

Performance Outcome 1: Operate ethically and professionally in all interactions with customers/clients

Skill content	Knowledge		English, Maths and Digital skills	
<p>S1.1 Identify legal and regulatory requirements relevant to the role, function and organisation.</p> <p>S1.2 Outline how the conduct rules in relation to financial and asset markets apply personally to the role.</p> <p>S1.3 Explain the role of The Pensions Regulator</p>	1.1	<p>Legal and regulatory requirements that apply to investment banking and asset and wealth management</p>		
	<p>Students should be able to understand:</p>			
	1.1.1	<p>The main purpose of:</p> <ul style="list-style-type: none"> Financial Services and Markets Act 2000 (FSMA). Financial Services Act 2012. 	E1, E3, E4	
	1.1.2	<p>The role and statutory objectives of:</p> <ul style="list-style-type: none"> The Financial Policy Committee (FPC). The Prudential Regulation Authority (PRA). The Financial Conduct Authority (FCA). The Pensions Regulator (TPR). 		
1.1.3	<p>The relationship between the investment banking, asset and wealth management sectors and:</p> <ul style="list-style-type: none"> Her Majesty's Revenue and Customs (HMRC). The Competitions and Markets Authority (CMA). 			

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	1.1.4	<p>The crime of money laundering and the importance of the financial services industry in limiting the crime and its effects on society:</p> <ul style="list-style-type: none">• The three stages of money laundering:<ul style="list-style-type: none">○ placement○ layering○ Integration.• The key features and purposes of the following acts in reducing money laundering:<ul style="list-style-type: none">○ Proceeds of Crime Act 2004 (POCA).○ The Criminal Finances Act 2017.• The offences of “failing to report” and “tipping off”.• The role of the Joint Money Laundering Steering Group (JMLSG).• The role of the Money Laundering Reporting Officer (MLRO).• The process and purpose of client due diligence and Know Your Client (KYC)• The role of the Financial Action Task Force.	
	1.1.5	<p>The rights of individuals to confidentiality of information in investment banking and asset and wealth management contexts</p> <ul style="list-style-type: none">• Key features of the:<ul style="list-style-type: none">○ Data Protection Act 2018.○ General Data Protection Regulation (GDPR) and its application in the workplace.	

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Skill content	Knowledge		English, Maths and Digital skills	
<p>S1.4 Outline the key features of an ethical and professional culture in investment banking and asset and wealth management</p> <p>S1.5 Demonstrate an understanding of how and when to speak up using internal and external channels</p>	1.2	The key features of professionalism and speaking up culture		
	Students should be able to understand:			
	1.2.1	How clients are classified and the level of protection afforded to each: <ul style="list-style-type: none"> • Retail clients. • Professional clients. • Counterparties • International syndications. 	E1, E3, E4	
	1.2.2	The FCA high level principles and rules required of all financial services organisations: <ul style="list-style-type: none"> • The FCA Eleven Principles for Business (PRIN). • The PRA Fundamental Rules. • Regulated and Prohibited activities. • Role of Approved Persons. • Role of Appointed Representatives. 		
1.2.3	The Accountability Regime: <ul style="list-style-type: none"> • Senior Managers Regime. • Certification Regime. • The FCA Code of Conduct . 			

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	1.2.4	<p>The protection available to employees when speaking up in the workplace:</p> <ul style="list-style-type: none"> • The protection available to anyone who speaks up if they see something in the workplace they believe to be unethical or illegal. • The role of the Whistleblowing Champion. • The purpose and key features of the Public Interest Disclosure Act (1998) (PIDA). 	
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Skill content	Knowledge		English, Maths and Digital skills
<p>S1.6 Identify where common ethical dilemmas and conflicts of interest may arise in investment banking and asset and wealth management.</p> <p>S1.7 Apply the principles of relevant codes of conduct and ethical decision- taking models to arrive at appropriate courses of action.</p> <p>S1.8 Identify when ethical conflicts and dilemmas should be escalated and to whom.</p>	1.3.	Ethical dilemmas and conflicts of interest as applied to investment banking and asset and wealth management	E1, E3, E4
	Students should be able to understand:		
	1.3.1	<p>How clients are protected from conflicts of interest by:</p> <ul style="list-style-type: none"> • FCA Client Assets Sourcebook (CASS). • FCA rules on disclosure and transparency. • FCA rules on personal account dealing (for financial services industry employees). • FCA rules on research and paying for research. • FCA rules on inducement. 	
	1.3.2	<p>Ethical dilemmas and challenges which may present the opportunity for personal or institutional gain from breaches of legal and regulatory requirements or codes of conduct, and actions to take on identifying each:</p> <ul style="list-style-type: none"> • Breach of GDPR • Breach of confidentiality • Breach of KYC rules • Breach of Anti-Money Laundering Rules • Breach of Bribery Act 	

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		<ul style="list-style-type: none"> • Breach of Principles for Business 6 – Fair Treatment of Customers • The three ways in which market abuse may take place and the participants involved: <ul style="list-style-type: none"> ○ Insider dealing. ○ Unlawful disclosure of inside information. ○ Market manipulation. 	
	1.3.3	<p>The purpose and key features of the Codes of Conduct which are to be followed by members of professional bodies:</p> <ul style="list-style-type: none"> • Chartered Institute of Securities and Investments (CISI). • Personal Finance Society Code of Ethics. 	
	1.3.4	<p>When and how to escalate ethical dilemmas and conflicts of interest and to whom:</p> <ul style="list-style-type: none"> • To line manager • To whistleblowing champion • To Money Laundering Reporting Officer (MLRO). 	
	1.3.5	<p>How to use a simple ethical-decision making model:</p> <ul style="list-style-type: none"> • Open, Honest, Transparent, Fair. • The PLUS model – Policy, Legal, Universal, Self. 	
	1.3.6	<p>Instances where previous unethical decisions have been made and have led to harm being caused to customers and the industry:</p> <ul style="list-style-type: none"> • The collapse of Enron in 2001. • The collapse of Lehman Brothers in 2008. • The securitisation of sub-prime mortgages and how this contributed to the financial crash of 2008. 	

