CFA Exam Complete Prep: Valuation, Ethics, and Analysis

A structured study path for CFA Levels I through III covering equity valuation, portfolio management, and exam strategy.

Finance & Investing Instructor: David Reynolds • 5 sections • 54 lessons • 24.50h total

View this course online   Browse all courses

About this course

The Chartered Financial Analyst exam is one of the most demanding professional tests in finance. Many candidates spend hundreds of hours studying yet still struggle with key topics like enterprise value multiples, fixed income analytics, and the ethics vignettes that trip up even experienced professionals. The real challenge is not just memorizing formulas but knowing how to apply them under exam pressure.

This course walks through the full CFA curriculum with a focus on practical understanding. You'll work through enterprise value calculations, equity and debt valuation methods, derivatives pricing, portfolio construction, and the ethics standards that account for a significant portion of your score. Each lesson includes worked examples, common exam pitfalls, and practice problems drawn from the types of questions CFA Institute actually asks. Video lectures are paired with downloadable notes and step-by-step solution guides so you can study at your own pace.

Course curriculum

Foundations and Preparation

- What the CFA Program Covers and How the Exams Differ (22m)
  An overview of the three CFA levels, their focus areas, exam formats, and what the grading process looks like. Sets realistic expectations for your study timeline.
- The CFA Code of Ethics and Standards of Professional Conduct (28m)
  A detailed walkthrough of the seven standards, why ethics questions carry extra weight on the exam, and how to approach vignette-based ethics scenarios.
- Ethics Case Studies: Spotting Violations in Practice (25m)
  Real-style case studies where you identify which standard is violated and what the correct action should be. Includes common trick scenarios from past exams.
- Time Value of Money: Building the Core Toolkit (18m)
  Present value, future value, annuities, and perpetuities explained with calculator keystrokes. The foundation for nearly every valuation topic that follows.
- Statistics for the CFA: Distributions, Hypothesis Testing, and Regression (30m)
  Probability concepts, sampling, confidence intervals, and linear regression. Focuses on the formulas and interpretations the exam actually tests.
- Quantitative Methods Practice Problems and Exam Tricks (20m)
  A problem-solving session covering the most common quantitative question types, including Bayes' formula applications and hypothesis test selection.
- Microeconomics for Analysts: Supply, Demand, and Market Structures (24m)
  How different market structures affect pricing and profitability. Includes oligopoly models and game theory concepts that appear on the exam.
- Macroeconomic Indicators: GDP, Inflation, and Monetary Policy (26m)
  Reading economic data, understanding business cycles, and connecting policy decisions to financial markets. Ties directly to equity and fixed income analysis.

Core Concepts: Financial Reporting and Valuation

- Reading Financial Statements Like an Analyst (28m)
  How the income statement, balance sheet, and cash flow statement connect. Focus on the line items and relationships that matter for valuation.
- Revenue Recognition, Inventory Methods, and Key Accounting Choices (25m)
  How different accounting policies affect reported earnings and why analysts need to adjust for them. Covers LIFO vs. FIFO, capitalization, and depreciation methods.
- Financial Ratio Analysis: Profitability, Liquidity, and Solvency (22m)
  Calculating and interpreting the ratios CFA Institute emphasizes most, including DuPont decomposition and how to compare firms across industries.
- Understanding Enterprise Value: The Takeover Price Framework (20m)
  What EV represents, the formula components (market cap, debt, cash), and why it gives a capital-structure-neutral view of company value.

