



## CAIA Information Sheet

### What is the CAIA Association & the CAIA designation?

The CAIA Association is a global professional credentialing body dedicated to creating greater alignment, transparency, and knowledge for all investors, with specific emphasis on alternative investments. A Member-driven organization representing professionals in more than 95 countries, CAIA Association advocates for the highest ethical standards.

The CAIA® Program is administered by the CAIA Association. The CAIA Association confers the CAIA designation which is an alternative investment designation and is considered the highest distinction within the alternative investment space.

### Who should consider doing CAIA?

- Asset Allocators
- Risk managers
- Analysts
- Portfolio managers
- Traders
- Consultants
- Business development/marketing
- Operations

### What is covered in each level of the CAIA program?

CAIA Level I		CAIA Level II		
Topic	Exam Weight	Topic	Exam Weight MCQ	Exam Weight Constructed Response
Professional Standards and ethics	15 - 25%	Professional Standards and ethics	0%	10%
Introduction to Alternative Investments	20 - 28%	Current and Integrated Topics	0%	10%
		Asset Allocation and Institutional Investors	8 - 12%	0 - 10%
Private Equity	11 - 17%	Private Equity	11 - 15%	0 - 10 %
Real Assets	11 - 17%	Real Assets	13 - 17%	0 - 10 %
		Commodities	5 - 7%	0 - 10 %
Hedge Funds	12 - 20%	Hedge Funds and Managed Futures	18 -22%	0 - 10 %
Structured Products	10 - 14%	Structured Products	5 - 7%	0 - 10 %
<b>Total</b>	<b>100%</b>	<b>Total</b>		<b>100%</b>









## How do you become a CAIA® charter holder from START to FINISH?

It is important to remember that exams are only held in English.

When you check in at the test center, the test administrator will ask you to present valid identification (ID). You are required to have two (2) valid forms of identification.

The first step is to register with CAIA via their website [www.caia.org](http://www.caia.org).

The following path illustrates one of the routes one can take to becoming an CAIA® charterholder. We have assumed that the candidate passes each level first time.

							
Register for CAIA LI exam	Write CAIA LI exam: Sept 2020	Pass	Register for CAIA LII exam	Write CAIA LII exam: March 2021	Pass	Final steps to earn the CAIA charter:	
Last date to register: 5 Aug 2020	Exam Window: 31 Aug to 11 Sept		Last date to register: TBC	Exam Date: March 2021	<ol style="list-style-type: none"> <li>1. Pass both CAIA exams.</li> <li>2. A bachelor's degree or the equivalent +</li> <li>3. Work experience - One year of full-time professional experience within the regulatory, banking, financial or related fields. OR</li> <li>4. Have at least four years of full-time professional experience within the regulatory, banking, financial or related fields.</li> <li>5. Submit payment for a one- or two-year CAIA Association Membership.</li> </ol>		

## What do I need in order to be eligible to register?

There does not appear to be any prerequisites from CAIA that are required prior to being accepted into the program.

## When do I need to register?

It is important to remember that the later that you register, the more expensive it is. The following dates and fees are currently applicable:

			CAIA LI	CAIA LII
 CAIA Association registration	Registration Opens	Already open		
		Closing Date:	13 May 2020	13 May 2020
	Standard Registration	Enrollment Fee Registration Fee Total Fee	\$400 \$1,150 \$1,550	\$4 \$1,150 \$1,150
		Closing Date:	5 Aug 2020	5 Aug 2020
	Final Registration	Enrollment Fee Registration Fee Total Fee	\$400 \$1,250 \$1,650	\$0 \$1,250 \$1,250
	Exam	Exam Date	31 Aug - 11 Sept	14 Sept - 25 Sept
 Edge FIT registration	Face-to-Face Course	2 June - 26 Aug 2020	R18,000	No face-to-face Course
	Online Course	2 June - 26 Aug 2020	R13,000	R13,000
	Revision & Exam Course	16 - 26 Aug 2020	Exam course only	No Revision or Exam course

## How much does it cost?

This fee is payable in USD to CAIA upon registration. See the above table for fees. Again, keep in mind the later that you register, the more expensive it becomes.

## When is the exam held?

CAIA exams are written twice a year, a March and September exam window. The exam window (normally 12 days) is the period in which you are required to write your exam. The earlier you register the more likely you are to get the date that you prefer, within the window.

	CAIA Level I	CAIA Level I
Exam	September exam	September exam
Exam Window	31 Aug - 11 Sept	14 Sept - 25 Sept

## How much time needs to be invested to study each CAIA level?

The most common answer to this question is 200 hours. However, we at Edge are more inclined towards 225 hours per level.