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Skill content	Knowledge		English, Maths and Digital skills	
S1.9 Outline the ethical and professional responsibilities to retail clients in wealth management, with particular reference to vulnerable customers	1.4.	Special protections of retail clients in asset and wealth management		
	Students should be able to understand:			
	1.4.1	How retail clients are protected through the FCA Conduct of Business Sourcebook: <ul style="list-style-type: none"> • The fair treatment of customers. • Adviser charging and the disclosure of costs. • Information about the firm. • Communication, promotion and advertising rules. • Rules on suitability, switching and churning. • Assessing the appropriateness of non-advised sales. • Cancellation rights. 	E1, E3, E4	
	1.4.2	The recourse which retail clients have when problems arise: <ul style="list-style-type: none"> • An organisation's complaints procedure. • The role of the Financial Ombudsman Scheme (FOS). • The role of the Financial Services Compensation Scheme (FSCS). 		
1.4.3	The protection offered to vulnerable customers: <ul style="list-style-type: none"> • The FCA definition of vulnerability. • The FCA 4 key drivers of vulnerability • FCA Treating Vulnerable Consumers Fairly Rules (2020). 			

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Skills	Knowledge		English, Maths and Digital Skills
S1.1 Identify legal and regulatory requirements relevant to the role, function and organisation.	1.5	Conveying information to internal and external clients	
	Students should be able to.		
S1.2 Outline how the conduct rules in relation to financial and asset markets apply personally to the role. S1.3 Explain the role of The Pensions Regulator	1.5.1	Know how to convey technical information to different audiences <ul style="list-style-type: none"> • Give explanations to others, both orally and in writing, in a clear and unambiguous way taking into account the level and experience of the audience and the purpose • Use technical language correctly using graphics and other tools to aid understanding • Organise ideas logically and coherently • Use appropriate grammar and choice of vocabulary and correct spelling and punctuation 	E1
S1.4 Outline the key features of an ethical and professional culture in investment banking and asset and wealth management		<ul style="list-style-type: none"> • 	
S1.5 Demonstrate an understanding of how and when to speak up using internal and external channels S1.6 Identify where common ethical dilemmas and conflicts of interest may arise in investment banking and asset and wealth management.	1.5.2	Know how to create texts for different audiences: <ul style="list-style-type: none"> • Style reflects the type of communication and purpose • Express ideas clearly and concisely • Organise material coherently to suit length and purpose of writing • Provide the appropriate level of detail to reflect audience and purpose • Use correct grammar, spelling and punctuation 	E3
S1.7 Apply the principles of relevant codes of conduct and ethical decision- taking	1.5.3	Summarise technical and non-technical information/ideas <ul style="list-style-type: none"> • Select main ideas/key information from written text and summarise concisely (orally or in writing) in style appropriate to audience and purpose • Select fact from opinion • Use appropriate technical terms. 	E4

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<p>models to arrive at appropriate courses of action.</p> <p>S1.8 Identify when ethical conflicts and dilemmas should be escalated and to whom.</p> <p>S1.9 Outline the ethical and professional responsibilities to retail clients in wealth management, with particular reference to vulnerable customers</p>			
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Performance Outcome 2: Explain products and services in investment banking to internal and external customers/clients and counterparties

Knowledge outline content	Skill and expanded content		English, Maths and Digital skills
<p>S2.2 Explain key features of selected products and services to internal and external clients using non-technical language where appropriate.</p>	<p>2.1</p>	<p>K2.1 Products and services within capital markets and investment banking and its key features</p>	
	<p>Students should know the purpose, key features, risks and benefits of the following products and services, and the appropriateness of each in different client situations:</p>		
	<p>2.1.1</p>	<p>Corporate finance Understand the purpose, and key features of the following sources of corporate finance:</p> <ul style="list-style-type: none"> • Public equity capital markets - initial public offering (IPO) • Bonds. • The main ways that investment banks help raise capital: <ul style="list-style-type: none"> ○ Role of investment bank as underwriter and best efforts offering ○ Private equity (private placement) ○ debt capital markets, ○ mergers and acquisitions: <ul style="list-style-type: none"> ▪ the difference between merger, acquisition , tender offer, asset purchase and management buy out • The risks and benefits of above sources of corporate finance in different client situations. • The differences between listing publicly and private equity 	

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	2.1.2	<p>Sales and trading of different products (broking services)</p> <p>Understand the purpose and key features of the following types:</p> <ul style="list-style-type: none"> ○ Equities ○ Foreign exchange ○ Bonds ● The risks and benefits of each in different client situations. ● The role of sales in an investment bank ● The role of trading on behalf of: <ul style="list-style-type: none"> ○ The investment bank. ○ Clients of the investment bank. (sell side and buy side) 	
	2.1.3	<p>Research</p> <p>Understand the sale of research services to enable customers to identify opportunities for growth and investment including:</p> <ul style="list-style-type: none"> ○ The issue of new securities. ○ The performance of equities and bonds. ○ Mergers and acquisitions. 	

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	2.1.4	<p>Securitisation</p> <p>Basic understanding of securitisation(The pooling of debts to form a marketable bond).</p> <ul style="list-style-type: none"> • The purpose and key features of: <ul style="list-style-type: none"> ○ Mortgage backed securities ○ Asset backed securities • The risks and benefits of each in different client situations. 	
	2.1.5	<p>The trading of foreign exchange</p> <p>Understand the purpose of trading currencies:</p> <ul style="list-style-type: none"> • To enable trade between countries. • As an investment. <p>The trading of currencies in pairs.</p> <p>Risks and benefits of trading currencies in different client situations.</p>	
	2.1.6	<p>Equities</p> <ul style="list-style-type: none"> • The purpose of and differences between: <ul style="list-style-type: none"> ○ Ordinary shares. ○ Preference shares. • Features of equities: <ul style="list-style-type: none"> ○ The payment of dividends ○ Share price ○ Shareholder rights. ○ Potential relationship between risk and return. • Corporate actions in relation to equities <ul style="list-style-type: none"> ○ rights issue – what it is, its aim and impact on shareholders 	E1, E2, E3, E4 M2

