CFA LEVEL III PATHWAYS

CANDIDATES COORDINATION COMMITTEE
in collaboration with the
CAREER DEVELOPMENT COMMITTEE

OCTOBER 22nd, 2024

CFA Society Netherlands

PROGRAM OCTOBER 22nd, 2024

16:30	Walk-in and Welcome remarks – **Mihaela Ciulianu**
16:40	Private Wealth track – **Martijn Schoonhoven**
16:55	Portfolio Management track – **Lucie Cao, CFA, FRM**
17:10	Q&A
17:30	Networking drinks

FOSTER AN INCLUSIVE CULTURE FOR A KNOWLEDGEABLE COMMUNITY SET A STANDARD FOR THE INVESTMENT PROFESSION

- What students should know

Trust. Belong. Inspire.

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GET TO KNOW CFA SOCIETY NETHERLANDS

- CFA Society Netherlands; the Dutch professional association for CFA Charterholders & other investment Professionals
- CFA Candidate membership for only 80 euros a year, offering discounts, networking, candidate events and career mentoring and development
- Check the candidate offer at https://cfasociety.nl/en/kandidaten

CANDIDATES COORDINATION COMMITTEE

- Newly formed CFA Society Netherlands Committee to support Candidates
- Highlight resources available to Candidates
- Organize events targeted to Candidates
- Customize events and offerings based on Candidates needs
- **Want to help shape the committee's direction? We are looking for volunteers, join us!**

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CFA NETHERLANDS – HOW TO BEST SERVE CFA CANDIDATES SURVEY

Survey link: https://tinyurl.com/2s3dwy2m

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CAREER DEVELOPMENT COMMITTEE – CFA SOCIETY NETHERLANDS

- Seeking mentors and mentees for the 2025 mentoring cycle (**Feb – Dec**).
- Since 2021, **over 50 pairs** of mentors and mentees successfully went through the program.
- In **5-10 sessions** throughout the year, participants enjoy:
  - Personal development – mentees gain access to professional and career advice on an 'informal' level.
  - Leadership development – mentors help mentees identify their key strengths, providing examples and sharing experience of personal leadership.
- Per session, participants typically spend 2-3 hours including preparation and follow-up. The preparation and follow-up is **mostly driven by the mentee**.
- Know anyone or interested to join yourself? Please let us know by **scanning the QR** code and sending an email to: careerdevelopment@cfasociety.nl

Scan me

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2025 CFA PROGRAM CHANGES

- Offer additional practice opportunities with question banks and mock exams (Levels I & II)
- Added practical application modules at every level (Financial Modelling, Python, etc.) (Levels I, II & III)
- Specialized paths for LIII (Private Wealth, Private Markets, Portfolio Management)
- Bloomberg training woven into CFA Program (Level I)
- Focused the curriculum to make it more effective while maintaining rigor (Level I)
- Reinforce the value earned during the journey through badging and marketing (Levels I & II)
- Expand eligibility to students meet the demand from the market (Levels I & II)

