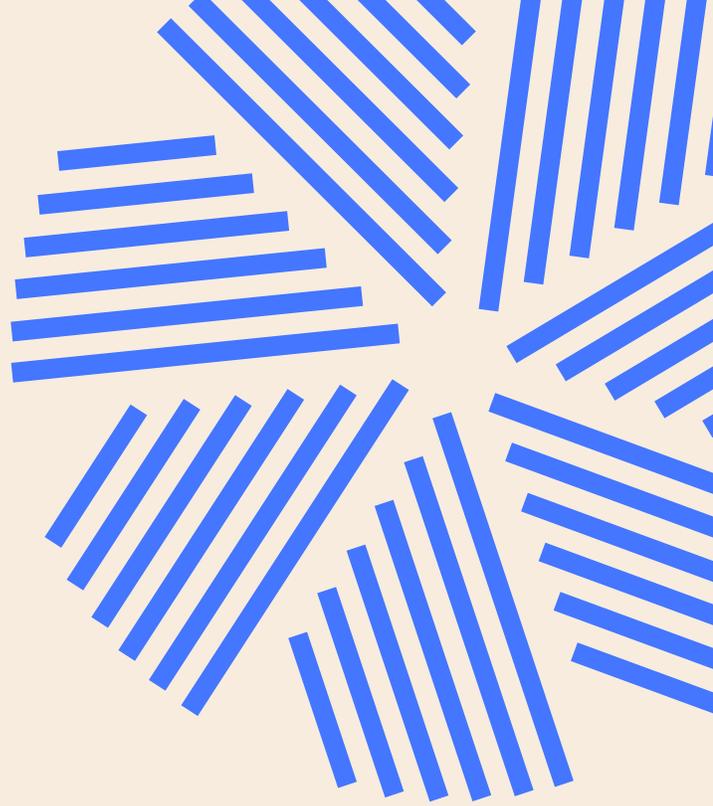
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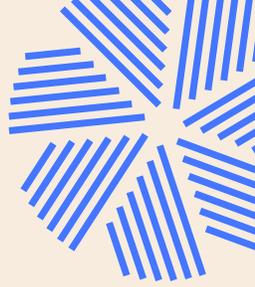
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# Foreword



As the investment industry evolves, CFA Institute is committed to delivering flexible learning opportunities in formats that fit our members' needs across a wide variety of topic areas. We encourage you to take advantage of these opportunities—including [online self-paced courses](#), [live instructor-led trainings](#), and the latest [research and industry insights](#)—to access high-quality, practitioner-relevant content that will help you reach your personal and professional goals by upskilling and reskilling throughout your career.

Year after year, our Refresher Readings have proven to be one of our most popular Professional Learning products. Demand for these Refresher Readings demonstrates our members' commitment to keeping their skills and knowledge current. We are excited to share the latest developments in the CFA® Program curriculum—the source of the Refresher Readings you can access as an exclusive member benefit.

Beginning in 2022, [we made comprehensive changes to the CFA Program curriculum](#). The 2024 readings build on those improvements by enhancing the pedagogical structure, improving key topic areas, and integrating extensive work from [Practice Analysis](#) and curriculum development.

The inclusion of learning modules marks a significant change in the curriculum. These modules enhance the learning design of the curriculum to align with best practice in meeting adult learners' needs. Each module emphasizes the practical relevance of the content, is designed to be completed in one sitting, and incorporates practice questions. We also have included more visuals and examples, along with increased opportunities for CFA® charterholders and CFA Institute members to practice the skills.

In addition to modernizing the format and presentation, key changes from the 2024 curriculum can be categorized as follows:

- New and updated readings covering the Corporate Issuers (formerly corporate finance) topic area.
- Reimagined and expanded Fixed Income readings, with more real-world scenarios. This includes an improved approach to credit analysis for corporates and governments and expanded coverage of securitized products.
- New material within Equity Investments on private company analysis and the inclusion of further content on financial modeling.
- Enhanced content on Alternative Investments, to better include the general partner (GP) and limited partner (LP) structures, and increased focus on the practical skills and methods needed by analysts.
- Updates to describe new Environmental, Social, and Governance (ESG) disclosure requirements for publicly traded companies.

We hope you find these Refresher Readings applicable to your day-to-day work. We welcome your feedback and any ideas you may have for how we develop this resource further. Please contact us at [professionalllearning@cfainstitute.org](mailto:professionalllearning@cfainstitute.org).

