Investment planning

Chartered Insurance Institute

Learning Outcomes

At the end of this unit, candidates will be able to:

Evaluate the complex needs of clients and recommend appropriate solutions based upon **detailed understanding and analysis** of the:

1. Economic environment and its impact on investment performance and investment decision making;
2. Features, risks and returns of direct financial investments;
3. Features, risks and returns of collective investment products, including alternative investments;
4. Individual company performance and company accounts;
5. Types and measurement of risk and returns;
6. Main principles governing how to construct an investment portfolio, investment styles and the management of risk and return;
7. Range of portfolio management services.

Important notes

- This syllabus will be examined in the October 2020 and April 2021 sessions.
- Candidates will be examined on the basis of English law and practice in the tax year 2020/2021 unless otherwise stated.
- The general rule is that exams are based on the English legislative position three months before the date of the exams.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
    1. Visit *www.cii.co.uk/qualifications*
    2. Select the appropriate qualification
    3. Select your unit on the right hand side of the page

Entry guidance

It is assumed that the candidate already has the knowledge gained from a study of unit R02 Investment principles and risk or equivalent and/or J10 Discretionary investment management.

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Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII/PFS members can access most of the additional study materials below via the Knowledge Services webpage at *https://www.cii.co.uk/knowledge-services/*.

New resources are added frequently - for information about obtaining a copy of an article or book chapter, book loans, or help finding resources , please go to *https://www.cii.co.uk/knowledge-services/* or email *knowledge@cii.co.uk*.

CII study texts

Discretionary investment management. London: CII. Study text J10.

Investment principles and risk. London: CII. Study text R02.

Investment planning. London: CII. Case study workbook AF4.

All the above texts are included as electronic resources within AF4 RevisionMate (*www.revisionmate.com*).

Books/eBooks

Accounting for non-accountants. 11th ed. David Horner. London: Kogan Page, 2017.

Frank Wood's business accounting. Frank Wood and Alan Sangster. 12th ed. Harlow, Essex: Pearson Education, 2018.

The basics of finance: an introduction to financial markets, business finance, and portfolio management. Frank Fabozzi. London, Wiley, 2010.*

The theory and practice of investment management. Frank J Fabozzi. New Jersey: Wiley, 2011.

Ebooks

The following ebooks are available through Discovery via *www.cii.co.uk/discovery* (CII/PFS members only):

Accounting for non-accountants. 11th ed. David Horner. London: Kogan Page, 2017.

Basic financial accounting. 4th ed. Willen Bosua, Madri Schute. Claremont: Juta and Company Ltd., 2015.

Finance: a quantitative introduction. Piotr and Lucia Staszkiewicz. Amsterdam: Academic Press, 2015.

Financial accounting: a concepts-based introduction. David L. Kolitz. Abingdon, Oxon: Routledge, 2017.

Financial accounting: an introduction. 7th ed. Pauline Weetman. Harlow: Pearson, 2016.

Investment risk management. Greg Filbeck, H. Kent Baker. New York: Oxford University Press, 2015.

Investor behaviour: the psychology of financial planning and investing. H. Kent Baker. Hoboken, New Jersey: Wiley, 2014.

Portfolio management: a strategic approach. John Wyzalek, Ginger Levin. Boca Raton: Auerback Publications, 2015.

Journals and magazines

Financial adviser. London: FT Business. Weekly. Available online at *www.ftadviser.com*.

Financial times. London: Financial Times. Daily. Available online at *www.ft.com*.

Personal finance professional (previously Financial solutions). London: CII. Six issues a year. Available online at *www.thepfs.org/financial-solutions-archive* (CII/PFS members only).

Investment adviser. London: Financial Times Business. Weekly. Available via *www.ftadviser.com*.

Investment week. London: Incisive Financial Publishing. Weekly. Available online via *www.investmentweek.co.uk*.

Money management. London: FT Business. Monthly. Available online *www.ftadviser.com/brand/money-management*.

Money marketing. London: Centaur Communications. Weekly. Available online at *www.moneymarketing.co.uk*.

Further articles and technical bulletins are available at *https://www.cii.co.uk/knowledge-services/* (CII/PFS members only).

* Also available as an ebook through Discovery via *www.cii.co.uk/discovery* (CII/PFS members only).

Examination guides

Guides are produced for each sitting of written answer examinations. These include the exam questions, examiners' comments on candidates' performance and key points for inclusion in answers.

You are strongly advised to study guides from the last two sittings. Please visit *www.cii.co.uk* to buy online or contact CII Customer Service for further information on +44 (0)20 8989 8464.

Alternatively, if you have a current study text enrolment, the latest exam guides are available via *www.revisionmate.com*.

Older guides are available via *www.cii.co.uk/pastexamguides* (CII/PFS members only).

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at *www.cii.co.uk/iilrevision* (CII/PFS members only).

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