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		<ul style="list-style-type: none"> ○ bonus shares - what it is, its aim and impact on shareholders ○ spin offs - what it is, its aim and impact on shareholders • Gordon Growth model <ul style="list-style-type: none"> ○ Purpose ○ Formula ○ Assumptions ○ Advantages and disadvantages • Trading of equities <ul style="list-style-type: none"> ○ primary and secondary markets. 	
	2.1.7	<p>Bonds Understand the main purpose, risks and benefits of investing in:</p> <ul style="list-style-type: none"> • Corporate bonds <ul style="list-style-type: none"> ○ Secured ○ Unsecured (debentures) • Sovereign market bonds <ul style="list-style-type: none"> ○ Developed markets <ul style="list-style-type: none"> ▪ Fixed interest gilts ▪ Index linked gilts ○ Emerging markets ○ Frontier markets • Key features of bonds - par value, coupon, yield, term to maturity, credit rating, collateral. • Difference between bonds traded on primary and secondary markets. • The difference between investment and non investment grade bonds 	

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		<ul style="list-style-type: none"> • Potential relationship between risk and return for different type of bonds 	
	2.1.8	<p>Sovereign market bonds</p> <p>Understand the main purpose and key features of investing in sovereign market bonds:</p> <ul style="list-style-type: none"> • The types of sovereign market bonds: <ul style="list-style-type: none"> ○ developed markets. ○ emerging markets. ○ frontier markets. • Risks and benefits of sovereign market bonds for different client situations. • Potential relationship between risk and return. 	
	2.1.9	<p>Derivatives</p> <p>Understand the types of derivatives and their key features - interest rate, commodities, currency:</p> <ul style="list-style-type: none"> • Futures. (underlying, strike price, size. exercise price, expiration date, initial margin, marking to market, liquidity, settlement) • Forwards. (underlying, strike price, size. exercise price, expiration date, counterparty risk, timing of cash flows, liquidity, settlement) • Call and put options. (long, short, writer, premium, holder, American options and European options, factors affecting option premiums, in the money, at the money, out of the money) • Swaps – use in hedging • Commodity derivatives - main categories and key features of commodities – energy, metals and agriculture. 	

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		<ul style="list-style-type: none"> • How derivatives are traded: <ul style="list-style-type: none"> ○ Over-the-counter trading. ○ Exchange-traded derivatives. • Distinguish between spot and forward rate • Risks and benefits of using derivatives in different client situations. • Potential relationship between risk and return. 	
	2.1.10	<p>Hedge funds</p> <p>Understand the purpose and key features of hedge funds:</p> <ul style="list-style-type: none"> • Key features: <ul style="list-style-type: none"> ○ availability to investors ○ investment in liquid assets. ○ risk return profile ○ fee structure and high watermark ○ lock up period. • Risks and benefits of hedge funds in different client situations. • Potential relationship between risk and return • Basic understanding of hedge fund strategies - global macro, long short equity, event driven, relative value arbitrage. 	
	2.1.11	<p>Private Equity Fund</p> <p>Understand the purpose and key features of private equity funds:</p> <ul style="list-style-type: none"> • Key features: <ul style="list-style-type: none"> ○ basic knowledge of strategies (venture capital, growth equity, buyout, distressed) ○ structure of private equity funds ○ fee model ○ cashflows And J curve 	

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		<ul style="list-style-type: none">• Risks and benefits relative to developed markets corporate bonds and equities• Uses of private equity funds in portfolio diversification.• Potential relationship between risk and return.	
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<p>S2.1 Conduct a needs analysis to identify customers/clients needs for one or more of the products and services.</p>	<p>2.3</p>	<p>K2.2 Different customers/clients and counterparties' specific characteristics</p>	
	<p>Students should be able to:</p>		
	<p>2.3.1</p>	<p>Understand the characteristics of different types of clients of an investment bank:</p> <ul style="list-style-type: none"> • Corporate clients. • Institutional investors. • Counterparties acting on behalf of their clients . 	<p>E1, E2, E3, E4,</p>
<p>2.3.2</p>	<p>Understand the needs of different types of clients:</p> <ul style="list-style-type: none"> • High net worth individuals seeking advice on investing in the various asset classes. • Corporate clients seeking advice on public equity listing and share issue. • Corporate clients seeking advice on corporate bond issue. • Corporate clients seeking advice on mergers and acquisitions. • Institutional investors requiring investment services which may include advice or be on an execution only basis. • Institutional investors requiring research services. • Counterparties requiring investment services on an execution only basis 		

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<p>S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.</p>	<p>2.3.3</p>	<p>Prepare documents to assist their clients with assessment decisions:</p> <ul style="list-style-type: none"> • Types of documents: <ul style="list-style-type: none"> ○ Portfolio performance report 	<p>E1, E2, E3 M5, M6, M7, M8 D1, D2, D3, D5</p>
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Skill content	Knowledge		
<p>S2.4 Outline the key types of institutions and infrastructure comprising the capital markets.</p> <p>S2.5 Explain how trading can be undertaken in markets or online including how trading decisions can be made by software / algorithms or humans.</p>	<p>2.3</p>	<p>Key financial market infrastructure</p>	
	<p>Students should be able to:</p>		
	<p>2.3.1</p>	<p>Understand the role of an exchange</p> <ul style="list-style-type: none"> • Understand the role and distinguish between the following Exchanges: <ul style="list-style-type: none"> ○ The London Stock Exchange (LSE) ○ The Alternative Investment Market (AIM) ○ ICE Futures Europe ○ London Metal Exchange (LME) ○ Dark pools 	<p>E1, E3, E4.</p>
	<p>2.3.2</p>	<p>Understand what an over-the counter (OTC) market is and how it differs to an exchange: Understand why these are traded over the counter:</p> <ul style="list-style-type: none"> • Bonds. • Derivatives. • Foreign exchange. 	
<p>2.3.3</p>	<p>Understand the role of information providers for investments:</p> <ul style="list-style-type: none"> • Investment bank research analysts. • Stockbrokers. • Asset and wealth managers. 		