**Nick Bartlett, CFA, ASIP**  
Senior Head, Learning Content



# Alternative Investments

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#"><u>Hedge Fund Strategies</u></a>	III	3.5 PL Credits
<a href="#"><u>Introduction to Commodities and Commodity Derivatives</u></a>	II	2 PL Credits
<a href="#"><u>Investments in Real Estate through Publicly Traded Securities</u></a>	II	1.5 PL Credits
<a href="#"><u>Overview of Types of Real Estate Investment</u></a>	II	1.5 PL Credits



# Alternative Investments

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

Reading	Level	Credits
<a href="#">Alternative Investment Features, Methods, and Structures</a>	I	1 PL Credit
<a href="#">Alternative Investment Performance and Returns</a>	I	1 PL Credit
<a href="#">Hedge Funds</a>	II	3.5 PL Credit
<a href="#">Introduction to Digital Assets</a>	I	1.25 PL Credits
<a href="#">Investments in Private Capital: Equity &amp; Debt</a>	I	1 PL Credit
<a href="#">Natural Resources</a>	I	0.75 PL Credit
<a href="#">Real Estate and Infrastructure</a>	I	1 PL Credit



# Alternative Investments

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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The curriculum has been refocused to emphasize timeless concepts in alternatives rather than recent historical data and correlations.

The “**Alternative Investment Features, Methods, and Structures**” reading compares direct investment, co-investment, and fund investment methods for alternative investments. It also describes investment ownership and compensation structures commonly used in alternative investments.

The “**Alternative Investment Performance and Returns**” reading describes the performance appraisal of alternative investments, including the calculation and interpretation of alternative investment returns both before and after fees.

Investments in private capital, including in equity and debt investments, are addressed in the “**Investments in Private Capital: Equity and Debt**” reading. The reading describes the diversification benefits of private capital and explains features of private equity and debt.

The “**Real Estate and Infrastructure**” reading focuses more heavily on timeless concepts rather than historical performance data and correlations. New features include revised text for clarity and ease of understanding, new examples, graphics, and diagrams.

Features of raw land, timberland, and farmland and their investment characteristics are examined in the updated “**Natural Resources**” reading. The reading also describes features of commodities and their investment characteristics. It explains how to analyze sources of risk, return, and diversification in natural resource investments.

New features of the reading include fresh examples, graphics, and diagrams to exemplify environmental, social, and governance (ESG) considerations and recent performance data. A new section also discusses inflation hedging.

The “**Hedge Funds**” refresher reading explains the investment features of hedge funds and describes investment forms and vehicles used in hedge fund investments. It also analyzes sources of risk, return, and diversification among hedge fund investments.

Finally, investment features of digital assets, and the financial applications of distributed ledger technology are discussed in the “**Introduction to Digital Assets**” reading. There is an examination of investment forms and vehicles used in digital asset investments, and case studies include the rise and fall of various parts of the cryptocurrency ecosystem.



# Corporate Issuers

## READINGS WITHOUT SUBSTANTIVE CHANGES:

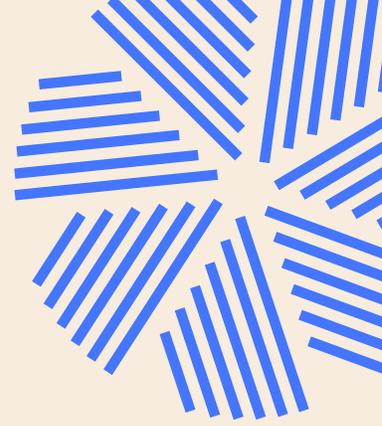
Reading	Level	Credits
<a href="#">Analysis of Dividends and Share Repurchases</a>	II	2.25 PL Credits
<a href="#">Corporate Restructuring</a>	II	2.25 PL Credits
<a href="#">Cost of Capital: Advanced Topics</a>	II	1.75 PL Credits
<a href="#">Environmental, Social, and Governance (ESG) Considerations in Investment Analysis</a>	II	1.25 PL Credits