- Enterprise Value Multiples: EV/EBITDA and EV/Sales in Practice (32m)
  Step-by-step guide to using EV multiples for comparable company analysis. Includes calculating target multiples, finding benchmark multiples, and imputing implied value.
- Bridging Enterprise Value to Equity Value per Share (18m)
  The conversion formula that trips up CFA candidates: going from implied EV back to equity value by adjusting for debt and cash, then dividing by shares outstanding.
- Common EV Valuation Pitfalls on the CFA Exam (15m)
  Why net income never pairs with EV, when to use EBIT vs. EBITDA, how to handle preferred stock and minority interests, and other mistakes that cost exam points.
- Equity Valuation: Dividend Discount and Free Cash Flow Models (35m)
  The Gordon Growth Model, multi-stage DDM, and both FCFF and FCFE approaches. Worked examples showing when each model applies and how results compare.
- Market-Based Valuation: P/E, P/B, and P/S Ratios (22m)
  When to use each price multiple, how to interpret them in context, and the relationship between trailing and leading P/E ratios. Includes comparable analysis walkthrough.
- Corporate Finance: Capital Budgeting and Cost of Capital (30m)
  NPV, IRR, and payback period decision rules. Calculating WACC from component costs of debt and equity, and why WACC matters for enterprise-level valuations.
- Practice Session: Full Valuation of a Public Company (38m)
  A complete case study applying EV multiples, DCF, and P/E analysis to one company. You calculate implied values using all three methods and reconcile the results.

Fixed Income, Derivatives, and Alternative Investments

- Bond Pricing and Yield Measures (28m)
  Calculating bond prices from spot rates, understanding yield to maturity, current yield, and yield to call. Includes the bootstrapping method for spot rate curves.
- Duration and Convexity: Measuring Interest Rate Risk (30m)
  Macaulay duration, modified duration, and effective convexity. How to estimate price changes for a bond portfolio when yields shift.
- The Term Structure of Interest Rates (22m)
  Expectations theory, liquidity preference, and market segmentation. How to read yield curves and what their shape signals about the economy.
- Credit Analysis and Bond Valuation Under Default Risk (24m)
  Credit ratings, structural models of default, and valuing bonds with credit spreads. Covers recovery rate assumptions and their impact on pricing.
- Fixed-Income Portfolio Management Strategies (20m)
  Immunization, cash flow matching, and liability-driven investing. Includes barbell vs. bullet strategies and when each approach fits.
- Options: Payoff Diagrams, Put-Call Parity, and Valuation (35m)
  Building payoff diagrams for calls and puts, deriving put-call parity, and pricing options with binomial trees. Focuses on the CFA's expected calculation methods.

- Forwards, Futures, and Swaps: Pricing and Risk Transfer (32m)
  How forward contracts are priced using cost of carry, futures vs. forwards, and interest rate swap valuation. Includes currency swap mechanics.
- Alternative Investments: Real Estate, Private Equity, and Hedge Funds (26m)
  Valuation approaches for illiquid assets, fee structures that affect returns, and how alternatives fit into a diversified portfolio. Covers the major hedge fund strategies.
- Derivatives and Alternatives Problem-Solving Workshop (22m)
  Targeted practice on the derivative and alternative investment question types that show up most frequently, with step-by-step solution walkthroughs.

Portfolio Management and Wealth Planning

- Modern Portfolio Theory: Risk, Return, and the Efficient Frontier (28m)
  Portfolio expected return and variance calculations, the efficient frontier, and the Capital Market Line. Why diversification reduces risk without reducing expected return.
- The Capital Asset Pricing Model and Factor Models (25m)
  CAPM assumptions, beta estimation, and the Security Market Line. Extensions to multi-factor models including Fama-French and arbitrage pricing theory.
- Active vs. Passive Management and Benchmark Selection (20m)
  Information ratio, tracking error, and the active management value-added framework. How to evaluate whether active management is justified for a given asset class.
- Asset Allocation: Strategic, Tactical, and Integrated Approaches (26m)
  Building an asset allocation policy from investment objectives and constraints. Covers mean-variance optimization and its practical limitations.
- Portfolio Risk Management: VaR, Stress Testing, and Scenario Analysis (30m)
  Calculating Value at Risk using parametric, historical simulation, and Monte Carlo methods. How stress tests and scenario analysis complement VaR.
- Behavioral Finance: How Biases Affect Investment Decisions (22m)
  Overconfidence, anchoring, loss aversion, and other cognitive biases. How these biases show up in the CFA curriculum and in real portfolio management.
- Economics of Investment Markets: Currency Effects and Global Diversification (24m)
  Interest rate parity, purchasing power parity, and how currency risk affects international portfolio returns. Practical hedging considerations.
- Fixed Income Portfolio Strategies: Matching Liabilities and Managing Duration (28m)
  Dedication strategies for pension funds and insurance companies. Cash flow matching vs. duration matching and the role of contingent immunization.
- GIPS Standards: What They Require and How They're Tested (18m)
  The Global Investment Performance Standards in plain language. Key provisions, composite construction rules, and the exam question patterns to expect.
- Portfolio Management Case Study: Building a Client Policy Statement (35m)
  A full walkthrough of creating an Investment Policy Statement for a fictional client, including return objectives, risk tolerance, constraints, and asset allocation.

