



Level I CFA Exam Strategy Guide

Since 1994, Allen Resources has been developing successful CFA Study Systems and strategies that outperform other review methods and greatly enhance your ability to pass the CFA exam. These strategies are designed to provide focus on important issues related to the CFA exam, and guide you through the difficult task of mastering the CFA Program curriculum.

Allen Resources' self-study program is based on the following key points:

- Individual candidate support **throughout your preparation**
- Formulating a **manageable study schedule**
- Creating **accountability**
- Utilizing **efficient and effective** study materials

Our mutual goal is for you to pass the CFA exam on your first attempt. We achieve this by providing comprehensive Study Tools, study planning, and unsurpassed candidate support.

Preparing for the CFA Exam

Accountability

As we hear repeatedly each year, many candidates fail the CFA exam as a result of “time conflicts” and a distinct lack of structure in their study schedule. Through the use of the CFA Strategy Guide developed by Allen Resources, we provide an efficient and effective study system for you.

It's a good idea for you to take the time *now* to create a schedule for yourself based on your start date and the amount of material that is required to be covered from this point forward. Setting a schedule for progress will help you allocate your time and account for it. The CFA Strategy Guide assures that you have a benchmark for proficiency throughout your study cycle.

If you fall behind, or have difficulties in any given subject area, these challenges will be caught early and addressed promptly, avoiding the common trap of running out of time.



CFA Exam Study Strategy

Developed over many years of research and candidate feedback, this plan keeps your studies “on track” and ensures a manageable, methodical structure to your study plan.

Phase 1

Phase 1 incorporates Study Sessions 2 through 11. For the Level I CFA exam, the subjects included in Phase 1 are weighted as follows:

• Quantitative Analysis	~12%
• Economics	~10%
• Financial Statement Analysis	~20%
• Corporate Finance	~8%
Total for Phase 1	~50%

As **50%** of the Level I exam covers these four subject areas, the importance of Phase 1 cannot be underestimated. These subjects are typically the most challenging for CFA candidates, and therefore are best studied early in the study cycle.

The following is your Strategy Guide to begin your studies. Refer to the schedule you created (based on your start date) to keep on track with your progress.

Using the Written Study Guides, begin with Quantitative Methods. View the same subject area in the Core Video Series for an in-depth discussion and explanation of the related concepts. To reinforce your grasp of the many formulas in this area and to hone your problem solving skills and techniques, watch your Problem Solving Videos. If you have selected the Core Audio Series, use it to further reinforce the readings, especially while commuting, traveling, and/or exercising.

Once the Study Session has been covered through reading, video, and/or audio, access the TestBank Software to determine your retention of the subject matter and test with challenging CFA questions. Create a sample test of 50 questions in Quantitative Methods, review the individual scores, and readdress the subject areas where scores are below the **70%** performance level. TestBank Software is designed to make testing in individual subject areas quick and easy. Your TestBank grades should be at or above the **70%** grade level before moving on to the next Study Session.

To get the most out of the various features and benefits of your TestBank Software, please take a few minutes and watch the short video tutorials at: www.allenresources.com/tbtutorials.htm

Continue with Study Sessions 3 through 11 using the same study process. As you complete a Study Session and move on to the next one, it is important to continually revisit the previous subjects by taking questions weekly in those subjects. This method will reinforce concepts and retention. Continuing this review will improve your grades in subjects you have completed and reduce the risk of falling behind. Once you have completed Phase 1, take a sample test (minimum of 100 questions) in each of the four subjects, once again scoring at or above the **70%** grade level before moving on to Phase 2.



Phase 2

Phase 2 incorporates Study Sessions 12 through 18 and finishes with Study Session 1, Ethics. For the Level I CFA exam, the subjects included in Phase 2 are weighted as follows:

• Portfolio Management	~5%
• Asset Valuation (Equity, Fixed Income, Derivatives, Alternative Investments)	~30%
• Ethics	~15%
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Total for Phase 2	~50%

Use the same study process as outlined in Phase 1, saving Ethics for the final subject of study. Given the current market trends and the 15% weighting, Ethics is an extremely important area of the CFA curriculum. However, understanding and identifying what is or is not a violation of CFA Institute’s Standards is more important than memorization. Since Ethics primarily requires short-term memory and common sense, it is best reviewed last.