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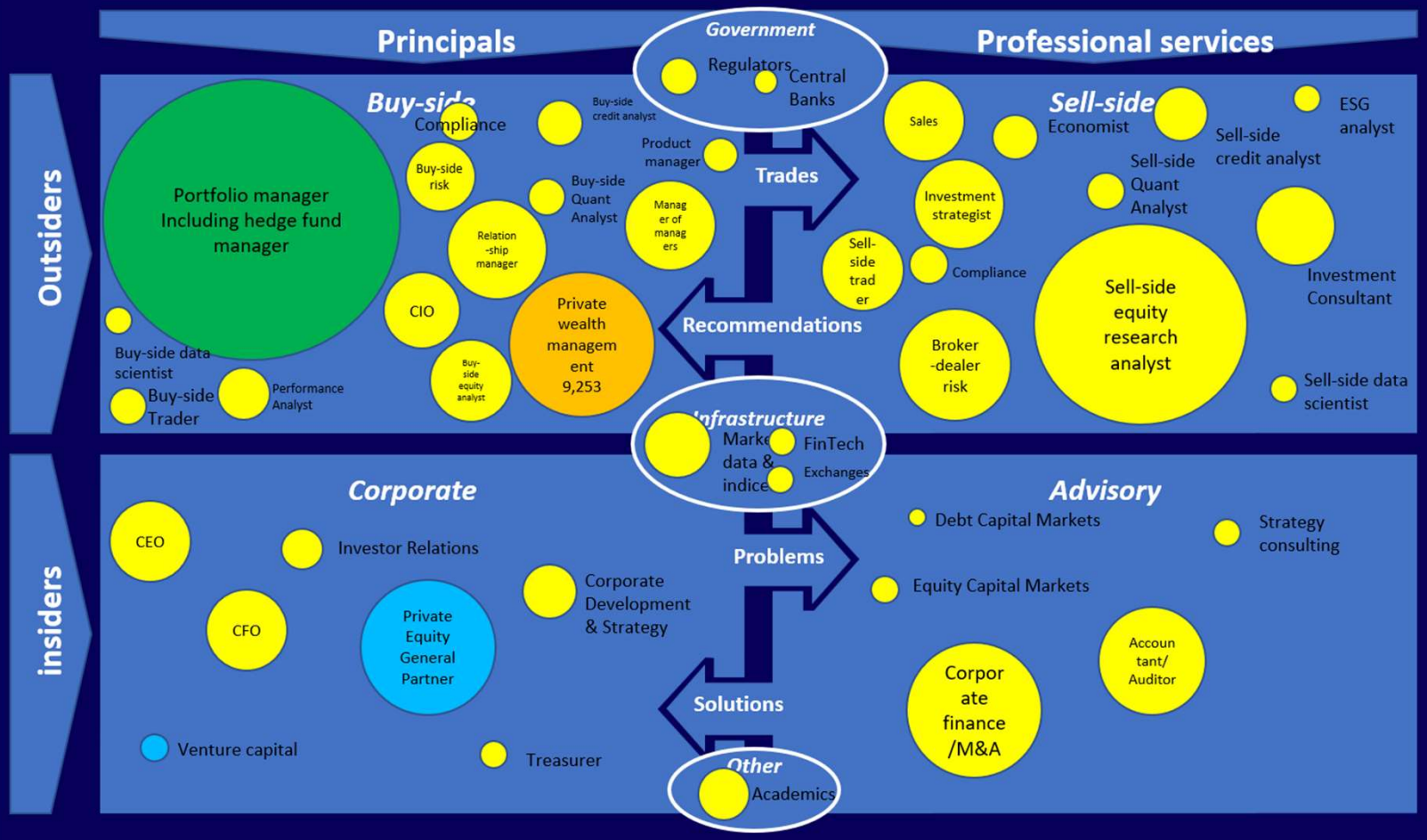
CFA CHARTERHOLDER MEMBER MAP



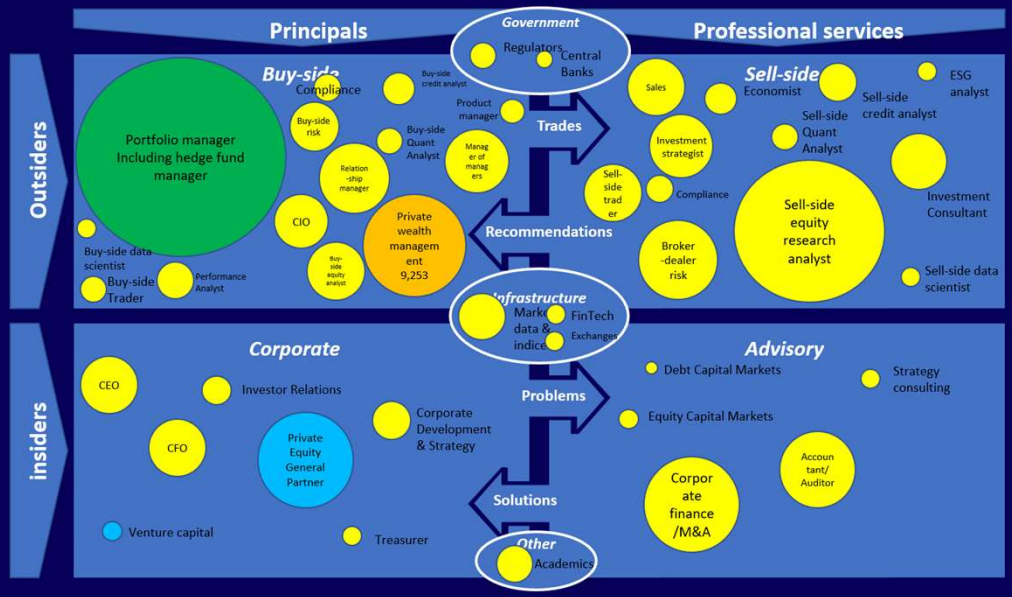
THE NEW CFA PROGRAM LAYS DOWN NEW BEDROCK TO GROW THE PRIVATE WEALTH AND PRIVATE MARKETS MEMBER BASE