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		<ul style="list-style-type: none"> • Trade press – Financial Times and Investors Chronicle. • Information platforms – Refinitiv, Bloomberg and Reuters. 	
	2.3.4	<p>Understand the key features, risks and benefits of trading using the following types of technology:</p> <ul style="list-style-type: none"> • The use of quote-driven systems • The use of order-driven systems • Clearing and central counterparties • Settlement in CREST • Online stockbrokers • Share dealing platforms • Placing trades using algorithms • Robo-advisers 	
S2.6 Identify the competitor landscape	2.3.5	<p>Know the competitor landscape for investors:</p> <ul style="list-style-type: none"> • The role of the following and their relationship to the competitor landscape: <ul style="list-style-type: none"> ○ Investment banks - JP Morgan, Goldman Sachs, BofAML, Deutsche Bank ○ Market makers ○ Trading platforms ○ Execution only services ○ Prime brokers ○ Custodians. 	

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Skill content	Knowledge		English, Maths and Digital skills
<p>S2.1 Conduct a needs analysis to identify customers/clients needs for one or more of the products and services.</p> <p>S2.2 Explain key features of selected products and services to internal and external clients using non-technical language where appropriate.</p> <p>S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.</p> <p>S2.4 Outline the key types of institutions and infrastructure comprising the capital markets.</p> <p>S2.5 Explain how trading can be undertaken in markets or online including how trading decisions can be made by software / algorithms or humans.</p>	2.4	Conveying information to customers and clients	
	Students should be able to		
	2.4.1	Know how to convey written technical information to different audiences <ul style="list-style-type: none"> • Explain products and services to internal and external clients with different investment needs, in writing, in a clear and unambiguous way • Take into account the level and experience of the clients • Use non-technical and technical language correctly using graphics and other tools to aid understanding • Organise ideas logically and coherently • Use appropriate grammar and choice of vocabulary and correct spelling and punctuation 	E1
<p>S2.1 Conduct a needs analysis to identify customers/clients needs for one or more of the products and services.</p> <p>S2.2 Explain key features of selected products and services to internal and</p>	2.4.2	Know how to orally present information and ideas <ul style="list-style-type: none"> • Present information/ideas orally using non-digital and digital tools and other aids • Speak clearly and confidently using appropriate tone and register that reflects audience and purpose • Organise ideas and information logically • Use appropriate grammar and choice of words in oral speech 	E2

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<p>external clients using non-technical language where appropriate.</p> <p>S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.</p>		<ul style="list-style-type: none"> • Provide supporting documentation in different formats • Respond to questions/feedback from colleagues/clients/customers 	
<p>S2.1 Conduct a needs analysis to identify customers/clients needs for one or more of the products and services.</p> <p>S2.2 Explain key features of selected products and services to internal and external clients using non-technical language where appropriate.</p> <p>S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.</p> <p>S2.4 Outline the key types of institutions and infrastructure comprising the capital markets.</p> <p>S2.5 Explain how trading can be undertaken in markets or online including how trading decisions can be made by software / algorithms or humans.</p>	2.4.3	<p>Know how to create texts for internal and external clients:</p> <ul style="list-style-type: none"> • Style reflects type of communication and purpose • Express ideas clearly and concisely • Organise material coherently to suit length and purpose of writing • Use images and other tools to clarify complex information • Provide appropriate level of detail to reflect audience and purpose • Use correct grammar, spelling and punctuation 	E3

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<p>S2.1 Conduct a needs analysis to identify customers/clients needs for one or more of the products and services.</p> <p>S2.2 Explain key features of selected products and services to internal and external clients using non-technical language where appropriate.</p> <p>S2.4 Outline the key types of institutions and infrastructure comprising the capital markets.</p> <p>S2.5 Explain how trading can be undertaken in markets or online including how trading decisions can be made by software / algorithms or humans.</p>	<p>2.4.4</p>	<p>Know how to summarise technical and non-technical information/ideas:</p> <ul style="list-style-type: none"> • Select main ideas/key information from written text and summarise concisely (orally or in writing) in a style appropriate to audience and purpose • Select fact from opinion • Use appropriate technical terms 	<p>E4</p>
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Skill content	Knowledge		English, Maths and Digital skills
	2.5	Using Mathematics	
	Students should be able to		
<p>S2.2 Explain key features of selected products and services to internal and external clients using non-technical language where appropriate. (Equities)</p>	2.5.1	<p>Know how to estimate, calculate and check for errors when analysing data:</p> <ul style="list-style-type: none"> • Use their knowledge of context to find appropriate and approximate solutions to calculations. • Make reasonable approximations for common calculations in context • Judge whether a calculated answer falls within the expected range of solutions by estimation • Use standard methods to calculate more accurate answers to problems • Understand estimation, sources of error and approximation and recognise the impact of these on the accuracy of solutions to problems in applied contexts. 	M2
<p>S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.</p>	2.5.2	<p>Know how to process data</p> <ul style="list-style-type: none"> • Find suitable data and scrutinise it for its relevance to the intended use • Create visual representations of data such as graphs • Input data into databases and validate it. 	M5

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	2.5.3	<p>Understanding data:</p> <ul style="list-style-type: none"> • Use data already gathered to solve problems and represent those solutions using methods such as graphs or dashboards. • Be able to understand how the way in which data is processed affects its validity in different situations and apply judgement within specific contexts as to its appropriate use • Be able to show graphically error, variations in measurements and other secondary information on graphs • Validate data using standard tools • When extrapolating data be able to show and explain how as the extrapolation gets further from the source data it becomes less accurate 	M6
	2.5.4	<p>Representing data with mathematical diagrams:</p> <ul style="list-style-type: none"> • Produce diagrams, charts and tables to summarise key points from data. • Highlight key points within these diagrams to provide evidence for decision making • Understand where specific notation is required on diagrams in line with industry standards 	M7
	2.5.5	<p>Communicate using mathematics:</p> <ul style="list-style-type: none"> • Articulate clearly in both writing and oral presentation to explain mathematical concepts in easily accessible terms. 	M8