## Do I get study materials from CAIA upon registration?

Candidates have access to the several free materials issued by CAIA (available on their website). In addition, CAIA recommend that candidates purchase the required textbook:  
*Alternative Investments: CAIA Level I, 4rd edition, Wiley, 2020.*

**Once accepted by CAIA, you need to decide on your next step:**

### Option 1: Study only using the CAIA material and the textbook

If you decide to study only using the CAIA material and the textbook, then your only fee to pay will be the fee payable to the CAIA upon registration.

### Option 2: Make use of a Prep provider like Edge FIT

If you decide to make use of a prep provider (approved by CAIA) like Edge FIT, you will incur additional costs, those charged by the prep provider.

Depending on the package that you select (detailed below) the following additional study options are available to you by the prep provider:

- Face-to-Face classes
- Online classes
- Detailed notes
- Summaries
- Practice questions + Question banks
- Revision classes
- Practice exams

If you decide to join us at Edge for classes, there will be two fees:

**Fee 1:** This fee is paid directly to CAIA. This is paid to enable the candidate to be part of the CAIA® Program and to write the CAIA® exams. First time candidates have an additional enrollment fee.

**Fee 2:** This fee is paid to Edge. This fee is for face-to-face classes, online classes, revision classes, exam classes and ALL your study notes and summaries

### What are the details of the exam?

	CAIA Level I	CAIA Level I
<b>Exam Type</b>	CBT (computer based testing)	CBT (computer based testing)
<b>Exam Format</b>	Multiple choice questions	MCQ + Constructed response (essay)
<b>Exam Structure &amp; Length</b>	<p>Morning Exam: 2 hours 100 MCQ</p> <p>Afternoon Exam: 2 hours 100 MCQ</p>	<p>Morning Exam: 2 hours 100 MCQ</p> <p>Afternoon Exam: 2 hours Constructed response</p>
<b>When do I get results?</b>	Within 3 weeks of writing the exam	Within 6 weeks of writing the exam

### What is the pass rate per level?

	CAIA Level I			CAIA Level I		
<b>Date</b>	March 2020	Sept 2019	March 2019	March 2020	Sept 2019	March 2019
<b>Pass Rate</b>	54%	52%	54%	81%	64%	69%

### What is the stackable credentials program?

The stackable credentials program allows **CFA charterholders** to skip Level I of the CAIA program and move straight to CAIA LII.

In order to be eligible for the program, applicants:

- Must have no existing CAIA exam history (examples of exam history include those who have registered for or passed/failed the Level I or Level II exam)
- Must be a CFA charterholder, in good standing

### Is there a time limit on the course?

No, there is no limit to complete the program

## ***Do you have to book / schedule an exam?***

Yes, once you have registered for your exam, you will receive an email with a link to schedule your exam appointment (or, you can select “schedule your exam” from the navigation bar above after you’ve registered). Please be sure to schedule your appointment as soon as you can as space may be limited in some locations.

## ***Where do you write the CAIA exam?***

The CAIA exams are administered via computer exclusively at proctored Pearson VUE testing centers around the world.

## ***Can you postpone your exam to another exam window?***

No, registration is exam-specific and not open-ended. If you are unable to sit for the exam for which you are currently registered, or if you do not pass, you will need to re-register to take the exam during a future exam window.

The fee for retaking an exam is US\$450, whether or not you sat for the exam the first time

## ***Does the CAIA Association offer other designations?***

Yes, the CAIA Association also offers the following two designations:

- **Fundamentals of Alternative Investments.**

A certificate program offering a foundation of core concepts in alternative investments.

- **Financial Data Processing (FDP) designation.**

The Financial Data Professional Institute (FDPI) was established by the CAIA Association to address the growing need in finance for a workforce that has the skills to perform in a digitized world where an increasing number of decisions will be data and analytics driven. The FDP Credential is the first of its kind in the industry and reflects expertise in data science and its practical applications in finance. For more information visit [www.fdpiinstitute.org](http://www.fdpiinstitute.org)