# Corporate Issuers

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Business Models</a>	I	1 PL Credits
<a href="#">Capital Investments and Capital Allocation</a>	I	1.25 PL Credits
<a href="#">Capital Structure</a>	I	1.25 PL Credits
<a href="#">Corporate Governance: Conflicts, Mechanisms, Risks, and Benefits</a>	I	1 PL Credits
<a href="#">Investors and Other Stakeholders</a>	I	1 PL Credits
<a href="#">Organizational Forms, Corporate Issuer Features, and Ownership</a>	I	1 PL Credits
<a href="#">Working Capital and Liquidity</a>	I	1.25 PL Credits



# Corporate Issuers

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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Through the prism of Tesla, and how the car company was founded and eventually taken over by Elon Musk, **“Organizational Forms, Corporate Issuer Features, and Ownership”** shows how a corporate structure can evolve over time. A company may, as with Tesla, be founded by serial entrepreneurs who lack the skills to manage the business as it grows and require ever larger amounts of capital. Other examples in the reading include Simon Property Group, L’Oréal and a number of investment funds.

The reading shows how companies professionalize to raise capital and attract investors. It also shows how analysts compare the financial claims and motivations of lenders and owners. The section on GP and LP relationships and interactions is key to understanding the structure and risks of many alternative investment vehicles.

Investor interest in sustainable investing has led to increased corporate disclosures of ESG activities and a whole new industry which collects and analyzes ESG data. Refinements in the identification and analysis of ESG factors, as well as increased corporate disclosures, have resulted in increasingly quantifiable ESG information that can be used alongside financial information to value a company. The **“Investors and Other Stakeholders”** reading has been updated to describe new ESG disclosure requirements for publicly traded companies. The reading describes the range of nonfinancial information now available, typically through annual reports, proxy statements, disclosures on the company’s website, the investor relations department, and social media.

The types of business models and how they can be modeled by analysts have been added to the new **“Business Models”** reading. The reading also contains a new section on alternative business models and the risks associated with these models. An understanding of a company’s business model enables analysts to identify key drivers of firm performance as well as key sources of risk to a company’s performance and value. This reading explains why analysts should not rely on management’s own description of its business model but rather should develop their own understanding of key drivers and risks facing the firm.

A major revision to the **“Capital Investments and Capital Allocation”** reading examines capital budgeting from the point of view of an external investment analyst. This reading includes a discussion of the advantages and disadvantages of using net present value (NPV) and internal rate of return (IRR) to assess how well capital has been allocated. A company’s investments are

measured against the value created and potential changes in the share price. Common capital allocation pitfalls are presented.

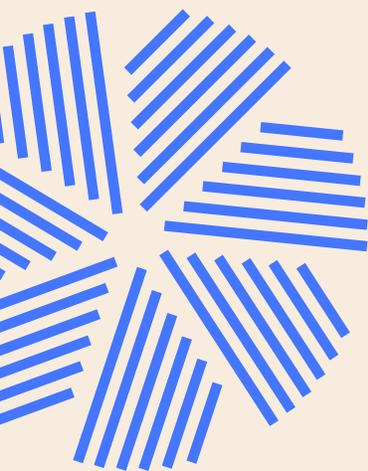
Given that corporate disclosure of capital investments is typically at a high level and lacking in specifics, the evaluation of a company's capital investments is often challenging for analysts. This reading provides practical guidance as to how analysts can address this challenge using real-life examples, including Danske Bank, Kirin Holdings, and Sony Corporation.

Analysts need to assess whether a firm is operating at an optimal level of working capital and financed at the lowest possible cost. Excess levels of working capital can have a harmful effect on shareholder returns. At the same time, insufficient levels of working capital can harm a company if it cannot meet its short-term obligations, leading to product shortages, sales slowdowns, and, in the extreme, bankruptcy. Methods of financing working capital are compared in a revised **"Working Capital and Liquidity"** reading. This reading delves into the short-term funding choices available to companies and the expected relationships between working capital, liquidity, and short-term funding needs. In particular, sources of primary and secondary liquidity and factors are explained, as well as how analysts can compare a company's liquidity position with that of peers. Added material includes case studies about Inditex and US discount retailers as well as new practice problems.

An updated **"Capital Structure"** reading ties capital structure theory to the real world, making it more relevant for analysts. In theory, companies seek an optimal mix of equity and debt that minimizes the firm's weighted average cost of capital and maximizes company value. In reality, a range of practical considerations affect capital structure, leading to wide variations in capital structures among otherwise similar companies.