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Skill content	Knowledge		English, Maths and Digital skills	
S2.3 Prepare relevant documentation for a customer or client to help them access a product or service that meets their needs.	5.7.	Using digital technology to analyse and present data		
	Students should be able to:			
	5.7.1	Use digital technology effectively: <ul style="list-style-type: none"> Effectively use a range of digital technology, devices, systems, networks, software, and online products and services Access and manage digital information and data effectively and securely Source information and carry out research, using digital technology and media 	D1	
	5.7.2	Creating and editing documents: <ul style="list-style-type: none"> Produce digital content in appropriate media. create digital content incorporating a range of information (such as texts, tables graphics and charts) 	D2	
	5.7.3	Processing and analysing data: <ul style="list-style-type: none"> Process, and analyse information and data effectively and securely using relevant digital tools. Use digital tools to gather, model, interrogate and quality assure information and data. Interrogate data sources for specific information. Accurately summarise the findings. Demonstrate understanding of key issues, tools and techniques relating to data processing (algorithms, automation, “big data”, analytics, and artificial intelligence) 	D3	
5.7.4	Be safe and responsible online: <ul style="list-style-type: none"> Operate effectively and responsibly with digital technology and data, with appropriate data management and systems, networks, and software security measures 	D5		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

Skills	Knowledge		English, Maths and Digital skills	
	3.1	The Asset and Wealth Management Industry		
	Students should be able to understand:			
	3.1.1	How the asset and wealth management industry operates, using digital technology to: <ul style="list-style-type: none"> • Provide clients with investment platforms. • Provide information on investment opportunities, funds and asset and wealth management products to clients. • Enable clients to make investments and changes to those investments. 		
	3.1.2	How the asset and wealth management industry generates value for: <ul style="list-style-type: none"> • Customers and clients through providing advice based on their financial needs/situation, enabling them to invest in vehicles other than cash deposits. • Wider society through the generation of wealth for individuals. • Wider society through the indirect investment in businesses. 		
3.1.3	How the asset and wealth management industry fits with the industry and dependencies and interacts with the rest of the financial sector: <ul style="list-style-type: none"> • The interaction of fund and asset managers with investment banks. • The interaction of fund and asset managers with international asset markets. • The differences of interaction of fund and asset managers with the wider economy in times of economic growth and recession. 			

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	3.2	The role, functions and the business models of the service providers in the sector	
Students should be able to understand:			
3.2.1	The business models in respect of a private bank: <ul style="list-style-type: none"> • Types of clients. • Ownership of the bank. • The services offered by the bank. • Profit generation for owners. 		
3.2.2	The business models in respect of independent financial advisors: <ul style="list-style-type: none"> • What the term “independent” means. • The advice services they are able to provide to clients. • They ways in which they are remunerated. 		
3.2.3	The business models in respect of investment advisors / consultants: <ul style="list-style-type: none"> • The individuals and organisations who might appoint an investment consultant. • The research services they are able to provide to their clients. • The advice services they are able to provide to their clients. 		
3.2.4	The business models in respect of investment administrators: <ul style="list-style-type: none"> • The need for and importance of investment administrators. • The organisations who might make use of the services of an investment administrator. 		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

		<ul style="list-style-type: none"> The administration, legal and compliance services an administrator can provide. The customer service function a third party administrator can provide to fund managers. 	
	3.2.5	<p>The business models in respect of fund managers:</p> <ul style="list-style-type: none"> The need for and importance of fund managers The individuals and institutional investors who might use the services of a fund manager 	

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

<p>S3.2 Explain key features of selected products and services within asset and wealth management to internal and external customers/clients using non-technical language where appropriate</p>	<p>3.3</p>	<p>Investment funds including what the fund was set up to do, the purpose of the funds, why the funds are there and how they got there</p>	
	<p>Students should be able to understand:</p>		
	<p>3.3.1</p>	<p>Mutual (collective) funds:</p> <ul style="list-style-type: none"> • What is meant by a collective fund. • The investment aim of the funds. • The investors who might choose to invest in these funds. • The purpose for which the investors invest in these funds. 	<p>E1, E2, E3, E4, M4, M6</p>
	<p>3.3.2</p>	<p>Pension funds:</p> <ul style="list-style-type: none"> • What is meant by a pension fund. • The investment aim of the funds. • The investors who might choose to invest in these funds. • The purpose for which the investors invest in these funds. • The tax advantages which the government gives to pension funds and the reasons for this. 	
	<p>3.3.3</p>	<p>Private endowments:</p> <ul style="list-style-type: none"> • What is meant by private endowments. • How funds are created. • The investment aim of the funds. • The individuals who might choose to set up the endowments. • The purposes for which private endowments are created. 	
<p>3.3.4</p>	<p>A fund of funds:</p> <ul style="list-style-type: none"> • what is meant by a fund of funds. • How a manager decides which funds to invest in. • The investment aim of the funds. 		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

		<ul style="list-style-type: none"> • The investors who might choose to invest in these funds. • The purpose for which the investors invest in these funds.
	3.3.5	<p>Pre-selected funds</p> <ul style="list-style-type: none"> • What is meant by a pre-selected fund also referred to by names including: Blended, Ready-Made and Hand-Picked • The reason why wealth managers offer these to clients. • The investors who might choose to invest in these funds. • The purpose for which investors invest in these funds.
	3.3.6	<p>Sovereign wealth funds:</p> <ul style="list-style-type: none"> • What is meant by sovereign wealth funds. • The investment aim of the funds. • The investors who might choose to invest in these funds. • The purpose for which the investors invest in these funds.
	3.3.7	<p>Venture capital trusts:</p> <ul style="list-style-type: none"> • What is meant by venture capital trusts. • The investment aim of the funds. • The investors who might choose to invest in these funds. • The purpose for which the investors invest in these funds. • The tax advantages which the government provides to investors in these funds and the reasons for these.

