

# CAIA Level I 2017



Exam length:	<b>4 hours</b>
Exam format:	<b>Multiple Choice</b>
Number of questions:	<b>200</b>
Exam date:	<b>March and September</b>
Estimated passing score:	<b>Not disclosed</b>
Scored is provided:	<b>Three weeks after the test</b>
Exam reading assignments	<b>1145 pages</b>
Number of multiple choice questions:	<b>1,000 (5 exams)</b>

## What is the CAIA Program?

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- **What is the CAIA program?**

The CAIA program consists of a two-tier exam process through which one may earn the CAIA charter, the designation for alternative investment professionals offered by the CAIA Association. The CAIA charter is the global mark of distinction in alternative investments.

- **Is this an internationally recognized charter program?**

Yes. Since the CAIA Association offered its first exam in February 2003, thousands of individuals from over 80 countries have registered for the program. Candidates from thousands of financial institutions have taken the exams, including prime brokers and banks; advisory, consulting, asset management, and accounting firms; public and private pensions, foundations, family offices, insurance companies, professors and industry regulators. Several organizations, including the SEC, PAAMCO, Citigroup, and CSFB, now use the CAIA examinations as an essential part of their professional alternatives training program.

- **What areas are covered in the exams, and what is the exam structure?**

- The Level I exam is composed of 200 multiple-choice questions, which measure candidates' knowledge of the CAIA Level I curriculum. The Level I curriculum introduces candidates to alternative asset classes and discusses potential benefits of allocating to actively managed investment strategies. Candidates are asked to distinguish among various alternative investment strategies and products and to understand the difference between alternative investments and traditional products. Specific knowledge areas include: professional standards and ethics, quantitative analysis of alternative investments, real assets and commodities, hedge funds and managed futures, private equity, structured products, as well as risk management and portfolio management.

- The Level II exam is composed of 100 multiple-choice questions and three sets of constructed-response (essay-type) questions, which measure candidates' knowledge of the CAIA Level II curriculum. The Level II curriculum builds on candidates' understanding of various asset classes and focuses on asset allocation in a multi-asset framework, and various methods for accessing alternative asset classes. Through the Level II curriculum, candidates gain deeper understanding of risk management techniques and tools as well as various structured products. Specific knowledge areas include: professional standards and ethics; private equity; real assets and commodities; hedge funds and managed futures; structured products; asset allocation and portfolio management; risk and risk management; as well as manager selection, due diligence, and regulation.

- **Where can I take the exam?**

The CAIA exams are administered via computer exclusively at proctored Pearson VUE testing centers around the world. Review the current list of exam locations to determine where the CAIA exams are offered. If a location does not appear on this list, the CAIA exams are not currently delivered there.

- **What is the timeline for completing the program?**

The Level I and Level II exams are offered twice each year, in September and March, giving candidates the opportunity to complete the CAIA program within a single year, should they choose to do so. The Level I and Level II exams cannot be taken within the same exam window. CAIA candidates have unlimited time to pass the Level II exam after passing Level I to qualify for the CAIA Charter.

## Key elements in CAIA Level I Test

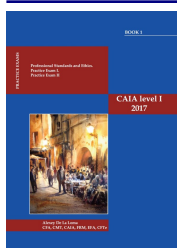
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- CAIA Level I exam is computer-based.
- The test is divided in two sections, each with 120 minutes and 100 multiple choice questions, and there is an optional 30 minutes break between them.
- All topics are tested; not necessarily in order.
- Candidates have some weeks (March and September) to decide the exam date.
- Based on candidate feedback, CAIA Association estimates that level I requires 200 hours or more of study.
- Fewer than 30% of CAIA Level I multiple choice questions require calculations.
- The CAIA Association does not release information regarding passing score. However, candidates who earn 70% or more of the total points are assured of passing the exam.
- There are some equations included in the CAIA curriculum that will be provided on exam if needed to answer a specific question. The CAIA curriculum includes all these equation exceptions in a list.
- The CAIA Association allows candidates to bring into the examination the TI BA II Plus (including the professional model) or the HP 12C (including the Platinum edition).
- All candidates must pass the Level I examination before sitting for the Level II examination.
- To qualify for membership in the Association, the candidate must Hold a U.S. bachelor's degree or the equivalent, and have more than one year of professional experience, or alternatively have at least four years of professional experience.
- Professional experience is defined as full-time employment in a professional capacity within the regulatory, banking, financial, or related field.
- Level I exam results are usually distributed within three weeks of the close of the testing window.
- The percentage of candidates that pass the exams changes from exam to exam. For example, during the September 2012 exam period, of those who sat for the Level I exam, 64% were successful in passing; for the Level II exam, 62%.
- Each candidate's pass/fail status is determined by his or her performance on the entire examination, rather than by his or her performance on each topic. Therefore, it is possible to score low in any area and still pass the exam.