CFA Institute introduced the Portfolio Management training into the CFA Program in the 1970s. Today, approximately 40% of discretionary portfolio managers are CFA Charterholders.

As more early finance professionals and students today aspire for a different "job after the job" on the buy-side, the curriculum must evolve to pave the way for whichever pinnacle they seek.

While many thousand CFA Charterholders work in each of Private Markets and Private Wealth, gaps in the curriculum have emerged as we prepare candidates for these rapidly growing segments and evolving workflows.

Recognizing that the Private Markets and Private Wealth job roles share only some things in common with the Portfolio Manager role, there is **new bedrock to lay down** to prepare candidates for promotion within or lateral hiring into either of these two job roles.



CFA LEVEL III: EXAM WEIGHTS AND READINGS

Asset Allocation

15-20%

- Capital Market Expectations I
- Capital Market Expectations II
- Overview Of Asset Allocation (PM)
- Principles Of Asset Allocation (PM)
- Asset Allocation With Real-world Constraints

Portfolio Construction

15-20%

- Overview Of Fixed Income PM
- Overview Of Equity PM
- Investing In Alternatives
- Overview Of Private Wealth Management
- Portfolio Management For Institutional Investors
- Case Studies For Institutional Portfolio Management
- Trading Costs And Electronic Markets

Performance Measurement

5 -10%

- Portfolio Performance Evaluation
- Investment Manager Selection
- Overview Of GIPS

Derivatives and Risk Management

10-15%

- Options Strategies
- Swaps, Forwards, and Futures Strategies
- Currency Management: An Introduction

Ethics

10-15%

- Code of Ethics and Standards of Professional Conduct
- Guidance for Standards 1-VII
- Application of the Code and Standards-Level III Asset Manager Code of Professional Conduct

Pathway

30-35%

a) Portfolio Management
b) Private Markets
c) Private Wealth

RESOURCES

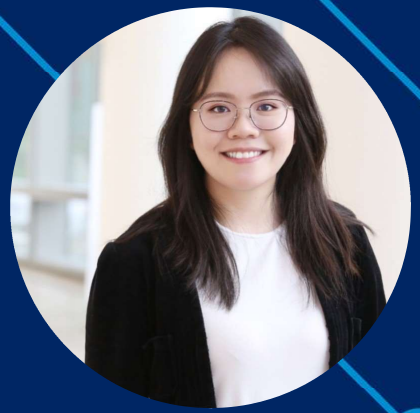
- CFA Institute - Level III Specialized Pathways
- CFA Program AMA on Reddit by Rob Langrick, CFA, CIPM – Chief Product Advocate for CFA Institute
- CFA Webinar – Your next job awaits: Step up your career with the CFA Program – 1-hour webinar on the CFA Level III Specialized Pathways
- Specialized Pathways Quiz – 10 questions for each path

Private Wealth track

Martijn Schoonhoven

Partner

Yield.inc



Portfolio Management track

Lucie Cao, CFA, FRM

Financial Risk Manager

ROBECO

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Private Wealth track

Martijn Schoonhoven

Partner

Yield.inc.