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	<p>3.4</p>	<p>Different standpoints within the asset and wealth management sector</p>	
<p>Students should be able to understand:</p>			
	<p>3.4.1</p>	<p>Which parties are on the buy side of securities and which are on the sell side:</p> <p>Buyers of securities:</p> <ul style="list-style-type: none"> • Individuals. • Investment and fund managers. • Pension funds. • Hedge funds. <p>Sellers of securities:</p> <ul style="list-style-type: none"> • Corporations which are the issuer of the securities. • Investment banks. • Investment advisory firms. 	
	<p>3.4.2</p>	<p>The differences between active and passive investing:</p> <p>Active investing:</p> <ul style="list-style-type: none"> • What is meant by active investing • The advantages and disadvantages of active investing <p>Passive investing:</p> <ul style="list-style-type: none"> • What is meant by passive investing • The operation of exchange traded funds • The advantages and disadvantages of passive investing 	

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

<p>S3.2 Explain key features of selected products and services within asset and wealth management to internal and external customers/clients using non-technical language where appropriate</p> <p>S3.5 Perform calculations and check for accuracy in given wealth management product and services and pension products.</p>	<p>3.5</p>	<p>Products and services within asset and wealth management and their key features</p>	
	<p>Students should be able to understand:</p>		
	<p>3.5.1</p>	<p>Unit trusts:</p> <ul style="list-style-type: none"> • What is meant by a unit trust • The underlying legal structure • The range of funds available • Pricing of units • Charges – initial and annual management (AMC) 	<p>E1, E2, E3, E4. M6.</p>
	<p>3.5.2</p>	<p>Open-ended investment companies (OEICS):</p> <ul style="list-style-type: none"> • What is meant by OEICS • The underlying legal structure • The range of funds available • Pricing of units • Charges – initial and annual management (AMC) 	
<p>3.5.3</p>	<p>Investment trusts:</p> <ul style="list-style-type: none"> • What is meant by investment trusts. • The underlying legal structure. • The range of funds available. • Pricing of units. • Charges – initial and annual management (AMC) 		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	3.5.4	<p>The portfolio services offered by asset and wealth managers:</p> <ul style="list-style-type: none"> • Provision of research and expertise. • Tailored solutions for HNW clients. • Discretionary fund management. • Ongoing monitoring of investment performance. 	
	3.5.5	<p>The services offered by private banks for asset and wealth management:</p> <ul style="list-style-type: none"> • Managed investment portfolios. • Advisory investment portfolios. • Management of trusts and foundations. 	
	3.5.6	<p>The key features of pension funds:</p> <ul style="list-style-type: none"> • What is meant by a pension fund. • The underlying legal structure. • The range of funds available. • Charges – initial and annual management (AMC) • Tax advantages. 	
	3.5.7	<p>The key features of pension products:</p> <ul style="list-style-type: none"> • What is meant by a pension product. • Personal pension plans: <ul style="list-style-type: none"> ○ Stakeholder personal pensions. • Self-invested personal pension plans (SIPPS). 	

Performance Outcome 3 : Explain products and services in asset and wealth management to internal and external customers/clients

	3.5.8	<p>The key features of insurance company investment bonds:</p> <ul style="list-style-type: none"> • That a bond is technically a whole of life policy • Investment can be selected from a number of funds • Withdrawals of up to 5% of investment can be taken tax deferred • Frequently written in Trust to benefit others • Charges – initial and annual management (AMC) 	
	3.5.9	<p>How asset and wealth management products and services can support tax planning:</p> <ul style="list-style-type: none"> • What meant by is tax planning. • The benefits of tax planning. • Tax wrappers for income and growth of Individual Savings Account (ISA) investments. • Tax advantages of investing in venture capital companies and funds. • The placing of investments in trusts for inheritance tax planning purposes. 	

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

<p>S3.1 Conduct a needs analysis to identify customers' /clients' financial needs for wealth or asset management products and services.</p>	<p>Additional knowledge to meet required skills</p>	<p>Conduct a needs analysis for a client / customer</p>	
	<p>Students should be able to:</p>		
		<p>Carry out a needs analysis for a customer:</p> <ul style="list-style-type: none"> • Identify the customer's available budget for investment. • Recognise the customer's financial planning and investment priorities. • Take into account their age and personal situation. • Recognise the customer's stage in the financial lifecycle. • Take into account the customer's previous experience of investing. • Calculate the growth level needed to achieve customer financial targets and checking for errors. 	<p>E1, E2, E3, E4. M2</p>

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

S3.3 Prepare relevant documentation	Additional knowledge to meet required skills	Prepare relevant documentation	
	Students should be able to:		
		Prepare documents: <ul style="list-style-type: none"> • A suitability report for a retail client. • A paper - a written account of research and any observations and recommendations 	E1, E2, E3, E4, E5. M5, M6, D3

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

Skill content	Knowledge		English, Maths and Digital skills
<p>S3.4 Identify customers'/ clients' available retirement options and income needs at retirement</p> <p>S3.5 Perform calculations and check for accuracy in given wealth management product and services pension products.</p>	3.6	Retirement options	E1, E2, E3, E4, M2, M5, M6, M8 D3
	Students should be able to understand:		
	3.6.1	How to ascertain a client's required income in retirement: <ul style="list-style-type: none"> • Determine pre-retirement income. • Determine any savings which will be made on retirement. • Determine any extra spending which will be required post-retirement. • Establish any other income in retirement other than from pension fund – State pension, income from investments. • Calculate income required from pension fund. 	
	3.6.2	The option to use a pension fund to purchase an annuity: <ul style="list-style-type: none"> • Key features of annuities. • The customers who might choose to purchase an annuity. • The advantages and disadvantages of annuities. 	
3.6.3	The option to fully encash a pension fund: <ul style="list-style-type: none"> • A percentage of fund will be free of tax. • Key features of encashing pension fund. • Advantages and disadvantages of encashing a pension fund. 		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	3.6.4	The option to set up a pension drawdown arrangement: <ul style="list-style-type: none"> • A percentage of fund will be free of tax. • Key features of pension drawdown arrangements. • Advantages and disadvantages of pension drawdown arrangements. 	
	3.6.5	The option to draw lump sums from a pension fund: <ul style="list-style-type: none"> • Key features of drawing lump sums from a pension fund. • Advantages and disadvantages of drawing lump sums from a pension fund. 	
	3.7	An awareness of the regulatory and legislative environment for retirement planning	
	Students should be able to:		
	3.7.1	Understand the changes introduced by the Pensions Act 2014: <ul style="list-style-type: none"> • State retirement age. • Rules for autoenrollment. • Opting in and opting out. • Minimum levels of contribution. 	
	3.7.2	Know the maximum levels of pension fund and contributions: <ul style="list-style-type: none"> • Permitted contribution levels. • Lifetime allowance for current tax year. 	

