

INTRODUCTION TO INVESTMENT

THE FOUNDATION QUALIFICATION

The Chartered Institute for Securities & Investment is the principal provider of qualifications designed for financial services practitioners.

Introduction to Investment

The **Introduction to Investment** qualification has been specifically designed to meet the needs of new entrants to the investment industry, providing an overview of all areas of investment. The qualification offers staff in a wide range of roles a valuable understanding of the language of the industry and provides firms with a benchmark entry level qualification which can be used for induction purposes. It comprises one examination of one hour's duration.

The CISI's partnership with the IMA

The CISI is working in partnership with the Investment Management Association (IMA) to develop more relevant qualifications for IMA members firms and their employees. The IMA recommends that the qualification forms part of the induction programme at IMA member firms.

Who is it for?

The CISI and the IMA recommend that the **Introduction to Investment** is part of an induction programme taken by all new employees, irrespective of job title. The new syllabus allows the qualification to be taken by a range of staff not just those in traditional investment administration roles. It will be especially relevant to the following job roles:

- Administration
- Investment Operations
- Finance & Accounting
- IT
- Customer Service
- Sales & Marketing
- Fund management & Support
- Compliance
- HR and Training

Benefits for firms

- ✓ allows firms to demonstrate a commitment to high professional standards in the investment management sector
- ✓ offers a qualification specifically tailored to the business needs of firms
- ✓ offers a broad overview of investment that is suitable to a variety of job roles within the firm
- ✓ ideally suited to form part of the induction programme at firms
- ✓ demonstrates to clients a high level of competence amongst staff
- ✓ provides a benchmark for firms to check that their staff have a solid foundation

Benefits for firms' employees:

- ✓ Available to all employees, requiring no previous skills or qualifications
- ✓ demonstrates a commitment to understanding the industry sector they work in
- ✓ offers holders confidence in their dealings with customers and colleagues
- ✓ supplies a solid foundation from which to operate in a range of job roles
- ✓ provides flexibility of study – either through training with a CISI accredited training provider or through use of the **Introduction to Investment** workbook
- ✓ presents the first step to completing the full IOC (also known as IAQ) - further details: cisi.org
- ✓ offers successful candidates eligibility for Affiliate status of the CISI

Summary Syllabus

ELEMENT 1 INTRODUCTION

- 1.1 The Financial Services Industry

ELEMENT 2 ECONOMIC ENVIRONMENT

- 2.1 Economic Environment

ELEMENT 3 FINANCIAL ASSETS AND MARKETS

- 3.1 Cash Deposits
- 3.2 Money Market Instruments
- 3.3 Property
- 3.4 Foreign Exchange Market
- 3.5 Derivatives/Commodity Markets
- 3.6 World Stock Markets

ELEMENT 4 EQUITIES

- 4.1 Equities

ELEMENT 5 BONDS

- 5.1 Government Bonds
- 5.2 Corporate Bonds
- 5.3 Bonds

ELEMENT 6 DERIVATIVES

- 6.1 Derivatives Uses
- 6.2 Futures
- 6.3 Options
- 6.4 Terminology
- 6.5 Swaps

ELEMENT 7 INVESTMENT FUNDS

- 7.1 Introduction
- 7.2 Unit Trusts
- 7.3 Open Ended Investment Companies (OEICs)
- 7.4 Pricing, Dealing and Settlement
- 7.5 Investment Trusts
- 7.6 Real Estate Investment Trusts (REITs)
- 7.7 Exchange-Traded Funds
- 7.8 Hedge Funds

ELEMENT 8 FINANCIAL SERVICES REGULATION

- 8.1 Financial Services and Markets Act
- 8.2 Financial Crime
- 8.3 Insider Dealing and Market Abuse
- 8.4 Data Protection Act 1998
- 8.5 Breaches, Complaints and Compensation

ELEMENT 9 INVESTMENT WRAPPERS, TAXATION AND TRUSTS

- 9.1 Investment Wrappers
- 9.2 Individual Savings Accounts (ISAs)
- 9.3 Child Trust Funds
- 9.4 Pensions
- 9.5 Investment Bonds
- 9.6 Tax
- 9.7 Trusts

ELEMENT 10 INVESTMENT PRODUCTS

- 10.1 Loans
- 10.2 Mortgages
- 10.3 Life Assurance

Regulatory Approval

The **Introduction to Investment** qualification has been recognised by the FSA on their Appropriate Qualification tables for equipping candidates working in retail firms with the required industry awareness and understanding. It equips staff working in administration roles on behalf of wholesale firms with a broad understanding of the financial services industry, enabling them to carry out their job roles more effectively.