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WEALTH MANAGEMENT IN PRACTICE

From employee to entrepreneur

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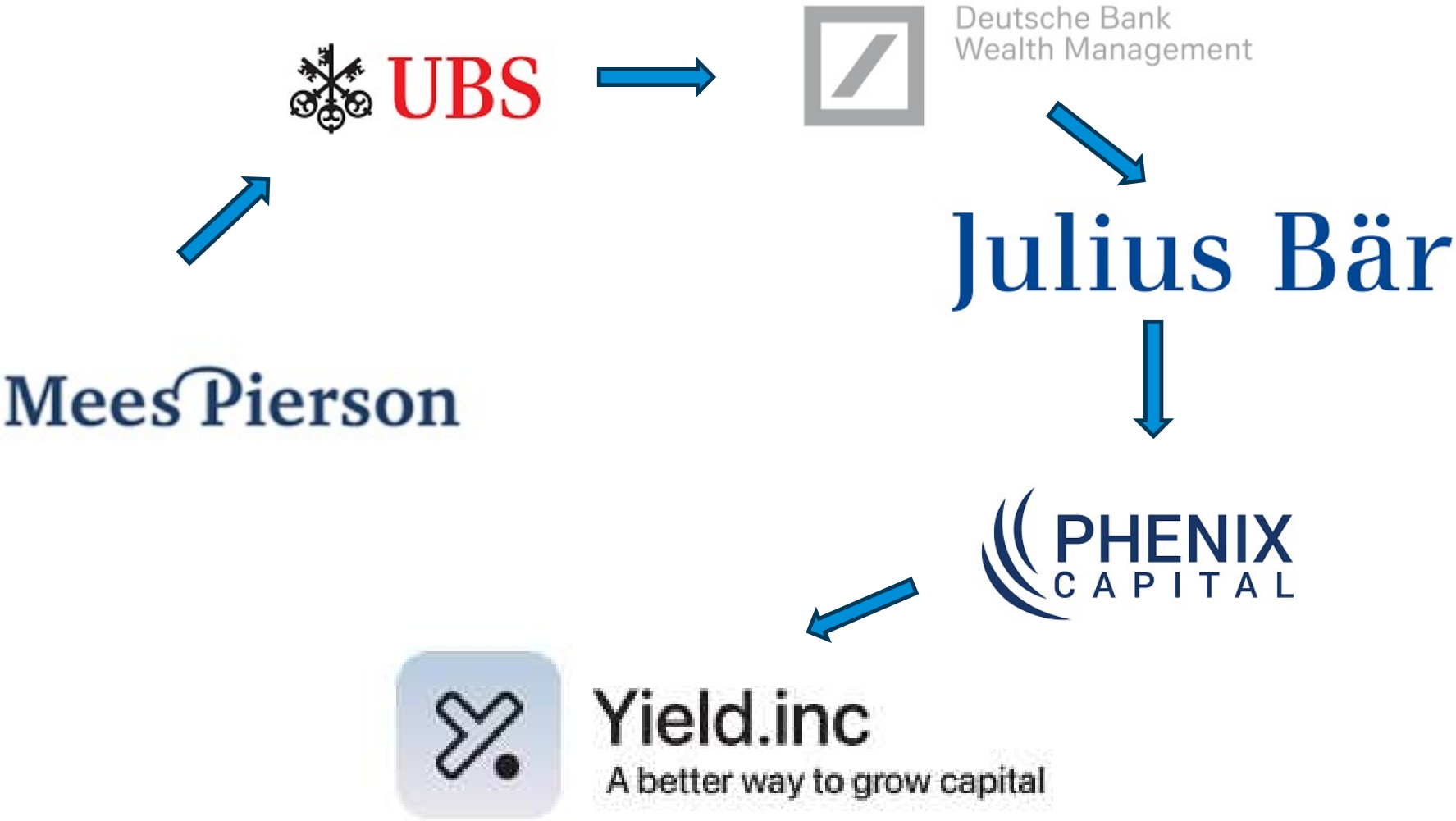
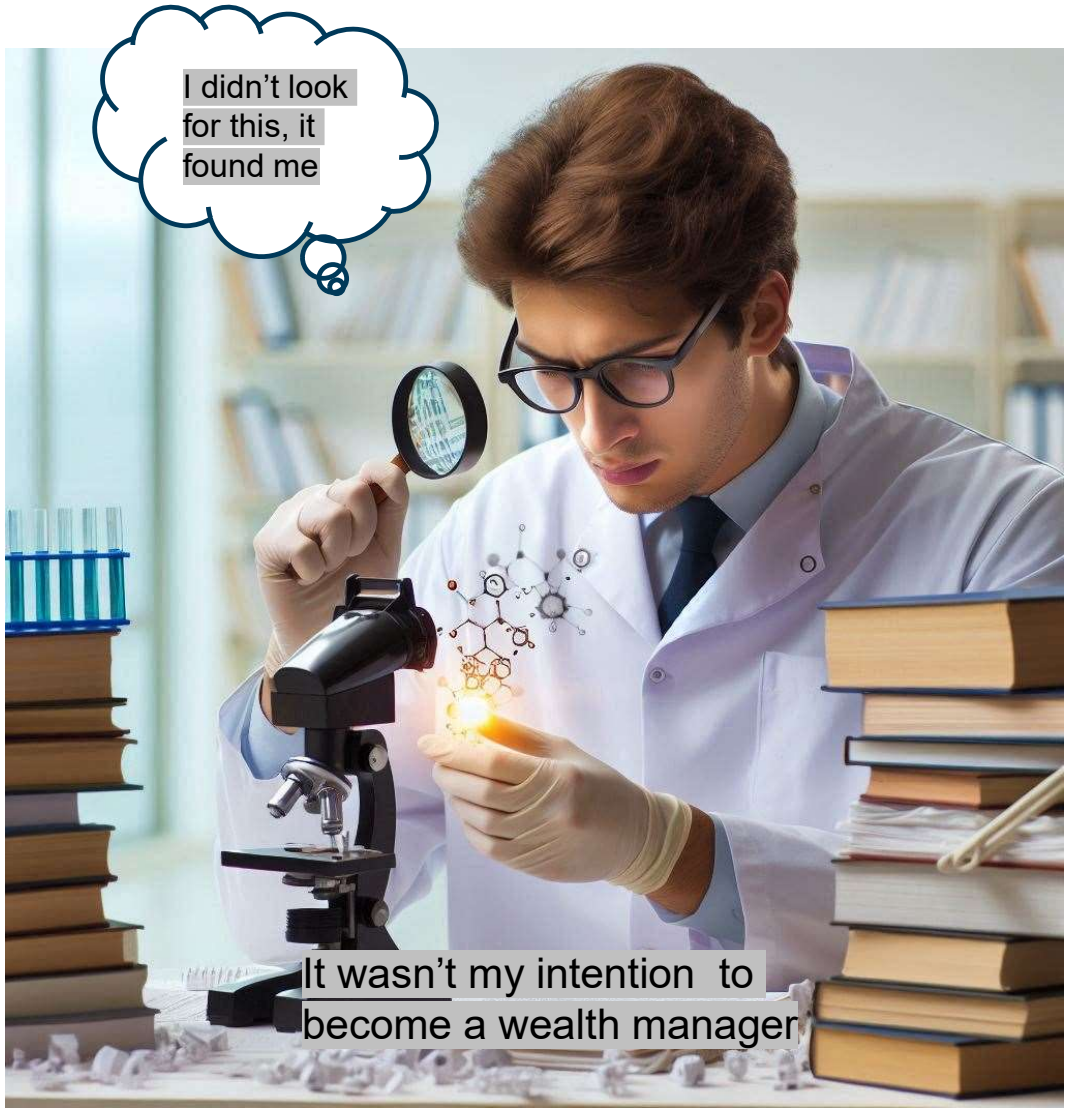