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	3.8	Different types of pension arrangements	
	Students should be able to understand:		
	3.8.1	The main feature of a defined benefit pension: <ul style="list-style-type: none"> • Key features of a defined benefit pension. • Advantages and disadvantages of a defined benefit pension. 	E1, E2, E3, E4. M5, M6, M8.
	3.8.2	The main features of a defined contribution pension: <ul style="list-style-type: none"> • Key features of a defined contribution scheme. • Advantages and disadvantages of a defined contribution pension. 	

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

Skill content	Knowledge		English, Maths and Digital skills	
<p>S3.1 Conduct a needs analysis to identify customers' /clients' financial needs for wealth or asset management products and services.</p> <p>S3.2 Explain key features of selected products and services within asset and wealth management to internal and external customers/clients using non-technical language where appropriate</p> <p>S3.3 Prepare relevant documentation</p> <p>S3.4 Identify customers'/ clients' available retirement options and income needs at retirement</p>	3.9	Conveying information to customers		
	Students should be able to:			
	3.9.1	Convey technical information to different audiences <ul style="list-style-type: none"> • Give explanations to others, both orally and in writing, in a clear and unambiguous way taking into account the level and experience of the audience and the purpose • Use technical language correctly using graphics and other tools to aid understanding • Organise ideas logically and coherently • Ask questions to test understanding • Respond to questions of audience/client/customer/colleague • Use appropriate grammar and choice of vocabulary and correct spelling and punctuation 		E1
	3.9.2	Present information and ideas: <ul style="list-style-type: none"> • Present information/ideas orally using non-digital and digital tools • Speak clearly and confidently using appropriate tone and register that reflects audience and purpose • Organise ideas and information logically • Use appropriate grammar and choice of words in oral speech • Provide supporting documentation in different formats 		E2
3.9.3	Create texts for different audiences: <ul style="list-style-type: none"> • Style reflects the type of communication and purpose • Express ideas clearly and concisely • Organise material coherently to suit length and purpose of writing • Use images and other tools to clarify complex information 		E3	

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

		<ul style="list-style-type: none"> • Provide the appropriate level of detail to reflect audience and purpose 	
	3.9.4	Summarise technical and non-technical information/ideas <ul style="list-style-type: none"> • Select main ideas/key information from written text and summarise concisely (orally or in writing) in style appropriate to audience and purpose • Use appropriate technical terms 	E4
	3.9.5	Synthesise information from different sources: <ul style="list-style-type: none"> • Select different sources to gather information for a particular purpose • Read, understand and synthesise information to suit audience and purpose 	E5

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Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

Skill content	Knowledge		English, Maths and Digital skills	
<p>S3.1 Conduct a needs analysis to identify customers' /clients' financial needs for wealth or asset management products and services.</p> <p>S3.2 Explain key features of selected products and services within asset and wealth management to internal and external customers/clients using non-technical language where appropriate</p> <p>S3.3 Prepare relevant documentation</p> <p>S3.4 Identify customers'/ clients' available retirement options and income needs at retirement</p>	<p>3.10</p>	<p>Using Mathematics to identify appropriate products and services for clients</p>		
	<p>Students should be able to:</p>			
	<p>3.10.1</p>	<p>Use rules and formulae:</p> <ul style="list-style-type: none"> Choose when particular formulae are relevant to a situation Use formulae to process data Identify the limitations of particular formulae to understand if they provide accurate or approximate answers 		<p>M4</p>
	<p>3.10.2</p>	<p>Process data:</p> <ul style="list-style-type: none"> Find data and scrutinise it for its relevance to the intended use Create visual representations of data such as graphs Input data into databases and validate it 		<p>M5</p>
	<p>3.10.3</p> <p>Understand data:</p> <ul style="list-style-type: none"> Use data already gathered to solve problems and represent those solutions using methods such as graphs or dashboards Understand how the way in which data is processed affects its validity in different situations and apply judgement within specific contexts as to its appropriate use show graphically error, variations in measurements and other secondary information on graphs Validate data using standard tools When extrapolating data be able to show and explain how as the extrapolation gets further from the source data it becomes less accurate. 	<p>M6</p>		

Performance Outcome 3: : Explain products and services in asset and wealth management to internal and external customers/clients

	3.10.4	Communicate using mathematics: <ul style="list-style-type: none"> Articulate themselves clear in both writing and oral presentation so that they can explain mathematical concepts in easily accessible terms. 	M8
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Skill content	Knowledge		English, Maths and Digital skills
S3.3 Prepare relevant documentation	3.11	Using digital technology to process and analyse data	English, Maths and Digital skills
Students should be able to:			
S3.4 Identify customers'/ clients' available retirement options and income needs at retirement S3.5 Perform calculations and check for accuracy in given wealth management product and services pension products.	3.11.1	Process and analyse data: <ul style="list-style-type: none"> Process and analyse information and data effectively and securely, using relevant digital tools Use digital tools to gather, model, interrogate and quality assure information and data Demonstrate understanding of key issues, tools and techniques relating to data processing 	

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Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

Skill content	Knowledge		English, Maths and Digital skills	
S4.1 Evaluate the level of risk of selected products and services for internal / external customers / clients.	4.1	The concept of investment risk for individuals and corporate investors		
	Students should be able to:			
	4.1.1	Understand why an individual might take investment risk to: <ul style="list-style-type: none"> • Provide them with an additional income. • Make funds available for a particular financial target – retirement, house purchase, supporting children through university. • Increase their overall wealth. 	E1, E2, E3, E4.	
	4.1.2	Understand why a business or institution might take investment risk to: <ul style="list-style-type: none"> • Provide an additional income to the organisation. • Make funds available for a particular financial target – pension fund, purchase of a property. • Increase the overall wealth of the business or institution. 		
4.1.3	Know how to assess investment risk to internal and external customers in terms of: <ul style="list-style-type: none"> • The possibility of loss versus the potential for an investment return. • The broad principle of the higher the risk taken, the greater the potential return. • The taking of investment risk to outperform prevailing interest rates and/or rate of inflation. 			

