

## CFA Program Level I for December 2020 and February 2021

Set Type                      # of Cards                      Provider  
 Default                      1742 cards                      cfainstitute

	Side 1	Side 2	Category
1	<b>n Factorial</b>	For a positive integer n, the product of the first n positive integers; 0 factorial equals 1 by definition. n factorial is written as n!.	Probability Concepts
2	<b>t-Test</b>	A hypothesis test using a statistic (t-statistic) that follows a t-distribution.	Hypothesis Testing
3	<b>Abnormal return</b>	The amount by which a security's actual return differs from its expected return, given the security's risk and the market's return.	Market Efficiency
4	<b>Absolute advantage</b>	A country's ability to produce a good or service at a lower absolute cost than its trading partner.	International Trade and Capital Flows
5	<b>Absolute dispersion</b>	The amount of variability present without comparison to any reference point or benchmark.	Statistical Concepts and Market Returns
6	<b>Absolute frequency</b>	The number of observations in a given interval (for grouped data).	Statistical Concepts and Market Returns
7	<b>Accelerated book build</b>	An offering of securities by an investment bank acting as principal that is accomplished in only one or two days.	Market Organization and Structure
8	<b>Accelerated methods</b>	Depreciation methods that allocate a relatively large proportion of the cost of an asset to the early years of the asset's useful life.	Long-Lived Assets
9	<b>Accelerated methods</b>	Depreciation methods that allocate a relatively large proportion of the cost of an asset to the early years of the asset's useful life.	Understanding Income Statements
10	<b>Accounting costs</b>	Monetary value of economic resources used in performing an activity. These can be explicit, out-of-pocket, current payments, or an allocation of historical payments (depreciation) for resources. They do not include implicit opportunity costs.	Topics in Supply and Demand Analysis
11	<b>Accounting profit</b>	Income as reported on the income statement, in accordance with prevailing accounting standards, before the provisions for income tax expense.	Income Taxes
12	<b>Accounting profit</b>	Income as reported on the income statement, in accordance with prevailing accounting standards, before the provisions for income tax expense.	Topics in Supply and Demand Analysis
13	<b>Accounts payable</b>	Amounts that a business owes to its vendors for goods and services that were purchased from them but which have not yet been paid.	Understanding Balance Sheets
14	<b>Accounts receivable turnover</b>	Ratio of sales on credit to the average balance in accounts receivable.	Working Capital Management
15	<b>Accrued expenses</b>	Liabilities related to expenses that have been incurred but not yet paid as of the end of an accounting period—an example of an accrued expense is rent that has been incurred but not yet paid, resulting in a liability "rent payable."	Understanding Balance Sheets
16	<b>Accrued interest</b>	Interest earned but not yet paid.	Introduction to Fixed-Income Valuation
17	<b>Acid-test ratio</b>	A stringent measure of liquidity that indicates a company's ability to satisfy current liabilities with its most liquid assets, calculated as (cash + short-term marketable investments + receivables) divided by current liabilities.	Working Capital Management
18	<b>Acquisition method</b>	A method of accounting for a business combination where the acquirer is required to measure each identifiable asset and liability at fair value. This method was the result of a joint project of the IASB and FASB aiming at convergence in standards for the accounting of business combinations.	Long-Lived Assets
19	<b>Action lag</b>	Delay from policy decisions to implementation.	Monetary and Fiscal Policy
20	<b>Active investment</b>	An approach to investing in which the investor seeks to outperform a given benchmark.	Market Efficiency
21	<b>Active return</b>	The return on a portfolio minus the return on the portfolio's benchmark.	Market Efficiency
22	<b>Active strategy</b>	In reference to short-term cash management, an investment strategy characterized by monitoring and attempting to capitalize on market conditions to optimize the risk and return relationship of short-term investments.	Working Capital Management
23	<b>Activity ratios</b>	Ratios that measure how efficiently a company performs day-to-day tasks, such as the collection of receivables and management of inventory.	Financial Analysis Techniques