UBS
Deutsche Bank
Wealth Management
Julius Bär
PHENIX
CAPITAL
Yield.inc
A better way to grow capital
MeesPierson



No familiarity!?

- (Original) education didn't prepare me for this work
- Chemistry and Law (+ Leiden University has little/no finance-oriented studies)
- Little knowledge about finance, or wealth
- No familiarity with finance or entrepreneurship within family
- No business owners (within 2 generations)

So, how did I end up here?

- Coincidence (and in need for temporary job)
- Just start
- RBA (or CFA) was quite helpful
- Curiosity is a virtue

What is it about?

- It’s about **people**: managing personal & family wealth
- It’s about **trust**: building solid relationships with clients
- **Genuine interest**: Thorough understanding of their financial needs and how they respond to markets events (negative returns, complexity, personal biases and convictions
- **Understanding financial markets** in the broadest sense: Developing a good asset allocations that meet your clients' financial requirements
- **Client centricity** : helping clients with advisory or discretionary portfolio management *to have them meet their goals* (mostly in publicly listed equities, bonds, real estate)
- Recently strong **increase in private market** solutions for clients that can bear the (illiquidity) risks

Differences/Choices

- **Type of job**: investments, client facing, ops, risk, compliance, etc. Each has it's own dynamic (and competence)
- **Type of organisation**: international, or local, small vs large, focussed vs broader services, main street vs high street
- Product focus vs holistic advice

Dilemmas (a.o.)

- Profitability vs long term client relationships
- Is your solution always in the best interest of the client?
- How to respond to compromised integrity issues?