It is common to think of capital structure as the result of a conscious decision by management. As the reading explains, it is not always that simple. For example, financial distress can arise because a company's capital structure policy is too aggressive or because operating results or prospects deteriorate unexpectedly. Analysts also need to watch for capital structure decisions that are not in the interests of other stakeholders, including debtholders, suppliers, customers, and employees. Learners will find simplified cost of capital coverage as well as explanation of yield to maturity, beta, and factor models facilitating fixed income and equity valuation. New diagrams and graphics aid understanding of the Modigliani–Miller theorem of capital structure.

Finally, the **"Corporate Governance: Conflicts, Mechanisms, Risks, and Benefits"** reading features new graphics, new diagrams, and 27 new practice problems as well as extensively edited text for clarity and ease of understanding.





# Derivatives

## READINGS WITHOUT SUBSTANTIVE CHANGES:

Reading	Level	Credits
<a href="#">Arbitrage, Replication, and the Cost of Carry in Pricing Derivatives</a>	I	0.75 PL Credits
<a href="#">Derivative Benefits, Risks, and Issuer and Investor Uses</a>	I	0.75 PL Credits
<a href="#">Derivative Instrument and Derivative Market Features</a>	I	0.75 PL Credits
<a href="#">Forward Commitment and Contingent Claim Features and Instruments</a>	I	1 PL Credits
<a href="#">Option Replication Using Put-Call Parity</a>	I	0.75 PL Credits
<a href="#">Pricing and Valuation of Forward Commitments</a>	II	2.5 PL Credits



# Derivatives

## READINGS WITHOUT SUBSTANTIVE CHANGES:

<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Pricing and valuation of forward contracts and for an underlying with varying maturities</a>	I	1 PL Credits
<a href="#">Pricing and Valuation of Futures Contracts</a>	I	0.75 PL Credits
<a href="#">Pricing and Valuation of Interest Rates and Other Swaps</a>	I	0.75 PL Credits
<a href="#">Pricing and Valuation of Options</a>	I	0.75 PL Credits
<a href="#">Valuation of Contingent Claims</a>	II	2.5 PL Credits
<a href="#">Valuing a derivative using a one-period binomial model</a>	I	0.75 PL Credits



# Derivatives

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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New content and examples are distributed throughout all of the Derivatives readings. The readings have been streamlined to improve the narrative and expand on existing concepts.



# Economics

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## READINGS WITHOUT SUBSTANTIVE CHANGES:

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Reading	Level	Credits
<a href="#">Currency Exchange Rates: Understanding Equilibrium Value</a>	II	2.5 PL Credits
<a href="#">Economic Growth</a>	II	2.75 PL Credits
<a href="#">Economics of Regulation</a>	II	1.25 PL Credits

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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This section has no substantive changes from prior readings.



# Equity

## READINGS WITHOUT SUBSTANTIVE CHANGES:

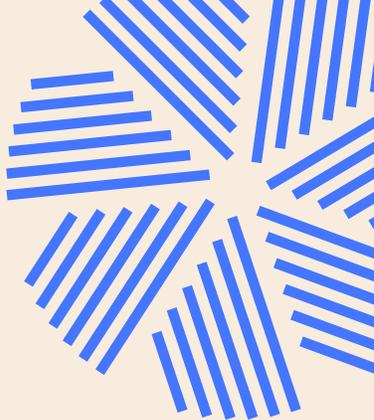
Reading	Level	Credits
<a href="#">Discounted Dividend Valuation</a>	II	2.5 PL Credits
<a href="#">Equity Valuation: Applications and Processes</a>	II	1.5 PL Credits
<a href="#">Equity Valuation: Concepts and Basic Tools</a>	I	1.75 PL Credits
<a href="#">Free Cash Flow Valuation</a>	II	3.25 PL Credits
<a href="#">Market-Based Valuation: Price and Enterprise Value Multiples</a>	II	3.75 PL Credits
<a href="#">Market Efficiency</a>	I	1.25 PL Credits
<a href="#">Market Organization and Structure</a>	I	2.50 PL Credits
<a href="#">Overview of Equity Securities</a>	I	1.25 PL Credits
<a href="#">Residual Income Valuation</a>	II	2.25 PL Credits
<a href="#">Security Market Indexes</a>	I	1.25 PL Credits



# Equity

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

Reading	Level	Credits
<a href="#">Company Analysis: Forecasting</a>	I	1.75 PL Credits
<a href="#">Company Analysis: Past and Present</a>	I	1.5 PL Credits
<a href="#">Industry and Competitive Analysis</a>	I	1.25 PL Credits
<a href="#">Private Company Valuation</a>	II	2 PL Credits



# Equity

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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The former **“Industry and Company Analysis”** reading has been significantly revised and renamed **“Company Analysis: Forecasting”** to reflect new content about how to conduct financial modeling with spreadsheets. The reading focuses on how spreadsheets can be used to analyze the most important drivers of a firm’s performance to forecast its free cash flows and profitability. A section on behavioral biases in forecasting outlines five key biases that can adversely affect the modeling process and strategies to mitigate them. In addition, two new case studies and 30 practice problems have been added to the reading.