## The CAIA syllabus in greater detail

CAIA Level I	CAIA Level I
<p><b>Professional standards &amp; Ethics</b></p> <ul style="list-style-type: none"> <li>Professionalism</li> <li>Integrity of Capital Markets</li> <li>Duties to Clients</li> <li>Duties to Employers</li> <li>Investment Analysis, Recommendations, and Actions</li> <li>Conflicts of Interest</li> </ul>	<p><b>Professional standards &amp; Ethics</b></p> <ul style="list-style-type: none"> <li>Professionalism</li> <li>Integrity of Capital Markets</li> <li>Duties to Clients</li> <li>Duties to Employers</li> <li>Investment Analysis, Recommendations, and Actions</li> <li>Conflicts of Interest</li> </ul>
<p><b>Introduction to Alternative Investments</b></p> <ul style="list-style-type: none"> <li>What is an alternative investment?</li> <li>The environment of Alternative Investments</li> <li>Quantitative foundations</li> <li>Statistical foundations</li> <li>Foundations of financial economics</li> <li>Derivatives and risk-neutral valuation</li> <li>Measures of risk and performance</li> <li>Alpha, Beta &amp; Hypothesis testing</li> </ul>	<p><b>Current &amp; Integrated Topics</b></p> <p><b>Asset Allocation &amp; Institutional Investors</b></p> <ul style="list-style-type: none"> <li>Asset Allocation Processes &amp; the Mean-Variance Model</li> <li>Tactical Asset Allocation, Mean-Variance Extensions, Risk Budgeting, Risk Parity, and Factor Investing</li> <li>The Endowment Model</li> <li>Pension Fund Portfolio Management</li> <li>Sovereign Wealth Funds</li> <li>The Family Office Model</li> </ul>
<p><b>Real Assets</b></p> <ul style="list-style-type: none"> <li>Natural Resources &amp; Land</li> <li>Commodities</li> <li>Other Real Assets</li> <li>Real Estate &amp; Debt</li> <li>Real Estate Equity</li> </ul>	<p><b>Real Assets</b></p> <ul style="list-style-type: none"> <li>Real Estate as an Investment</li> <li>Real Estate Indices and Unsmoothing Techniques</li> <li>Investment Styles, Portfolio Allocation, &amp; Real Estate Derivatives</li> <li>Listed Versus Unlisted Real Estate Investments</li> <li>International Real Estate Investments</li> <li>Infrastructure as an Investment</li> <li>Farmland and Timber Investments</li> <li>Investing in Intellectual Property</li> </ul>
<p><b>Hedge Funds</b></p> <ul style="list-style-type: none"> <li>Structure of the Hedge Fund Industry</li> <li>Macro and Managed Futures Funds</li> <li>Event-Driven Hedge Funds</li> <li>Relative Value Hedge Funds</li> <li>Equity Hedge Funds</li> <li>Funds of Hedge Funds</li> </ul>	<p><b>Hedge Funds &amp; Managed Futures</b></p> <ul style="list-style-type: none"> <li>Managed Futures</li> <li>Investing In CTAs</li> <li>Relative Value Strategies</li> <li>Hedge Funds - vs. : Directional Strategies</li> <li>Hedge Funds - vs. : Credit Strategies</li> <li>Volatility, Correlation, and Dispersion Products and Strategies</li> <li>Hedge Fund Replication</li> <li>Funds of Hedge Funds and Multi-Strategy Funds</li> <li>Hedge Fund Operational Due Diligence</li> </ul>
<p><b>Private Equity</b></p> <ul style="list-style-type: none"> <li>Private Equity Assets</li> <li>Private Equity Funds</li> <li>Private Credit and Distressed Debt</li> </ul>	<p><b>Private Equity</b></p> <ul style="list-style-type: none"> <li>Private Equity Market Structure</li> <li>Private Equity Benchmarking</li> <li>Fund Manager Selection and Monitoring</li> <li>Private Equity Operational Due Diligence</li> <li>Private Equity Investment Process and Portfolio Management</li> <li>Measuring Private Equity Risk</li> <li>The Management of Liquidity</li> </ul>
<p><b>Structured Products</b></p> <ul style="list-style-type: none"> <li>Introduction to Structuring</li> <li>Credit Risk and Credit Derivatives</li> <li>CDO Structuring of Credit Risk</li> <li>Equity-Linked Structured Products</li> </ul>	<p><b>Structured Products</b></p> <ul style="list-style-type: none"> <li>Regulation and Compliance</li> <li>Structured Products I - vs.: Fixed-income Derivatives and Asset-backed Securities</li> <li>Structured Products II - vs.: Insurance-Linked Products and Hybrid Securities</li> </ul>
	<p><b>Commodities</b></p> <ul style="list-style-type: none"> <li>Key Concepts in Commodity Markets</li> <li>Allocation to Commodities</li> <li>Accessing Commodity Investment Products</li> </ul>