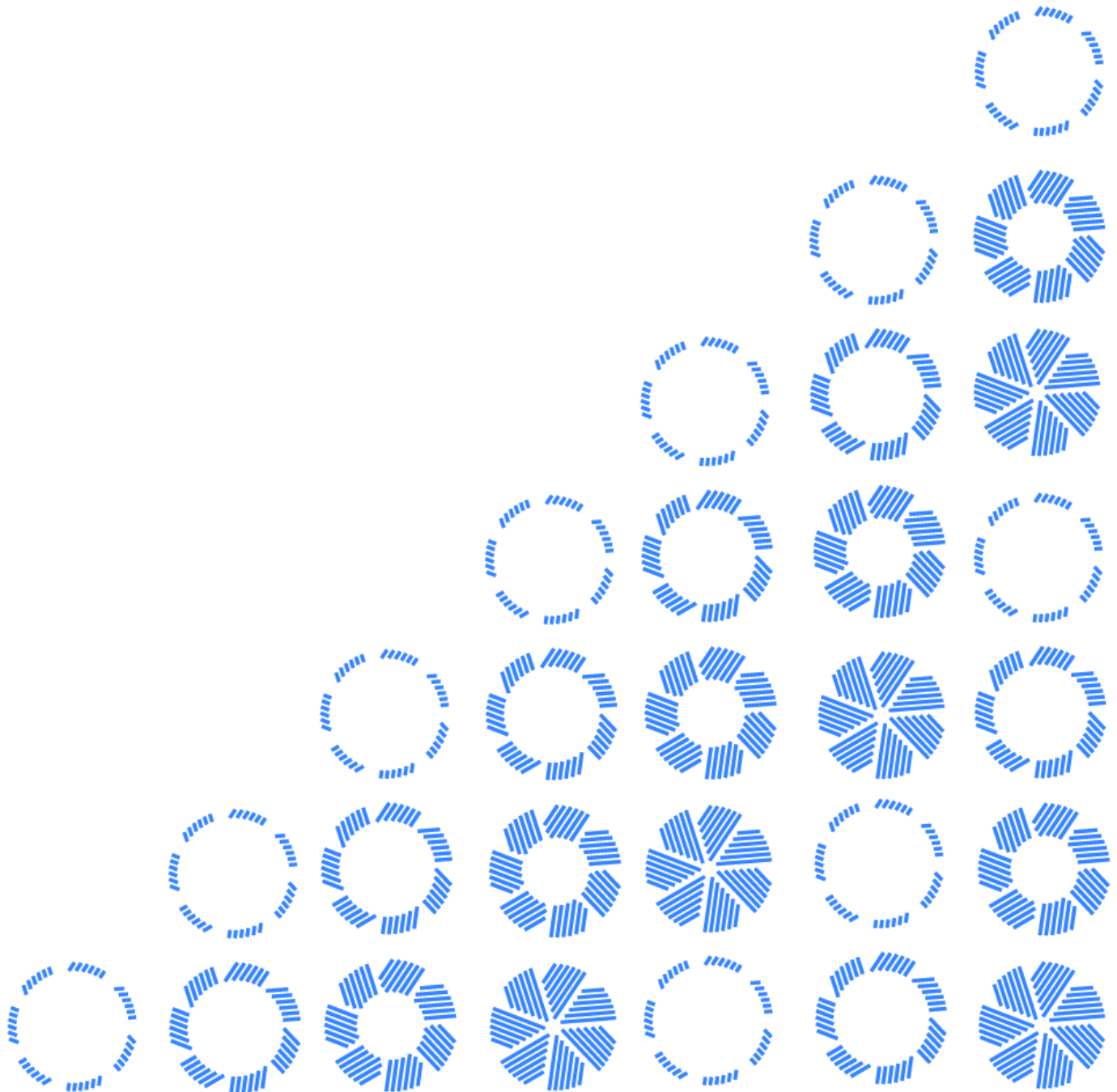




CFA Institute®

Research Challenge

Judge Guidelines



RESEARCH CHALLENGE

Judge Guidelines

Overall

- Teams typically consist of both undergraduate and graduate students. Students do not have the CFA charter and do not have significant work experience in equity analysis. Students should have a full understanding of the company and the industry and how the company compares to its competitors.
- Each room will have one timekeeper. The timekeeper will prompt teams to begin once they are ready. Teams will then present for exactly ten minutes. The timekeeper will indicate when the ten-minute time limit has been reached. The timekeeper will start time for the ten minutes of Q&A. Time will be called at the end of the ten minutes, even if a team is in the middle of answering a question. The Regional Final and Global Final Q&A portion will be 15 minutes.
- Your evaluation, along with your fellow judges, determines which teams advance to the next competition round.
- Most times, judges will receive subject company information and/or team presentation slides ahead of time. While no formal research or preparation is needed, judges are encouraged to familiarize themselves with the subject company(ies) prior to the event.

Role Overview

- View presentations from the perspective of the buy-side hearing a sell-side presentation or a director of research listening to and critiquing a member of their team delivering a sell-side presentation.
- You will be assessing and ranking student presentations while maintaining consistency and fairness throughout the process.
- Make notes throughout each presentation. Complete every section of the scoresheet. Provide as much detailed feedback for the team(s) as possible.
- Most local round judging will take place in person. Sub-regional judging will be done during a designated scoring period in March. Presentations for the sub-regional round are pre-recorded. Semifinal and Regional Final rounds are held live virtually in April. The Global Final is held in person in May.

Etiquette

- For virtual events:
 - Strive to have a tidy background and professional appearance.
 - Plan to be in a location where you will not have distractions for the duration of the event.
- For in-person events:

- Strive to have a professional appearance.
- Power off or silence all mobile devices before the presentations begin.
- Please do not leave the room between presentations without checking with the room lead.

Tips

- DO:
 - Make preliminary notes during each presentation and review your scores only after all teams have presented to ensure fair comparisons.
 - Score each team privately and independently before discussing scores with other judges to maintain impartiality.