The new **“Private Company Valuation”** reading contrasts public and private company features for valuation and describes how and why they differ. For example, the reading highlights cash flow and earnings adjustments, discount rate adjustments, and a valuation discount or premium associated with private company ownership.

This reading also applies the income, market, and asset-based valuation approaches introduced earlier in the curriculum for public equities in the private company context, providing new step-by-step diagrams and examples and also highlighting key factors relevant to the selection of each valuation approach.

The **“Company Analysis: Past and Present”** reading now includes a discussion of the measures of leverage. Two new case studies are introduced as well as 29 new practice problems, new diagrams, and graphics.

The revised **“Industry and Competitive Analysis”** reading contains new content covering “generic competitive strategies” and an investment research checklist for Porter’s five forces—a model to identify and analyze five competitive forces that shape industries and to assess each industry’s strengths and weaknesses. The reading also features new examples and diagrams as well as two new case studies and 30 additional practice problems.



# Ethical and Professional Standards

## READINGS WITHOUT SUBSTANTIVE CHANGES:

<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#"><u>Application of the Code and Standards: Level II</u></a>	II	1.75 PL Credits
<a href="#"><u>Application of the Code and Standards: Level III</u></a>	III	2.75 PL Credits
<a href="#"><u>Asset Manager Code of Professional Conduct</u></a>	II	1 PL Credits
<a href="#"><u>Code of Ethics and Standards of Professional Conduct</u></a>	III	0.5 PL Credits (including 0.5 SER)
<a href="#"><u>Ethics Application</u></a>	I	1.25 PL Credits (including 1.25 SER)
<a href="#"><u>Ethics and Trust in the Investment Profession</u></a>	I	1 PL Credit (including 1 SER)



# Ethical and Professional Standards

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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Reading	Level	Credits
<a href="#">Guidance for Standards I–VII</a>	II	6.75 PL Credits (including 6.75 SER)
<a href="#">Introduction to the Global Investment Performance Standards (GIPS)</a>	I	0.25 PL Credits (including 0.25 SER)
<a href="#">Overview of the Global Investment Performance Standards</a>	III	1.5 PL Credits (including 1.5 SER)

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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This section has no substantive changes from prior readings.



# Financial Statement Analysis

## READINGS WITHOUT SUBSTANTIVE CHANGES

<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Analysis of Financial Institutions</a>	II	2.75 PL Credits
<a href="#">Evaluating Quality of Financial Reports</a>	II	2.75 PL Credits
<a href="#">Financial Statement Modeling</a>	II	3.25 PL Credits
<a href="#">Integration of Financial Statement Analysis Techniques</a>	II	1.25 PL Credits
<a href="#">Intercorporate Investments</a>	II	2 PL Credits
<a href="#">Multinational Operations</a>	II	2.75 PL Credits



# Financial Statement Analysis

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

Reading	Level	Credits
<a href="#">Employee Compensation: Post-Employment and Share-Based</a>	II	1.75 PL Credits

## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

The new **“Employee Compensation: Post-Employment and Share-Based”** reading features new content and examples for expanded discussion of share-based compensation as well as information on how to model share-based and post-employment compensation. Discussion of post-employment compensation has been reduced, reflecting the lower prevalence of defined benefit (final salary) pension schemes in today’s economy.

This reading includes many new case studies, including real-life examples from global technology companies, such as Atlassian, Meta Platforms, and ServiceNow.