- Private Wealth Management: Taxes, Estate Planning, and Trusts (30m)
  Tax-efficient investing, concentrated stock positions, charitable giving vehicles, and trust structures. Heavily tested in CFA Level III constructed response.
- Institutional Investor Profiles: Pensions, Endowments, and Insurance (26m)
  How the investment objectives and constraints differ for defined benefit plans, foundations, endowments, and insurance companies. Includes liability-driven investing.

Exam Strategy, Practice, and Career Application

- How to Build a Study Plan That Actually Works (18m)
  Time allocation across topics based on exam weights, spacing your review sessions, and avoiding the trap of spending too long on comfortable subjects.
- Level I Exam Strategy: Time Management and Question Approach (20m)
  How to pace yourself through the morning and afternoon sessions, when to skip and return, and strategies for multiple-choice questions with similar answer choices.
- Level I Mock Exam: Full Practice with Detailed Solutions (48m)
  A timed mock exam covering all major topic areas. After completing it, detailed explanations walk through each answer and the reasoning behind it.
- Level II Focus: Item Set Questions and Vignette Analysis (32m)
  How Level II item sets work, strategies for reading vignettes efficiently, and the integrated thinking required to answer multi-part questions across topics.
- Level II Deep Dive: Equity Valuation and Financial Reporting Cases (40m)
  Complex valuation scenarios requiring EV analysis, adjustments to financial statements, and multi-step calculations typical of Level II item sets.
- Level II Deep Dive: Fixed Income and Derivatives Item Sets (35m)
  Valuing bonds with embedded options, swap valuation under changing rates, and option strategy analysis in the item set format.
- Level III Focus: Constructed Response (Essay) Writing Techniques (28m)
  How to structure your answers for maximum points, what CFA graders look for, and how to manage time when you need to calculate and explain your reasoning in writing.
- Level III: Portfolio Management in the Essay Context (38m)
  IPS questions, asset allocation justification, and rebalancing decisions presented in constructed response format. Practice writing concise, point-earning answers.
- Level III Case Study: Managing a Multi-Asset Portfolio for a Retiring Couple (42m)
  A complete Level III-style vignette covering risk assessment, return requirements, asset allocation, security selection, and performance evaluation.
- Ethics Across All Three Levels: How the Questions Change (22m)
  The same standards tested differently at each level. From Level I recall questions to Level III scenario-based application, with examples of each format.
- Calculator Workshop: BA II Plus and HP 12C for CFA Problems (25m)
  Essential calculator functions for TVM, bond pricing, statistics, and cash flow analysis. Keystroke sequences for the problems that appear most on the exam.

- Common Formulas You Must Know: A Quick-Reference Session (30m)
  The formulas that show up year after year across all CFA levels, organized by topic. Includes which ones to memorize and which you can derive during the exam.
- After the CFA: Applying Your Skills in Investment Roles (20m)
  How the CFA curriculum translates to roles in equity research, portfolio management, risk management, and corporate finance. What hiring managers expect from charterholders.
- Final Review: Integrated Problem Set Across All Topics (45m)
  A mixed set of 30 problems spanning ethics, valuation, fixed income, derivatives, portfolio management, and financial reporting. Designed to test connections between topics.

Discover our blog

Learn more with free articles written by our professors and guest experts.

Latest article: **Flight Attendant Preparation: What to Study Before You Apply**

Visit the blog   All courses   This course