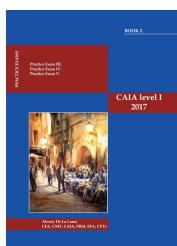
## Study Material: Practice Exams.

Financer Trading Practice Exams books are the perfect complement to the Official Curriculum (*Alternative Investments: CAIA Level I, 3<sup>rd</sup> edition* by Donald Chambers, Mark Anson, Keith Black, and Hossein Kazemi) established for CAIA Level 1. Financer Training offers 5 complete exams with 1,000 multiple choice questions with a similar or higher level of difficulty as the one you will face on the day of the test, and a complete review of the *Standards of Practice Handbook, 11<sup>th</sup> edition* (CFA Institute). Financer Training Study material is the perfect partner to pass CAIA level I.

## Financer Training Practice Exams Books.



- **Book 1**
- **300 pages.**
- **CFA Professional Standards and Ethics Review**
- **400 multiple choice questions (3 practice exams).**
- **All questions include detailed answers.**



- **Book 2**
- **269 pages.**
- **600 multiple choice questions (3 practice exams).**
- **All questions include detailed answers.**

## How can I buy Financer Training Study Material?

Financer Training offers CAIA candidates two methods of payment: bank wire or Paypal. If you are interested in paying by bank wire, the banking account data can be found in our website ([www.financertraining.com](http://www.financertraining.com)), where you can also find the Paypal buttons to pay with your credit card.

## Price and format of Financer Training Study Material.

Financer Training Practice Exams can be bought as a printed (hard copy version) or as an electronic or digital version. The electronic version is offered in an encrypted PDF format. The candidate will need to use the free software Prot-On ([www.prot-on.com](http://www.prot-on.com)) to open the PDF files. Note that the digital version is nonprintable. The prices that you see in this brochure as well as in our website ([www.financertraining.com](http://www.financertraining.com)) include VAT and delivery costs for the printed version.

• Practice Exams Printed Version	312€ (VAT and Delivery Costs included).
• Practice Exams Digital Version	260€ (VAT included).

## Study Material electronic (digital) version.

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- **What is Prot-On software?**

Prot-On is an application that ensures the files you send by email, upload to the cloud or share on social networks can only be accessed by authorized users. Therefore, Prot-On is encryption software.
- **What is the Prot-On URL?**

<https://www.prot-on.com>
- **How much does Prot-On software cost?**

Prot-On is free software.
- **What do I need Prot-On software for?**

If you have bought any digital Financer Training course, you will receive the study material in PDF format. In order to open these files, you will need to be a Prot-On registered user. Registration is free and it must be made with the same email address in which you have received the Financer Training PDF files. Registration can be made using the invitation Prot-On email that you receive when you buy a digital Financer Training course, or just entering the Prot-On site directly. In any of these registration methods, do not forget using the same email address in which you have received the Financer Training PDF files, and to keep your user and password for future usage of Prot-On software. Once you are a registered Prot-On user you have two ways to open Financer Training PDF files: first one is just installing the Prot-On software in your computer, and second one is employing a simple process of drag-and-drop taking the PDF file and dropping it into the Prot-On Drag and Drop section. Both options are explained in full detail in the Prot-On website.
- **If I am already a Prot-On registered user, do I need to register again?**