# Fixed Income

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">The Arbitrage-Free Valuation Framework</a>	II	1.75 PL Credits
<a href="#">Credit Analysis Models</a>	II	2.5 PL Credits
<a href="#">Credit Default Swaps</a>	II	1.25 PL Credits
<a href="#">The Term Structure and Interest Rate Dynamics</a>	II	2.25 PL Credits
<a href="#">Valuation and Analysis of Bonds with Embedded Options</a>	II	2.75 PL Credits



# Fixed Income

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

Reading	Level	Credits
<a href="#">Asset-Backed Security (ABS) Instrument and Market Features</a>	I	1 PL Credits
<a href="#">Credit Analysis for Corporate Issuers</a>	I	1 PL Credits
<a href="#">Credit Analysis for Government Issuers</a>	I	1 PL Credits
<a href="#">Credit Risk</a>	I	1.25 PL Credits
<a href="#">Curve-Based and Empirical Fixed-Income Risk Measures</a>	I	0.75 PL Credits
<a href="#">Fixed-Income Bond Valuation: Prices and Yields</a>	I	1 PL Credits
<a href="#">Fixed-Income Cash Flows and Types</a>	I	1 PL Credits
<a href="#">Fixed-Income Instrument Features</a>	I	0.75 PL Credits



# Fixed Income

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

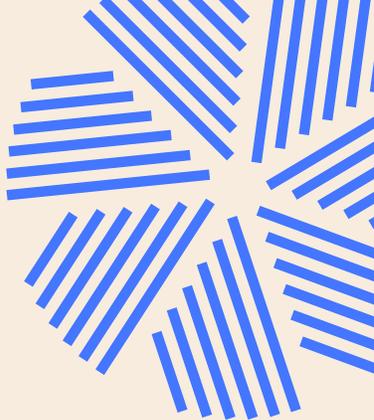
<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Fixed-Income Issuance and Trading</a>	I	0.75 PL Credits
<a href="#">Fixed-Income Markets for Corporate Issuers</a>	I	1 PL Credits
<a href="#">Fixed-Income Markets for Government Issuers</a>	I	0.75 PL Credits
<a href="#">Fixed-Income Securitization</a>	I	0.75 PL Credits
<a href="#">Interest Rate Risk and Return</a>	I	1 PL Credits
<a href="#">Mortgage-Backed Security (MBS) Instrument and Market Features</a>	I	1.25 PL Credits
<a href="#">The Term Structure of Interest Rates: Spot, Par, and Forward Curves</a>	I	1 PL Credits



# Fixed Income

## NEW READINGS OR READINGS WITH SIGNIFICANT CHANGES

Reading	Level	Credits
<a href="#">Yield and Yield Spread Measures for Fixed-Rate Bonds</a>	I	1 PL Credits
<a href="#">Yield and Yield Spread Measures for Floating-Rate Instruments</a>	I	0.75 PL Credits
<a href="#">Yield-Based Bond Convexity and Portfolio Properties</a>	I	0.75 PL Credits
<a href="#">Yield-Based Bond Duration Measures and Properties</a>	I	1 PL Credits



# Fixed Income

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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The fixed income material for the 2024 curriculum has been substantially overhauled to expand the concepts and tie them to real-world scenarios.

New features in the revised **“Fixed-Income Instrument Features”** reading include real-life examples of fixed income issues and issuers, and term sheets. The reading also incorporates additional diagrams and graphics and a broader range of practice problems. The **“Fixed-Income Cash Flows and Types”** refresher reading now features coverage of loans, and an example of Islamic finance.

New features of the **“Fixed-Income Issuance and Trading”** reading include refreshed coverage of fixed-income indexes, additional examples, diagrams and graphics which provide color and context on fixed income issues, investors and issuers.

The **“Fixed-Income Markets for Corporate Issuers”** reading is extensively revised for clarity and ease of understanding, with new examples, graphics and diagrams, and practice problems.

The updated **“Fixed Income Markets for Government Issuers”** reading includes extensively revised text for clarity and ease of understanding. New examples, graphics and diagrams (including term sheets and real life examples of fixed-income issues, issuers, and investors), are allied to 22 new practice problems distributed throughout the reading.

New features of the **“Fixed-Income Bond Valuation: Prices and Yields”** reading include better integration and demonstration of Microsoft Excel and Google Sheets for calculations, new examples, graphics and diagrams – including term sheets and real-life examples of fixed-income issues (such as negative interest rates), issuers, and investors.

