

CFA Level II 2018 - 2019 Curriculum Changes

	Newly Added
	Updated
	Removed



Topic	2018		2019	
	Reading	Reading Name	Reading	Reading Name
Ethical and Professional Standards	1	Code of Ethics and Professional Standards	1	Code of Ethics and Professional Standards
	2	Guidance for Standards I–VII	2	Guidance for Standards I–VII
	3	CFA Institute Research Objectivity Standards	3	Application of the Code and Standards
	4	The Glenarm Company	4	Trade Allocation: Fair Dealing and Disclosure
	5	Preston Partners	5	Changing Investment Objectives
	6	Super Selection		
	7	Trade Allocation: Fair Dealing and Disclosure		
	8	Changing Investment Objectives		
Quantitative Methods	9	Correlation and Regression	6	Fintech in Investment Management
	10	Multiple Regression and Issues in Regression Analysis	7	Correlation and Regression
	11	Time-Series Analysis	8	Multiple Regression and Machine Learning
	12	Excerpt from “Probabilistic Approaches: Scenario Analysis, Decision Trees, and Simulations”	9	Time-Series Analysis
Economics	13	Currency Exchange Rates: Understanding Equilibrium Value	11	Currency Exchange Rates: Understanding Equilibrium Value
	14	Economic Growth and the Investment Decision	12	Economic Growth and the Investment Decision
	15	Economics of Regulation	13	Economics of Regulation
Financial Reporting and Analysis	16	Intercorporate Investments	14	Intercorporate Investments
	17	Employee Compensation: Post-Employment and Share-Based	15	Employee Compensation: Post-Employment and Share-Based
	18	Multinational Operations	16	Multinational Operations
	19	Evaluating Quality of Financial Reports	17	Analysis of Financial Institutions
	20	Integration of Financial Statement Analysis Techniques	18	Evaluating Quality of Financial Reports
		19	Integration of Financial Statement Analysis Techniques	

Corporate Finance	21	Capital Budgeting	20	Capital Budgeting
	22	Capital Structure	21	Capital Structure
	23	Dividends and Share Repurchases: Analysis	22	Dividends and Share Repurchases: Analysis
	24	Corporate Performance, Governance, and Business Ethics	23	Corporate Performance, Governance, and Business Ethics
	25	Corporate Governance	24	Corporate Governance
	26	Mergers and Acquisitions	25	Mergers and Acquisitions

Equity Valuation	27	Equity Valuation: Applications and Processes	26	Equity Valuation: Applications and Processes
	28	Return Concepts	27	Return Concepts
	29	Industry and Company Analysis	28	Industry and Company Analysis
	30	Discounted Dividend Valuation	29	Discounted Dividend Valuation
	31	Free Cash Flow Valuation	30	Free Cash Flow Valuation
	32	Market-Based Valuation: Price and Enterprise Value	31	Market-Based Valuation: Price and Enterprise Value
	33	Residual Income Valuation	32	Residual Income Valuation
	34	Private Company Valuation	33	Private Company Valuation

Fixed Income	35	The Term Structure and Interest Rate Dynamics	34	The Term Structure and Interest Rate Dynamics
	36	Arbitrage-Free Valuation Framework	35	Arbitrage-Free Valuation Framework
	37	Valuation and Analysis: Bonds with Embedded Options	36	Valuation and Analysis: Bonds with Embedded Options
	38	Credit Analysis Models	37	Credit Analysis Models
	39	Credit Default Swaps	38	Credit Default Swaps

Derivative Investments	40	Pricing and Valuation of Forward Commitments	39	Pricing and Valuation of Forward Commitments
	41	Valuation of Contingent Claims	40	Valuation of Contingent Claims
	42	Derivatives Strategies	41	Derivatives Strategies

Alternative Investments	43	Private Real Estate Investments	42	Private Real Estate Investments
	44	Publicly Traded Real Estate Securities	43	Publicly Traded Real Estate Securities
	45	Private Equity Valuation Standards	44	Private Equity Valuation Standards
	46	Commodity and Commodity Derivatives: An Introduction	45	Commodity and Commodity Derivatives: An Introduction

Portfolio Management	47	The Portfolio Management Process and the Investment Policy Statement	46	The Portfolio Management Process and the Investment Policy Statement
	48	An Introduction to the Multifactor Models	47	An Introduction to the Multifactor Models
	49	Measuring and Managing Market Risk	48	Measuring and Managing Market Risk
	50	Economics and Investment Markets	49	Economics and Investment Markets
	51	Analysis of Active Portfolio Management	50	Analysis of Active Portfolio Management
	52	Algorithmic Trading and High-Frequency Trading	51	Algorithmic Trading and High-Frequency Trading