The CISI has been recognised as an Awarding Body by Ofqual and therefore both individuals and firms can be assured that the Institute's processes, policies and systems meet rigorous quality assurance standards. **Introduction to Investment** is accredited by Ofqual as a stand-alone award. On the European Qualifications Framework this equates to a level 4 qualification. For further information on the European Qualifications Framework, please visit cisi.org/eqf.

Senior industry practitioners are closely involved in the development of the programme ensuring the exams are work related and the programme is of a high quality.

“IMA members aim to recruit good quality, skilled people; this exam ensures that they will have a sound understanding of the investment industry as they start their careers”

Richard Saunders, Chief Executive, IMA

Assessment Structure

The **Introduction to Investment** is a one hour examination of 50 multiple-choice questions. The pass mark for the examination is 70%.

Candidates sitting the exam by CBT will be required to answer up to 10% additional trial questions that will not be separately identified and do not contribute to the result. Candidates will be given proportionately more time to complete the test.

A certificate of achievement is issued upon successful completion of the qualification.

Programme Timeline

There is no set period in which to achieve the **Introduction to Investment** qualification, although candidates are advised to spend approximately 80 hours studying the workbook.

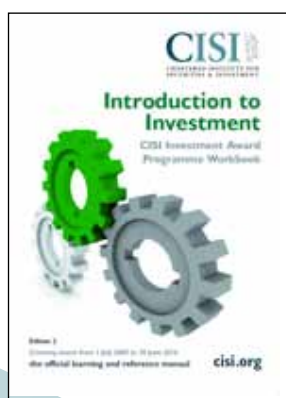
Studying for Introduction to Investment

Formal training is available through CISI Accredited Training Providers. The CISI accredits training providers that demonstrate that they deliver high quality training and support to candidates preparing to sit CISI exams. To find an ATP near you, visit cisi.org/atp

Self Study Route - In addition to, or instead of formal training, candidates can choose the self-study route. The CISI workbook offers comprehensive coverage of every area of the syllabus, end of chapter summaries and sample exam questions to ensure candidates are fully prepared before the exam.

The workbook contains:

- ✓ a syllabus learning map
- ✓ end of chapter revision questions
- ✓ sample multiple choice exam questions
- ✓ clear explanations, graphics and tables
- ✓ a comprehensive glossary
- ✓ a free pocket prompt



Next step – IOC (also known as IAQ)

The **Introduction to Investment** qualification provides a stepping stone to achieving the CISI's **Investment Operations certificate (IOC)**, also known as **Investment Administration Qualification (IAQ)**. The **Introduction to Investment** qualifies as one unit in the **IOC** so successful candidates need only take 2 more units to achieve the **IOC**. Taken by over 10,000 candidates a year, the **IOC** is widely recognised as the most appropriate qualification for staff working in administration and operations in financial services. For more information visit cisi.org/ioc

CISI membership

Student membership lasts for 12 months and is extended at no extra cost if candidates have not completed the **Introduction to Investment** qualification at the end of the 12 month period.

Individuals successfully completing the **Introduction to Investment** are eligible to become Affiliate members.

There are a range of membership benefits enjoyed by over 40,000 CISI members worldwide. For further details visit cisi.org/membership

Candidate Performance Reports

If a candidate is unsuccessful in their exam they are able to purchase a Performance Report from the CISI. The reports are useful in identifying exam time management, performance analysis against national average and areas that require additional revision.