Likewise, the below readings feature new examples, graphics and diagrams (including term sheets and real-life examples of fixed-income issues, issuers, and investors), and new practice problems distributed throughout the readings. They are:

**“Yield and Yield Spread Measures for Fixed-Rate Bonds”**

**“Yield and Spread Measures for Floating-Rate Instruments”**

**“The Term Structure of Interest Rates: Spot, Par, and Forward Curves”**

**“Interest Rate Risk and Return”**

**“Yield-Based Bond Duration Measures and Properties”**

**“Yield-Based Bond Convexity and Portfolio Properties”**

**“Curve-Based and Empirical Fixed-Income Risk Measures”.**

The new credit-based readings represent a new and improved approach to credit analysis, using more exhibits, examples and real-world case studies to reinforce the candidate learning experience.

The **“Credit Risk”** reading describes credit risk and its components, as well as sources and measures of credit risk including financial ratios, contrasting investment-grade and high-yield debt features. It also describes the use of credit ratings and credit migration, as well as the pitfalls of sole reliance on ratings based on the case of Wirecard AG’s insolvency.

The reading also addresses top-down market and bottom-up, issuer-specific factors which affect the level and volatility of yield spreads, showing credit spread curve changes over the cycle and illustrating the impact using both government and corporate issuer examples.

Key considerations for the credit analysis of sovereign and non-sovereign government debt issuers and issues are explained in the updated **“Credit Analysis for Government Issuers”** reading. The module spells out important qualitative and quantitative factors affecting credit quality with many real-world case studies to reinforce these concepts. For example, fiscal strength, economic growth and stability as well as external factors are addressed in the sovereign context. Non-sovereign credit risk and the factors affecting credit quality are addressed in detail, using examples and case studies – such as the city of Detroit bankruptcy in 2013, the largest municipal bankruptcy in US history – to illustrate these concepts.

The **“Credit Analysis for Corporate Issuers”** reading takes a fresh approach to the qualitative and quantitative factors used to evaluate a corporate issuer’s credit quality. It demonstrates the calculation and interpretation of financial ratios used in corporate credit analysis, for the first time using financial statement projections to map projected ratios to industry and credit rating peers to evaluate credit quality changes. The module also addresses expected loss given default and recovery based on seniority rankings, secured versus unsecured debt and the priority of claims in bankruptcy.

New securitization-focused readings represent a new and improved approach to the different forms of fixed-income securitization, including global forms such as covered bonds and real-world examples such as VW’s **“Dieselgate”** and its impact on auto ABS. The readings also make comparisons across underlying asset classes, illustrating these with more diagrams and exhibits.

The **“Fixed-Income Securitization”** reading explains the benefits of the securitization markets for both issuers and investors as well as financial markets, using new illustrations and examples more relevant to a global audience. The reading also explores the function of so-called special purpose entities.

The updated **“Asset-Backed Security (ABS) Instrument and Market Features”** reading broadens the scope of the original reading to describe covered bonds and how they differ from other asset-backed securities. Credit enhancements such as over collateralization, excess spread and tranching are explained, as are key characteristics of the underlying assets such as cash flows and risks. These are addressed using a number of new examples such as solar ABS. Collateralized debt obligation (CDO) coverage is revised to reflect updated market conditions

An updated approach to prepayment risk and time trenching structures and why they are used is outlined in the new **“Mortgage-Backed Security (MBS) Instrument and Market Features”** reading. The features and types of residential mortgage loans used in MBS, as well as types of residential (RMBS) and commercial (CMBS) mortgage-backed security types are described, using new examples highlighting cashflows and risks.



# Portfolio Management

## READINGS WITHOUT SUBSTANTIVE CHANGES

Reading	Level	Credits
<a href="#">Active Equity Investing: Portfolio Construction</a>	III	2.75 PL Credits
<a href="#">Active Equity Investing: Strategies</a>	III	2.5 PL Credits
<a href="#">Analysis of Active Portfolio Management</a>	III	2 PL Credits
<a href="#">Asset Allocation to Alternative Investments</a>	III	3.25 PL Credits
<a href="#">Asset Allocation with Real-World Constraints</a>	III	2.25 PL Credits
<a href="#">Backtesting &amp; Simulation</a>	II	2 PL Credits
<a href="#">Basics of Portfolio Planning and Construction</a>	I	1.5 PL Credits