If you are already a registered user, you do not have to register again. Once you are registered, keep your user and password for future protected documents.
- **Can I open the CAIA study material offline?**

Yes. As we illustrated in a previous answer, there are two ways to open the PDF files. The most straightforward option is just saving the document and then drag and drop the PDF file into the Drag 'n' Drop website section (there is a tutorial in the site with a step by step explanation). Clearly, under this option we must be online. The second option is based on installing Prot-On software in our computer. Once it has been installed and activated with our user and password, we could open the PDF files even if we are offline. Every time we open a PDF file offline, we have a full month to access the study material till the next time we open the study material online. Once we open again the files online, time is restarted again and we have another full month of offline studying.
- **How much time do I have to access the CAIA study material?**

You can open the CAIA study material for an unlimited period of time. Once you buy and download the Financer Training course, the PDF file could be opened with your Prot-On user and password forever.
- **Can I open the study material PDF files without using Prot-On?**

No. PDFs are encrypted and they can only be opened using Prot-On.
- **Can I print the PDF files?**

No, the PDF files are nonprintable. If you prefer to read the information in a traditional way, we recommend you to buy the printed version.

## CAIA level I Topics & Question Weightings

Topic 1. Professional Standards and Ethics.	15% - 20%	40 questions
Topic 2. Introduction to Alternative Investments.	20% - 25%	45 questions
Topic 3. Real Assets.	10% - 20%	30 questions
Topic 4. Hedge Funds.	10% - 20%	30 questions
Topic 5. Private Equity.	5% - 10%	15 questions
Topic 6. Structured Products.	10% - 15%	25 questions
Topic 7. Risk Management and Port. Management.	5% - 10%	15 questions
	100%	120 questions

## CAIA Level 1 Exam Reading Assignments:



**Alternative Investments: CAIA Level I, 3<sup>rd</sup> edition**  
**Donald R. Chambers, Mark J. P. Anson, Keith H. Black, and Hossein Kazemi**  
 Hoboken, New Jersey: John Wiley & Sons, 2015.



**Standards of Practice Handbook, 11<sup>th</sup> Edition.**  
**CFA Institute. 2014.**



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## Alexey De La Loma Jiménez

CFA, CAIA, CMT, EFA, FRM, CFTe

### Academic Education.

- Degree in Mathematics in process. UNED. Expected in 2019.
- DEA in Applied Statistics in Business and Economics. UNED. 2012.
- Degree in Business Administration. University Carlos III de Madrid. 1997.
- Degree in Economics. University Carlos III de Madrid. 1995.

### Financial Certifications.

- CFTe. Certified Financial Technician. 2015.
- CFA. Chartered Financial Analyst. 2013.
- FRM. Financial Risk Manager. 2008.
- CAIA. Chartered Alternative Investment Analyst. 2008.
- EFA. European Financial Advisor. 2008.
- CMT. Chartered Market Technician. 2007.

### Professional Experience.

From 2001, he has been trading for his own account as a prop trader, and he is an expert in trading systems, money management algorithms, and technical analysis. He is currently teaching at some universities and business schools as: Universidad San Pablo CEU, Universidad Abat Oliba, URJC, IEB, FEF, MEC, and he also teaches some in-company courses

He started his career in international companies as CLH, Arthur Andersen, Banco de Santander and IBM, with broad international experience (Great Britain, Italy, Portugal, Chile, Peru, Argentina, and Saudi Arabia).

### Training Experience.

- Universidad CEU San Pablo (Madrid).
- Universidad Rey Juan Carlos (Madrid).
- Instituto de Estudios Bursátiles (Madrid).
- Fundación de Estudios Financieros (Madrid).
- Universidad CEU Abat Oliba (Barcelona).
- Money Experts Club (Riyadh).
- In-Company Courses: banco Santander, Bankia, R&B PropTraders, Sanabil Investments, XTB, Sistemas Informáticos Atlas, etc.

