

2026 Level I Topic Outlines

Alternative Investments

LEARNING OUTCOMES

Alternative Investment Features, Methods, and Structures

The candidate should be able to:

- ☐ describe features and categories of alternative investments
- ☐ compare direct investment, co-investment, and fund investment methods for alternative investments
- ☐ describe investment ownership and compensation structures commonly used in alternative investments

Alternative Investment Performance and Returns

The candidate should be able to:

- ☐ describe the performance appraisal of alternative investments
- ☐ calculate and interpret alternative investment returns both before and after fees

Investments in Private Capital: Equity and Debt

The candidate should be able to:

- ☐ explain features of private equity and its investment characteristics
- ☐ explain features of private debt and its investment characteristics
- ☐ describe the diversification benefits that private capital can provide

Real Estate and Infrastructure

The candidate should be able to:

- ☐ explain features and characteristics of real estate
- ☐ explain the investment characteristics of real estate investments

- explain features and characteristics of infrastructure
- explain the investment characteristics of infrastructure investments

Natural Resources

The candidate should be able to:

- explain features of raw land, timberland, and farmland and their investment characteristics
- describe features of commodities and their investment characteristics
- analyze sources of risk, return, and diversification among natural resource investments

Hedge Funds

The candidate should be able to:

- explain investment features of hedge funds and contrast them with other asset classes
- describe investment forms and vehicles used in hedge fund investments
- analyze sources of risk, return, and diversification among hedge fund investments

Introduction to Digital Assets

The candidate should be able to:

- describe financial applications of distributed ledger technology
- explain investment features of digital assets and contrast them with other asset classes
- describe investment forms and vehicles used in digital asset investments
- analyze sources of risk, return, and diversification among digital asset investments