

## 2010 CFA Level 2 Syllabus

### **STUDY SESSION 1 ETHICAL AND PROFESSIONAL STANDARDS**

Reading 1: Code of Ethics and Standards of Professional Conduct  
Reading 2: Guidance for Standards I-VII  
Reading 3: CFA Institute Soft Dollar Standards  
Reading 4: CFA Institute Research Objectivity Standards

### **STUDY SESSION 2 ETHICAL AND PROFESSIONAL STANDARDS:**

Reading 5 The Glenarm Company  
Reading 6 Preston Partners  
Reading 7 Super Selection  
Reading 8 Trade Allocation: Fair Dealing and Disclosure  
Reading 9 Changing Investment Objectives  
Reading 10 Prudence in Perspective

### **STUDY SESSION 3 QUANTITATIVE METHODS FOR VALUATION**

Reading 11 Correlation and Regression  
Reading 12 Multiple Regression and Issues in Regression Analysis  
Reading 13: Time-Series Analysis

### **STUDY SESSION 4 ECONOMICS FOR VALUATION**

Reading 14 Economic Growth  
Reading 15 Regulation and Antitrust Policy in a Globalized Economy  
Reading 16 Trading with the World  
Reading 17 The Exchange Rate and the Balance of Payments  
Reading 18 Currency Exchange Rates  
Reading 19 Foreign Exchange Parity Relations  
Reading 20 Measuring Economic Activity

### **STUDY SESSION 5 FINANCIAL REPORTING AND ANALYSIS:**

Reading 21 Intercorporate Investments

### **STUDY SESSION 6 FINANCIAL REPORTING AND ANALYSIS:**

Reading 22 Employee Compensation: Post-Employment and Share-Based  
Reading 23 Multinational Operations

### **STUDY SESSION 7 FINANCIAL REPORTING AND ANALYSIS:**

Reading 24 The Lessons We Learn  
Reading 25 Evaluating Financial Reporting Quality  
Reading 26 Integration of Financial Statement Analysis Techniques

### **STUDY SESSION 8 CORPORATE FINANCE**

Reading 27 Capital Budgeting

Reading 28 Capital Structure and Leverage  
Reading 29 Dividends and Dividend Policy

**STUDY SESSION 9 CORPORATE FINANCE:**

Reading 30 Corporate Governance  
Reading 31 Mergers and Acquisitions

**STUDY SESSION 10 EQUITY VALUATION:**

Reading 32 A Note on Asset Valuation  
Reading 33 Equity Valuation: Applications and Processes  
Reading 34 Equity: Markets and Instruments  
Reading 35 Return Concepts

**STUDY SESSION 11 EQUITY VALUATION:**

Reading 36 Equity: Concepts and Techniques  
Reading 37 The Five Competitive Forces that Shape Strategy  
Reading 38 Industry Analysis  
Reading 39 Valuation in Emerging Markets  
Reading 40 Discounted Dividend Valuation

**STUDY SESSION 12 EQUITY INVESTMENTS:**

Reading 41 Free Cash Flow Valuation  
Reading 42 Market-Based Valuation: Price and Enterprise Value Multiples  
Reading 43 Residual Income Valuation  
*Reading 44 Private Company Valuation*

**STUDY SESSION 13 ALTERNATIVE ASSET VALUATION**

Reading 45 Investment Analysis  
Reading 46 Income Property Analysis and Appraisal  
Reading 47 Private Equity Valuation  
Reading 48 Investing in Commodities  
Reading 49 Evaluating the Performance of Your Hedge Funds  
Reading 50 Buyers Beware: Evaluating and Managing the Many Facets of the Risks of Hedge Funds

**STUDY SESSION 14 FIXED INCOME:**

Reading 51 General Principles of Credit Analysis  
Reading 52 The Liquidity Conundrum  
Reading 53 Term Structure and Volatility of Interest Rates  
Reading 54 Valuing Bonds with Embedded Options

**STUDY SESSION 15 FIXED INCOME:**

Reading 55 Mortgage-Backed Sector of the Bond Market  
Reading 56 Asset-Backed Sector of the Bond Market  
Reading 57 Valuing Mortgage-Backed and Asset-Backed Securities

**STUDY SESSION 16 DERIVATIVE INVESTMENTS:**

Reading 58: Forward Markets and Contracts

Reading 59: Futures Markets and Contracts

**STUDY SESSION 17 DERIVATIVE INVESTMENTS:**

Reading 60 Option Markets and Contracts

Reading 61 Swap Markets and Contracts

Reading 62 Interest Rate Derivative Instruments

Reading 63 Using Credit Derivatives to Enhance Return and Manage Risk

**STUDY SESSION 18 PORTFOLIO MANAGEMENT:**

Reading 64: Portfolio Concepts

Reading 65: A Note on Harry M. Markowitz's Market Efficiency:

Reading 66: International Asset Pricing

Reading 67: The Theory of Active Portfolio Management

Reading 68: The Portfolio Management Process and the Investment Policy Statement

**Changes from 2009 syllabus**

Session 5: Variable Interest Entities, Intercompany Debt, Consolidated Cash Flows, and Other Issues **ELIMINATED**

Study session 12 *U.S. Portfolio Strategy: Seeking Value—Anatomy of Valuation Anatomy of Valuation* **replaced with Private Company Valuation**

Study session 15 Europe's Whole Loan Sales Market Burgeoning as Mortgage Credit Market Comes of Age **ELIMINATED**

Study session 18: Taxes and Private Wealth Management in a Global Context **ELIMINATED**

Three LOS were eliminated one was changed

For accurate information check with CFA institute.

Reference: CFA Institute.