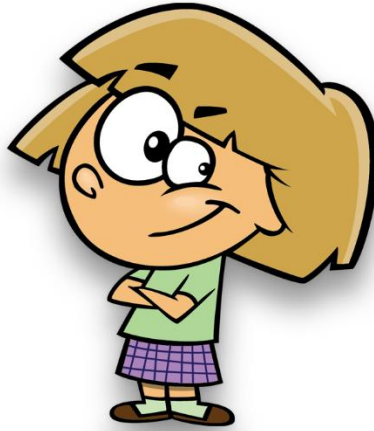


# How Is Exchange's Investment Management Team Qualified?

By: Exchange Capital Management

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When partnering with a wealth management firm, you should feel confident their investment management team is qualified to build and maintain your portfolio. You may look at their education, work experience, or their designations. One designation we require our investment team to work towards is the Chartered Financial Analyst (CFA) designation.

## What is a Chartered Financial Analyst (CFA) Designation?

The CFA designation focuses primarily on portfolio management, economics, financial statement analysis, ethical standards, and more. Within those categories are various subdivisions of what the candidates are expected to learn. This designation will test the competency and expertise of each section within the course.

To become a CFA charterholder, the candidate must go through a strenuous process. They must have gained a bachelor's (or equivalent) degree, have at least 4,000 hours of relevant work experience, submit two professional references, and hardest of all, pass three examinations. According to the CFA Institute, the average pass rate in the last 10 years for all three exams is lower than 55%.

## How Does This Benefit You?

Trusting your investment management team is paramount. Therefore, you need to be confident in their knowledge and expertise regarding investment management. The CFA designation indicates that your advisory team has relevant experience when it comes to your portfolio.

Additionally, once they pass the gauntlet described above, the CFA candidates and charterholders must comply with the code of ethics within the industry. As stated in the CFA Institute Code of Ethics guidelines, the charterholder must agree to put your interests ahead of their own, conduct thorough research when analyzing and recommending investments, and disclose any conflicts of interest to clients. If the professional doesn't comply with ethical guidelines or the law, they may face sanctions and have their CFA designation suspended, or even revoked.

## **The Bottom Line**

When searching for an investment management team, keep an eye out for the CFA designation. This designation shows a high level of expertise, dedication, and competence in the investment management field. To learn more about how this benefits you, consider giving us a call.