24	<b>Activity ratios</b>	Ratios that measure how efficiently a company performs day-to-day tasks, such as the collection of receivables and management of inventory.	Understanding Business Cycles
25	<b>Addition rule for probabilities</b>	A principle stating that the probability that A or B occurs (both occur) equals the probability that A occurs, plus the probability that B occurs, minus the probability that both A and B occur.	Probability Concepts
26	<b>Add-on rates</b>	Bank certificates of deposit, repos, and indexes such as Libor and Euribor are quoted on an add-on rate basis (bond equivalent yield basis).	Introduction to Fixed-Income Valuation
27	<b>Agency bonds</b>	A bond issued by an entity that is either owned or sponsored by a national government.	Fixed-Income Markets: Issuance, Trading, and Funding
28	<b>Agency RMBS</b>	In the United States, securities backed by residential mortgage loans and guaranteed by a federal agency or guaranteed by either of the two GSEs (Fannie Mae and Freddie Mac).	Introduction to Asset-Backed Securities
29	<b>Aggregate demand curve</b>	Inverse relationship between the price level and real output.	Aggregate Output, Prices, and Economic Growth
30	<b>Aggregate demand</b>	The quantity of goods and services that households, businesses, government, and foreign customers want to buy at any given level of prices.	Aggregate Output, Prices, and Economic Growth
31	<b>Aggregate income</b>	The value of all the payments earned by the suppliers of factors used in the production of goods and services.	Aggregate Output, Prices, and Economic Growth
32	<b>Aggregate output</b>	The value of all the goods and services produced in a specified period of time.	Aggregate Output, Prices, and Economic Growth
33	<b>Aggregate supply curve</b>	The level of domestic output that companies will produce at each price level.	Aggregate Output, Prices, and Economic Growth
34	<b>Aggregate supply</b>	The quantity of goods and services producers are willing to supply at any given level of price.	Aggregate Output, Prices, and Economic Growth
35	<b>Aging schedule</b>	A breakdown of accounts into categories of days outstanding.	Working Capital Management
36	<b>Allocationally efficient</b>	A characteristic of a market, a financial system, or an economy that promotes the allocation of resources to their highest value uses.	Market Organization and Structure
37	<b>All-or-nothing (AON) orders</b>	An order that includes the instruction to trade only if the trade fills the entire quantity (size) specified.	Market Organization and Structure
38	<b>Alternative data</b>	Non-traditional data types generated by the use of electronic devices, social media, satellite and sensor networks, and company exhaust.	Fintech in Investment Management
39	<b>Alternative investment markets</b>	Market for investments other than traditional securities investments (i.e., traditional common and preferred shares and traditional fixed income instruments). The term usually encompasses direct and indirect investment in real estate (including timberland and farmland) and commodities (including precious metals); hedge funds, private equity, and other investments requiring specialized due diligence.	Market Organization and Structure
40	<b>Alternative trading systems</b>	Trading venues that function like exchanges but that do not exercise regulatory authority over their subscribers except with respect to the conduct of the subscribers' trading in their trading systems.	Market Organization and Structure
41	<b>American depository receipt</b>	A US dollar-denominated security that trades like a common share on US exchanges.	Overview of Equity Securities
42	<b>American depository share</b>	The underlying shares on which American depository receipts are based. They trade in the issuing company's domestic market.	Overview of Equity Securities
43	<b>American-style</b>	Type of option contract that can be exercised at any time up to the option's expiration date.	Derivative Markets and Instruments
44	<b>American-style</b>	Type of option contract that can be exercised at any time up to the option's expiration date.	Market Organization and Structure
45	<b>Amortisation</b>	The process of allocating the cost of intangible long-term assets having a finite useful life to accounting periods; the allocation of the amount of a bond premium or discount to the periods remaining until bond maturity.	Understanding Income Statements
46	<b>Amortisation</b>	The process of allocating the cost of intangible long-term assets having a finite useful life to accounting periods; the allocation of the amount of a bond premium or discount to the periods remaining until bond maturity.	Non-Current (Long-Term) Liabilities
47	<b>Amortised cost</b>	The historical cost (initially recognised cost) of an asset, adjusted for amortisation and impairment.	Understanding Balance Sheets