Phase 3

To be conducted in the final four weeks prior to the exam, Phase 3 is the testing and reconciliation portion of the Study Strategy. By now, you have covered all of the Study Sessions through reading, video and/or audio, and testing in individual subjects. Now candidates must “fine-tune” the process of improving their test-taking skills, a task that is independent of mastering the subject matter. Many unsuccessful candidates believe that while their knowledge of the subject matter was strong, their ability to answer all questions in the allotted time was lacking.

Using the TestBank Software, create simulated exams by selecting the exam simulation option in the testing mode from the main menu. Your goal should be to complete 120 questions in 180 minutes (3 hours). With over 6,400 questions in the TestBank database, you can create many simulated exams during the testing and reconciliation process to ensure successful completion of this final phase.

Conclusion

Remember, you are competing for a very limited number of passing CFA exam scores. It is important to use your time efficiently. Most of all, do not procrastinate. You have the tools and guidance with our Study Systems and strategies to keep you focused and ensure you are well prepared.



Level I CFA Exam Study Tools

Study Tool Features	Benefits
<p>Written Study Guides (Reading Highlights)</p> <p>Key Features:</p> <ul style="list-style-type: none"> • organized by Study Session • Learning Outcome Statements displayed with accompanying summary • highly-organized summaries written by experts in each subject area • available in PDF format (printable) or hard copy • iPhone/iPad App available 	<p>Who's this for?</p> <p>CFA candidates who:</p> <ul style="list-style-type: none"> • want comprehensive summaries covering all the LOS. • need quick access to key terms and definitions. • have work and personal commitments (have limited time). • do not have time to read, comprehend, summarize, and review all 6 CFA curriculum books.
<p>TestBank Software</p> <p>Key Features:</p> <ul style="list-style-type: none"> • over 6,400 multiple choice questions (including rationale for answers) • available as immediate download or internet version • iPhone/iPad App available • mock CFA exams • performance and coverage area tracks and records testing questions, grades, and time 	<p>Who's this for?</p> <p>CFA candidates who:</p> <ul style="list-style-type: none"> • want to take as many CFA exam questions as possible. • recognize the power of using a computer for efficiency. • want to gauge their comprehension and retention of the subject matter.



Study Tool Features	Benefits
<p>Core Video Series</p> <p>Key Features:</p> <ul style="list-style-type: none"> • delivered by individual experts in each subject • whiteboard illustrations/exhibits • comprehensive virtual classroom • available on DVD (view on your TV or PC) or streaming online • navigation index and menu • iPhone/iPad Apps available 	<p>Who's this for?</p> <p>CFA candidates who:</p> <ul style="list-style-type: none"> • benefit from personal instruction. • want to learn at their own pace. • want to be taught by experts. • retain information best by “seeing and hearing.” • want to review subject as often as necessary.
<p>Problem Solving Videos</p> <p>Key Features:</p> <ul style="list-style-type: none"> • detailed step by step tutorial solving calculations and problems • whiteboard illustrations/exhibits • delivered by individual experts in related subject areas • available on DVD (view on your TV or PC) or streaming online • iPhone/iPad Apps available 	<p>Who's this for?</p> <p>CFA candidates who:</p> <ul style="list-style-type: none"> • need answers to CFA exam Learning Outcome Statements. • want learning reinforcement. • want to hone their problem solving skills and techniques



Study Tool Features	Benefits
<p>Core Audio Series</p> <p>Key Features:</p> <ul style="list-style-type: none"> • professional well-paced narration of the Learning Outcome Statements • available on CD or downloadable mp3 files • iPhone App available 	<p>Who's this for?</p> <p>CFA candidates who:</p> <ul style="list-style-type: none"> • commute, travel, or exercise. • want learning reinforcement.

See demos of our CFA Study Tools at: www.allenresources.com/samples.htm