- DON'T:
 - Interrupt the students' presentation. If something is unclear, make note to ask about it during the Q&A.
 - Allow personal bias towards the subject company cloud your judgement in the scoring process.

Question & Answer

- Do not ask questions during the initial presentation. Once the presentation has concluded, you will have ten minutes to ask questions.
- You may ask questions at your discretion; however, please refrain from asking questions that are not at the discretion of the students (e.g. reason for choosing the subject company).
- Your questions should feed off the team presentations; however, we recommend that you prepare one or two general questions in advance.
- Try to avoid using two-part questions and keep your questions short and concise.
- Do not lead students to answers. Instead, ask your question, let the students answer either correctly or not, and move on.
- Do not be afraid to ask difficult questions of the team as they have been preparing for several months.
- Some sample questions that may be relevant:
 - How is your recommendation and equity story different from market expectations?
 - What are the key drivers of revenue growth for this company in the next 3-5 years, and how did you arrive at those estimates?
 - Can you explain how the company's product/service differentiation impacts its market share?
 - How do you see the competitive landscape evolving in the next 5 years, and where does the company stand in comparison to its key competitors?
 - What external industry trends or macroeconomic factors do you believe will have the greatest impact on the company's future growth?
 - What makes this company a more compelling investment compared to its peers in the same industry?

- How do the company's historical financials (profitability, liquidity, etc.) support your future projections?
- Could you explain your approach to forecasting the company's margins and why you believe these assumptions are realistic?
- You used several valuation methodologies. How did you determine which to prioritize, and what were the key assumptions that had the greatest impact on your valuation?
- What sensitivities or potential changes in market conditions could significantly alter your valuation of the company?
- What do you consider to be the most significant risks to the company's business model, and how might these risks impact the valuation?
- How does your analysis account for potential regulatory or market-related risks specific to this industry?
- How does the company's ESG strategy impact its long-term sustainability and profitability?
- How did you factor ESG-related costs into your valuation or financial projections?