candidates should be able to:

Demonstrate knowledge of ratio-based performance measures used in alternative investment analysis. Including:

* Describe the two major types of performance measures
* Define and calculate the Sharpe ratio for different units of time (e.g. annual, semiannual, and quarterly)
* Understand four important properties of the Sharpe ratio
* Define and calculate the Treynor ratio
* Understand four important properties of the Treynor ratio
* Recognize and calculate the Sortino ratio, the information ratio, and return on VaR