FRM PART I 2021

15-week STUDY PLAN

MIDHA FIN Approved Exam Prep Provider GARP | FRM

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INSTRUCTIONS

- Before the start of the first lecture, candidates are advised to learn the fundamentals of Time Value of Money along with the functionalities of the BA II Plus Calculator, although they will be taken up in the lectures wherever required.

KEY used to represent the four modules:

FRM – Foundations of Risk Management
QTA – Quantitative Analysis
FMP – Financial Markets and Products
VRM – Valuations and Risk Models

INSTRUCTIONS

The study plan has been structured after very careful analysis, and the topics have been sequenced in such a way so as to systematically link one topic after the other.

According to the Instructor – "It's not a wise strategy to prepare for the exam on a module by module basis. There are some concepts which are used in an earlier topic but discussed in detail in a later topic in another module. For example – Beta is introduced in CAPM in the Foundations of Risk Management Module, but the quantitative aspect of beta is discussed in Linear Regression in the Quantitative Methods Module. Hence, the sequence of topics to prepare for the FRM Part 1 and Part 2 exams becomes very important."

The study plan has taken care of the sequence in the best possible way. Also, unrelated theory portions have been scattered in the timeline so as to get a good blend of theoretical and numerical based topics.

You are strongly advised to follow this sequence and the schedule.

WEEK 1

1) Fundamentals of Probability
   [QTA-1]

2) Random Variables
   [QTA-2]

3) Common Univariate Random Variables
   [QTA-3]

WEEK 2

1) Multivariate Random Variables
   [QTA-4]

2) Sample Moments
   [QTA-5]

3) Hypothesis Testing
   [QTA-6]

WEEK 3

1) Linear Regression
   [QTA-7]

2) Regression with Multiple Explanatory Variables
   [QTA-8]

3) Regression Diagnostics
   [QTA-9]

1) Modern Portfolio Theory (MPT) and the Capital Asset Pricing Model (CAPM) [FRM-5]

2) The Arbitrage Pricing Theory and Multifactor Models of Risk and Return [FRM-6]

3) Stationary Time Series [QTA-10]

4) Nonstationary Time Series [QTA-11]

WEEK 5

1) Introduction to Derivatives
   [FMP-4]

2) Exchanges and OTC Markets
   [FMP-5]

3) Central Clearing
   [FMP-6]

4) Properties of Interest Rates (Part 1)
   [FMP-16]

5) Futures Markets
   [FMP-7]

WEEK 6

1) Using Futures for Hedging
   [FMP-8]

2) Foreign Exchange Markets
   [FMP-9]

3) Pricing Financial Forwards and Futures
   [FMP-10]

4) Commodity Forwards and Futures
   [FMP-11]

WEEK 7

1) Properties of Interest Rates (Part 2)
   [FMP-16]

2) Pricing Conventions, Discounting and Arbitrage
   [VRM-9]

3) Interest Rates
   [VRM-10]

4) Bond Yields and Return Calculations
   [VRM-11]

WEEK 8

1) Applying Duration, Convexity and DV01
[VRM-12]

2) Modeling Non-Parallel Term Structure Shifts and Hedging
[VRM-13]

3) Corporate Bonds
[FMP-17]

4) Mortgages and Mortgage Backed Securities
[FMP-18]

5) Anatomy of the Great Financial Crisis of 2007-09
[FRM-10]

WEEK 9

1) Interest Rate Futures
   [FMP-19]

2) Swaps
   [FMP-20]

3) Simulation and Bootstrapping
   [QTA-13]

4) Banks
   [FMP-1]

WEEK 10

1) Options Markets
   [FMP-12]

2) Properties of Options
   [FMP-13]

3) Trading Strategies
   [FMP-14]

4) Exotic Options
   [FMP-15]

WEEK 11

1) Binomial Trees
   [VRM-14]

2) The Black-Scholes-Merton Model
   [VRM-15]

3) Option Sensitivity Measures: The "Greeks"
   [VRM-16]

WEEK 12

1) Measuring Returns, Volatility and Correlation
   [QTA-12]

2) Measures of Financial Risk
   [VRM-1]

3) Calculating and Applying VaR
   [VRM-2]

4) Measuring and Monitoring Volatility
   [VRM-3]

1) The Building Blocks of Risk Management
[FRM-1]

2) How Do Firms Manage Financial Risk?
[FRM-2]

3) The Governance of Risk Management
[FRM-3]

4) Credit Risk Transfer Mechanisms
[FRM-4]

5) Measuring Credit Risk
[VRM-6]

WEEK 14

1) External and Internal Credit Ratings
   [VRM-4]

2) Country Risk: Determinants, Measures, and Implications
   [VRM-5]

3) Operational Risk
   [VRM-7]

4) Stress Testing
   [VRM-8]

5) Risk Data Aggregation and Reporting Principles
   [FRM-7]

WEEK 15

1) Enterprise Risk Management and Future Trends
   [FRM-8]

2) Learning from Financial Disasters
   [FRM-9]

3) GARP Code of Conduct
   [FRM-11]

4) Insurance Companies and Pension Plans
   [FMP-2]

5) Fund Management
   [FMP-3]

END OF PLAN

THANK YOU

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