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49	<b>Amortizing bond</b>	Bond with a payment schedule that calls for periodic payments of interest and repayments of principal.	Fixed-Income Securities: Defining Elements
50	<b>Amortizing loan</b>	Loan with a payment schedule that calls for periodic payments of interest and repayments of principal.	Introduction to Asset-Backed Securities
51	<b>Annual percentage rate</b>	The cost of borrowing expressed as a yearly rate.	The Time Value of Money
52	<b>Annuity due</b>	An annuity having a first cash flow that is paid immediately.	The Time Value of Money
53	<b>Annuity</b>	A finite set of level sequential cash flows.	The Time Value of Money
54	<b>Anticipation stock</b>	Excess inventory that is held in anticipation of increased demand, often because of seasonal patterns of demand.	Working Capital Management
55	<b>Antidilutive</b>	With reference to a transaction or a security, one that would increase earnings per share (EPS) or result in EPS higher than the company's basic EPS—antidilutive securities are not included in the calculation of diluted EPS.	Understanding Income Statements
56	<b>A priori probability</b>	A probability based on logical analysis rather than on observation or personal judgment.	Probability Concepts
57	<b>Arbitrage-free pricing</b>	The overall process of pricing derivatives by arbitrage and risk neutrality.	Basics of Derivative Pricing and Valuation
58	<b>Arbitrage</b>	1) The simultaneous purchase of an undervalued asset or portfolio and sale of an overvalued but equivalent asset or portfolio, in order to obtain a riskless profit on the price differential. Taking advantage of a market inefficiency in a risk-free manner. 2) The condition in a financial market in which equivalent assets or combinations of assets sell for two different prices, creating an opportunity to profit at no risk with no commitment of money. In a well-functioning financial market, few arbitrage opportunities are possible. 3) A risk-free operation that earns an expected positive net profit but requires no net investment of money.	Derivative Markets and Instruments
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60	<b>Arbitrageurs</b>	Traders who engage in arbitrage.	Market Organization and Structure
61	<b>Arithmetic mean</b>	The sum of the observations divided by the number of observations.	Statistical Concepts and Market Returns
62	<b>Arms index</b>	A flow of funds indicator applied to a broad stock market index to measure the relative extent to which money is moving into or out of rising and declining stocks.	Technical Analysis
63	<b>Artificial intelligence</b>	Computer systems that exhibit cognitive and decision-making ability comparable (or superior) to that of humans.	Fintech in Investment Management
64	<b>Asian call option</b>	A European-style option with a value at maturity equal to the difference between the stock price at maturity and the average stock price during the life of the option, or \$0, whichever is greater.	Common Probability Distributions
65	<b>Ask</b>	The price at which a dealer or trader is willing to sell an asset, typically qualified by a maximum quantity (ask size).	Market Organization and Structure
66	<b>Ask size</b>	The maximum quantity of an asset that pertains to a specific ask price from a trader. For example, if the ask for a share issue is \$30 for a size of 1,000 shares, the trader is offering to sell at \$30 up to 1,000 shares.	Market Organization and Structure
67	<b>Asset allocation</b>	The process of determining how investment funds should be distributed among asset classes.	Portfolio Management: An Overview
68	<b>Asset-backed securities</b>	A type of bond issued by a legal entity called a special purpose entity (SPE) on a collection of assets that the SPE owns. Also, securities backed by receivables and loans other than mortgages.	Fixed-Income Securities: Defining Elements
69	<b>Asset-backed securities</b>	A type of bond issued by a legal entity called a special purpose entity (SPE) on a collection of assets that the SPE owns. Also, securities backed by receivables and loans other than mortgages.	Introduction to Asset-Backed Securities
70	<b>Asset-based loan</b>	A loan that is secured with company assets.	Working Capital Management
71	<b>Asset-based valuation models</b>	Valuation based on estimates of the market value of a company's assets.	Equity Valuation: Concepts and Basic Tools
72	<b>Asset beta</b>	The unlevered beta; reflects the business risk of the assets; the asset's systematic risk.	Cost of Capital