# Portfolio Management

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#"><u>The Behavioral Biases of Individuals</u></a>	I	1.25 PL Credits
<a href="#"><u>Capital Market Expectations, Part I: Framework and Macro Considerations</u></a>	III	2 PL Credits
<a href="#"><u>Capital Market Expectations, Part II: Forecasting Asset Class Returns</u></a>	III	2.25 PL Credits
<a href="#"><u>Case Study in Portfolio Management: Institutional</u></a>	III	1.75 PL Credits
<a href="#"><u>Case Study in Risk Management: Institutional</u></a>	III	1.75 PL Credits
<a href="#"><u>Case Study in Risk Management: Private Wealth</u></a>	III	1.75 PL Credits
<a href="#"><u>Currency Management: An Introduction</u></a>	III	3.25 PL Credits



# Portfolio Management

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#"><u>Economics and Investment Markets</u></a>	II	2.75 PL Credits
<a href="#"><u>Exchange Traded Funds: Mechanics and Applications</u></a>	II	1.5 PL Credits
<a href="#"><u>Fixed-Income Active Management: Credit Strategies</u></a>	III	3 PL Credits
<a href="#"><u>Hedge Fund Strategies</u></a>	III	3.25 PL Credits
<a href="#"><u>Introduction to Risk Management</u></a>	I	1.75 PL Credits
<a href="#"><u>Investment Manager Selection</u></a>	III	2 PL Credits
<a href="#"><u>Liability-Driven and Index-Based Strategies</u></a>	III	2.75 PL Credits
<a href="#"><u>Measuring and Managing Market Risk</u></a>	II	2.25 PL Credits



# Portfolio Management

## READINGS WITHOUT SUBSTANTIVE CHANGES

<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Options Strategies</a>	III	2.75 PL Credits
<a href="#">Overview of Asset Allocation</a>	III	2 PL Credits
<a href="#">Overview of Equity Portfolio Management</a>	III	1 PL Credits
<a href="#">Overview of Fixed-Income Portfolio Management</a>	III	1.5 PL Credits
<a href="#">Overview of Private Wealth Management</a>	III	2.25 PL Credits
<a href="#">Passive Equity Investing</a>	III	1.5 PL Credits
<a href="#">Portfolio Management for Institutional Investors</a>	III	3.75 PL Credits



# Portfolio Management

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#">Portfolio Management: An Overview</a>	I	1.25 PL Credits
<a href="#">Portfolio Performance Evaluation</a>	III	2.5 PL Credits
<a href="#">Portfolio Risk and Return: Part I</a>	I	2 PL Credits
<a href="#">Portfolio Risk and Return: Part II</a>	I	2 PL Credits
<a href="#">Principles of Asset Allocation</a>	III	3.5 PL Credits
<a href="#">Risk Management for Individuals</a>	III	2.75 PL Credits
<a href="#">Swaps, Forwards, and Futures Strategies</a>	III	2 PL Credits



# Portfolio Management

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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Reading	Level	Credits
<a href="#">Topics in Private Wealth Management</a>	III	3.25 PL Credits
<a href="#">Trade Strategy and Execution</a>	III	2.5 PL Credits
<a href="#">Using Multifactor Models</a>	II	1.5 PL Credits
<a href="#">Yield Curve Strategies</a>	III	1.75 PL Credits

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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This section has no substantive changes from prior readings.



# Quantitative Methods

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## READINGS WITHOUT SUBSTANTIVE CHANGES

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<b>Reading</b>	<b>Level</b>	<b>Credits</b>
<a href="#"><u>Basics of Multiple Regression and Underlying Assumptions</u></a>	II	0.75 PL Credits
<a href="#"><u>Big Data Projects</u></a>	II	3 PL Credits
<a href="#"><u>Evaluating Regression Model Fit and Interpreting Model Results</u></a>	II	0.75 PL Credits
<a href="#"><u>Extensions of Multiple Regression</u></a>	II	1.25 PL Credits
<a href="#"><u>Machine Learning</u></a>	II	2.5 PL Credits
<a href="#"><u>Model Misspecification</u></a>	II	0.75 PL Credits
<a href="#"><u>Time-Series Analysis</u></a>	II	3 PL Credits



# Quantitative Methods

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## READINGS WITH SIGNIFICANT CHANGES

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Reading	Level	Credits
<a href="#">Time Value of Money in Finance</a>	I	1.5 PL Credits

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## WHAT IS CHANGING IN THE 2024 CURRICULUM, AND WHY DOES IT MATTER?

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New content and examples are distributed throughout the updated **“Time Value of Money in Finance”** reading. The reading has been streamlined to improve narrative and expand on the existing concepts.