**BOOK 1****1. PROFESSIONAL STANDARDS AND ETHICS.**

- 1.1. Code of Ethics and Standards of Practice Handbook (CFA).
- 1.2. Standard I: Professionalism.
  - 1.2.1. (I-A) Knowledge of the Law.
  - 1.2.2. (I-B) Independence and Objectivity.
  - 1.2.3. (I-C) Misrepresentation.
  - 1.2.4. (I-D) Misconduct.
- 1.3. Standard II: Integrity of Capital Markets.
  - 1.3.1. (II-A) Material Nonpublic Information.
  - 1.3.2. (II-B) Market Manipulation.
- 1.4. Standard III: Duties to Clients.
  - 1.4.1. (III-A) Loyalty, Prudence, and Care.
  - 1.4.2. (III-B) Fair Dealing.
  - 1.4.3. (III-C) Suitability.
  - 1.4.4. (III-D) Performance Presentation.
  - 1.4.5. (III-E) Preservation of Confidentiality.
- 1.5. Standard IV: Duties to Employers.
  - 1.5.1. (IV-A) Loyalty.
  - 1.5.2. (IV-B) Additional Compensation Arrangements.
  - 1.5.3. (IV-C) Responsibilities of Supervisors.
- 1.6. Standard V: Investment Analysis, Recommendations, and Actions.
  - 1.6.1. (V-A) Diligence and Reasonable Basis.
  - 1.6.2. (V-B) Communication with Clients and Prospective Clients.
  - 1.6.3. (V-C) Record Retention.
- 1.7. Standard VI: Conflicts of Interest.
  - 1.7.1. (VI-A) Disclosure of Conflicts.
  - 1.7.2. (VI-B) Priority of Transactions.
  - 1.7.3. (VI-C) Referral Fees.

**2. EXAM I.**

- 2.1. Topic 1: Professional Standards and Ethics.
- 2.2. Topic 2: Introduction to Alternative Investments.
- 2.3. Topic 3: Real Assets.
- 2.4. Topic 4: Hedge Funds.
- 2.5. Topic 5: Private Equity.
- 2.6. Topic 6: Structured Products.
- 2.7. Topic 7: Risk Management and Portfolio Management.
- 2.8. Exam I. Answers.

**3. EXAM II.**

- 3.1. Topic 1: Professional Standards and Ethics.
- 3.2. Topic 2: Introduction to Alternative Investments.
- 3.3. Topic 3: Real Assets.
- 3.4. Topic 4: Hedge Funds.
- 3.5. Topic 5: Private Equity.
- 3.6. Topic 6: Structured Products.
- 3.7. Topic 7: Risk Management and Portfolio Management.
- 3.8. Exam II. Answers.

**BOOK 2****1. EXAM III.**

- 1.1. Topic 1: Professional Standards and Ethics.
- 1.2. Topic 2: Introduction to Alternative Investments.
- 1.3. Topic 3: Real Assets.
- 1.4. Topic 4: Hedge Funds.
- 1.5. Topic 5: Private Equity.
- 1.6. Topic 6: Structured Products.
- 1.7. Topic 7: Risk Management and Portfolio Management.
- 1.8. Exam III. Answers.

**2. EXAM IV.**

- 2.1. Topic 1: Professional Standards and Ethics.
- 2.2. Topic 2: Introduction to Alternative Investments.
- 2.3. Topic 3: Real Assets.
- 2.4. Topic 4: Hedge Funds.
- 2.5. Topic 5: Private Equity.
- 2.6. Topic 6: Structured Products.
- 2.7. Topic 7: Risk Management and Portfolio Management.
- 2.8. Exam IV. Answers.

**3. EXAM V.**

- 3.1. Topic 1: Professional Standards and Ethics.
- 3.2. Topic 2: Introduction to Alternative Investments.
- 3.3. Topic 3: Real Assets.
- 3.4. Topic 4: Hedge Funds.
- 3.5. Topic 5: Private Equity.
- 3.6. Topic 6: Structured Products.
- 3.7. Topic 7: Risk Management and Portfolio Management.
- 3.8. Exam V. Answers.