THANK YOU

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Portfolio Management track

Lucie Cao, CFA, FRM

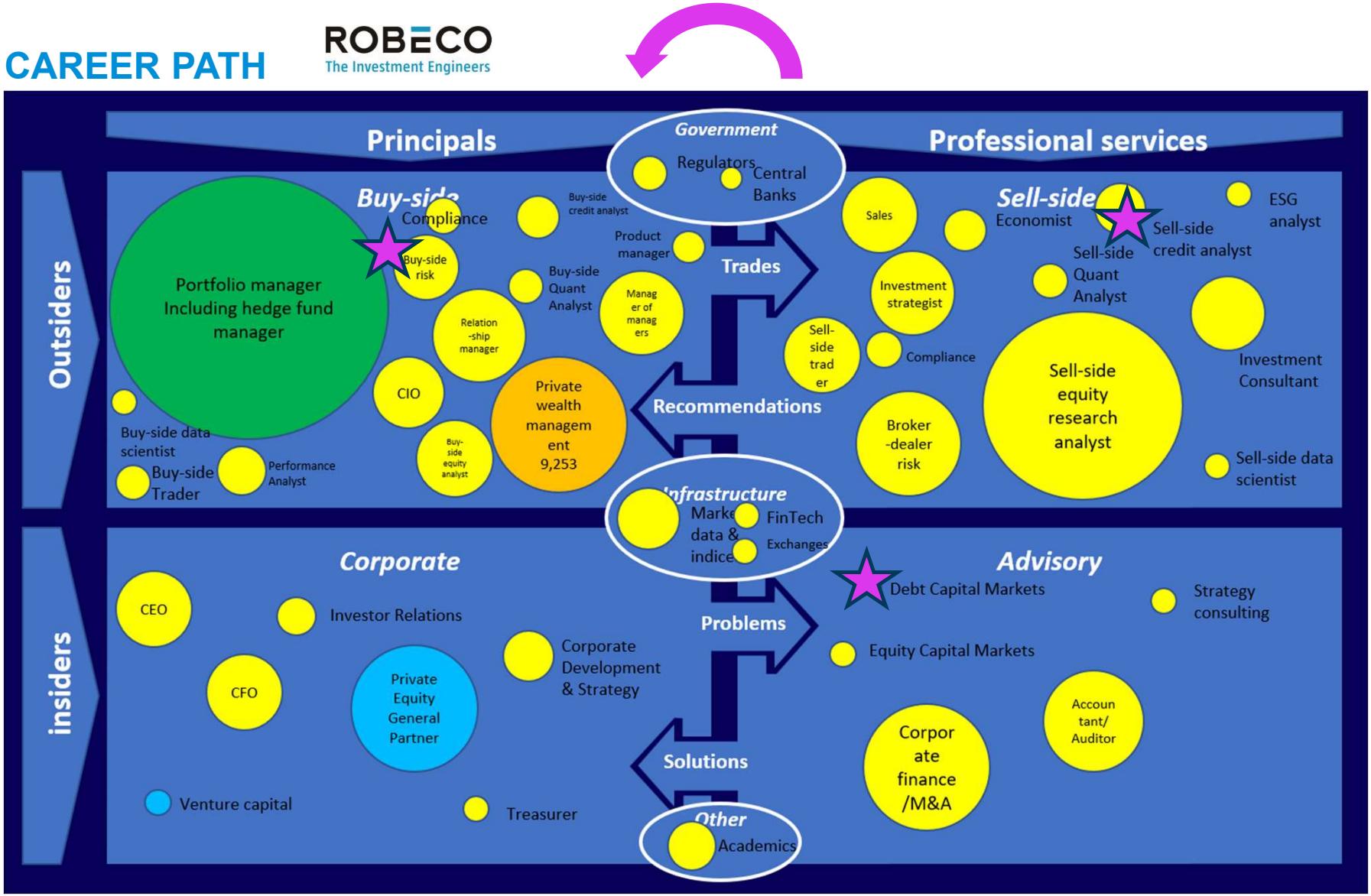
Financial Risk Manager

ROBECO

CFA Society Netherlands

CAREER PATH

ROBECO
The Investment Engineers



ABN·AMRO

SOCIETE GENERALE

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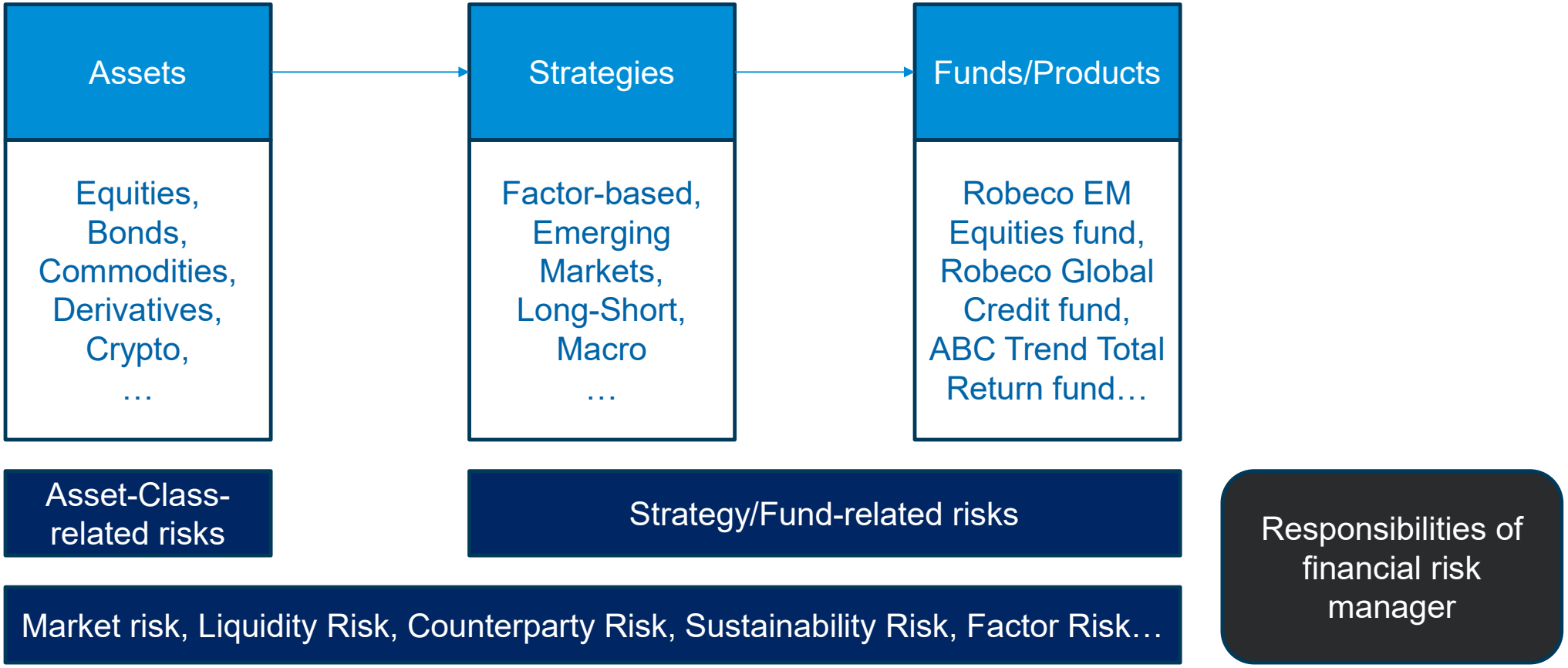
LEVEL III SPECIALIZED PATHWAYS: PORTFOLIO MANAGEMENT



THANK YOU

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Q & A

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