Revision Express Interactive

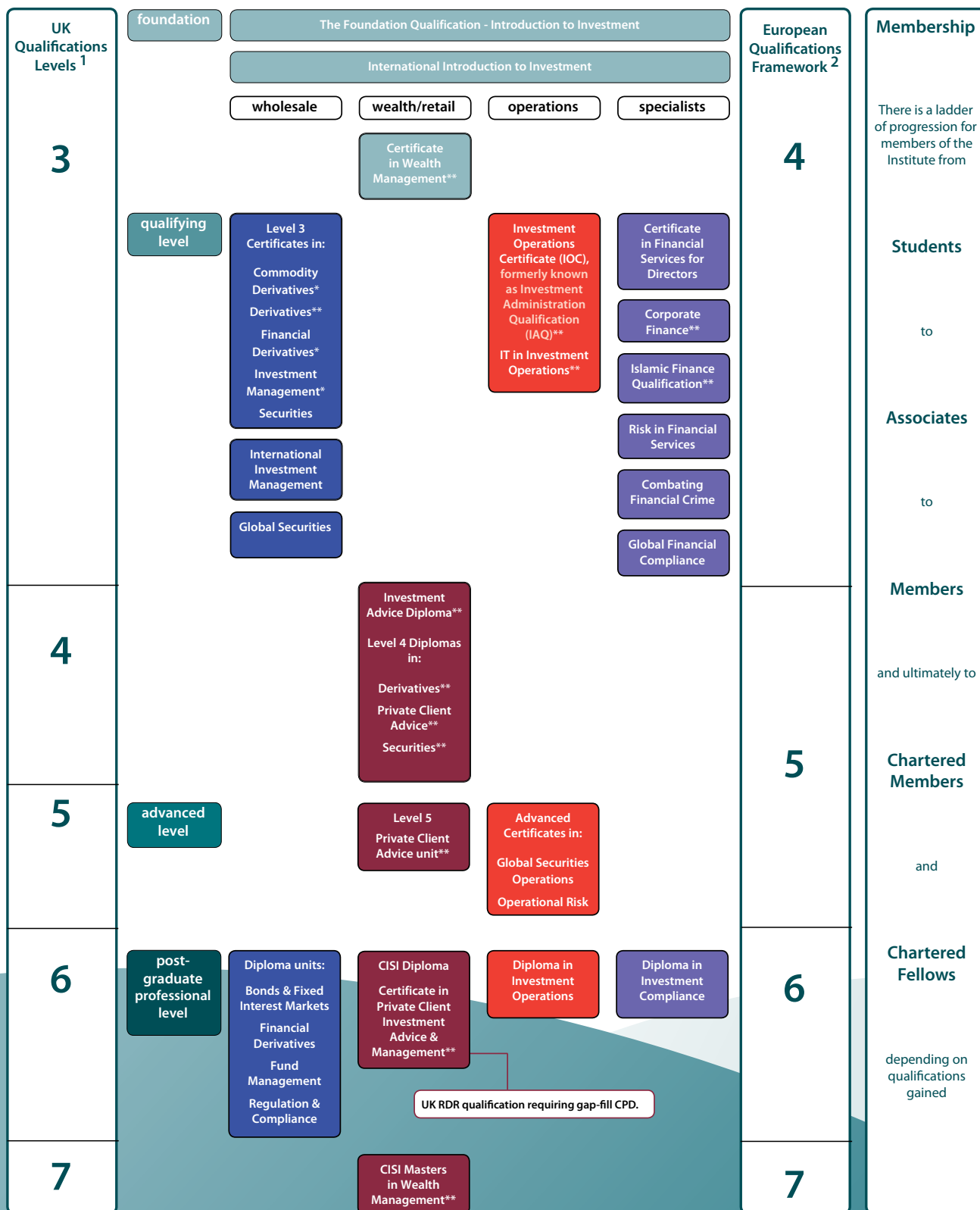
Revision Express Interactive is an online study tool that can be used alongside the CISI **Introduction to Investment** workbook. It is an interactive and engaging method of study, which is particularly useful for busy professionals. It contains graphics, exercises and over 200 questions that enable candidates to easily absorb information at a time to suit them.

For more information visit cisi.org/elearning

“Our T&C sourcebook gives firms greater flexibility to determine how best to achieve the standards that the FSA expects - cost-effectively and on a consistent basis. Trade associations have an important role to play and the IMA's partnership initiative with the CISI is a good example of this in practice

Dan Waters,
Director of Conduct Risk and Asset Management Sector Leader, FSA

The CISI Qualifications and Membership Framework



1. This column is a guide only. Within the chart, National Qualifications Framework* and Qualifications and Credit Framework** accredited qualifications are marked accordingly.
2. The European Qualifications Framework is an overarching qualifications reference framework that links the qualifications of different countries together.

CISI OFFICES IN DUBAI DUBLIN EDINBURGH LONDON MUMBAI SINGAPORE SRI LANKA

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