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

<p>S4.2 Explain potential risks and benefits of selected products and services for consideration to internal and external customers/clients orally and in writing.</p>	<p>4.2</p>	<p>The key risks involved in different products and services for individuals and corporate investors</p>	
	<p>Students will be able to understand:</p>		
	<p>4.2.1</p>	<p>The risks which corporate investors and individuals take when investing directly in:</p> <ul style="list-style-type: none"> • Sovereign markets. • Securitisation. • Foreign exchange. • Commodities. • Equities. • Fixed income corporate bonds and gilts. • Derivatives – futures, forwards, swaps, options. • Hedge funds. • Private equity. 	<p>E1, E2, E3, E4. M6, M8.</p>
<p>4.2.2</p>	<p>The risks which individual investors take when investing in collective investment products:</p> <ul style="list-style-type: none"> • Units trusts and open-ended investment companies (OEICs). • Investment trusts. • Insurance company bonds. • Venture Capital Trusts (VCTs). • Exchange traded funds. • Index tracker funds. 		

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.3	The key risks involved in primary and secondary markets	
	Students should be able to undertake:		
	4.3.1	The main risks presented by investing in the primary markets for: <ul style="list-style-type: none"> • Equities. • Fixed income corporate bonds and gilts. • Derivatives. 	E1, E2, E3, E4, M6, M8.
4.3.2	The main risks presented by investing in the secondary markets for: <ul style="list-style-type: none"> • Equities. • Fixed income corporate bonds and gilts. • Commodities. • Derivatives . 		

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Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.4	The key principles of risk management	
Students will be able to understand:			
	4.4.1	<p>The different types of risk and how each of these can be controlled and mitigated:</p> <ul style="list-style-type: none"> • Credit risk. <ul style="list-style-type: none"> ○ credit control policies • Market risk. <ul style="list-style-type: none"> ○ diversification of investments geographically and by sector • Operational risk. <ul style="list-style-type: none"> ○ robust training, management, security and IT policies • Liquidity risk. <ul style="list-style-type: none"> ○ ring-fencing funds to ensure obligations can be met • Counterparty risk. <ul style="list-style-type: none"> ○ policies to trade only with highly rated counterparties • Modelling risk. <ul style="list-style-type: none"> ○ ensure accurate model used with no data or calibration errors. 	E1, E2, E3, E4.

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.5	Risk appetite and capability and how to gauge it including the differences between the individual and corporate bodies	
Students will be able to understand:			
	4.5.1	<p>How to carry out a risk profiling exercise:</p> <ul style="list-style-type: none"> • Using a suitable risk profiling questionnaire. • For individual, retail clients. • For corporate clients. 	E1, E2, E3, E4, E5 M1, M4, M5, M6 D1, D5
	4.5.2	<p>How to set a risk rating scale for a client:</p> <ul style="list-style-type: none"> • Risk rating 1-2 is low attitude to risk • Risk rating 3 is low to medium attitude to risk • Risk rating 4-5 is medium attitude to risk • Risk rating 6 is medium to high attitude to risk • Risk rating 7 is high attitude to risk 	
	4.5.3	<p>The concepts for an individual of:</p> <ul style="list-style-type: none"> • Risk appetite. • Capability with regards to understanding their investment decisions and the products invested in. • Capacity for loss. 	

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.5.4	The concepts for a corporate investor of: <ul style="list-style-type: none">• Risk appetite.• Capability with regards to understanding their investment decisions and the products invested in.• Capacity for loss.	
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Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.6	The investment needs of individuals at different life stages	
	Students should be able to understand:		
	4.6.1	The changing investment needs of a retail customer at different life stages: <ul style="list-style-type: none"> • and early career years. • Family and career building years. • Pre-retirement years. • Retirement years. 	E1, E2, E3, E4.
	4.7	The investment and financing needs of institutional / corporate clients at different stages	
	Students should be able to understand:		
	4.7.1	The changing finance and investment needs of an institutional client at different funding stages: <ul style="list-style-type: none"> • Seed stage. • Start-up stage. • Growth stage. • Established stage. • Expansion stage. • Decline stage. • Exit stage. 	E1, E2, E3, E4.

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

4.8	Product risk control and governance	
Students should be able to understand:		
4.8.1	The process of risk control: <ul style="list-style-type: none"> • Risk identification. • Risk analysis. • Risk treatment. • Risk reporting. 	E1, E2, E3, E4, M6 D1, D5.
4.8.2	How risk control can be applied to: <ul style="list-style-type: none"> • Financing by investment banks. • An investment product. 	
4.8.3	Internal risk control using policies and procedures within: <ul style="list-style-type: none"> • An investment bank. • An asset manager. • A wealth management firm. 	

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Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

Skill content	Knowledge		English, Maths and Digital skills	
	4.9	Monitoring a client's assets and portfolio		
	Students should be able to understand how to:			
	4.9.1	<ul style="list-style-type: none"> • Obtain up to date valuations of a client's assets and/or investment products within their portfolio. • Compare current valuations with previous values. • Benchmark current valuations and performance against similar funds. • Benchmark current valuations and performance against relevant indices. • Benchmark current valuations and performance against projections and client expectations. • Report to client on performance and value of total portfolio of assets. 	E1, E2, E3, E4. M1, M4, M5, M6 D1, D4, D5	

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Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

S4.3 Measure performance of a client's portfolio	4.10	The risks in a portfolio and how to measure and manage them	
	Students should be able to understand how to:		
	4.10.1	<ul style="list-style-type: none"> Identify the risks present within a portfolio of assets and/or investment products Compare a portfolio of investments with the client's risk appetite Rebalance a portfolio to ensure it remains within a client's risk profile 	E1, E2, E3, E4. M1, M4, M5, M6 D1, D5
S4.4 Prepare relevant documentation	New knowledge content	Relevant documentation for the management of investment risk	
	Students should be able to:		
		Know the required contents for: <ul style="list-style-type: none"> A portfolio performance report A large exposure report A credit line assessment A risk register 	E1, E2, E3, E4. M1, M4, M5, M6. D1, D2, D5.

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

Skills	Knowledge		English, Maths and Digital Skills
<p>S4.1 Evaluate the level of risk of selected products and services for internal / external customers / clients.</p>	New knowledge content	Conveying information about risk to clients	
	Students should be able to.		
<p>S4.2 Explain potential risks and benefits of selected products and services for consideration to internal and external customers/clients orally and in writing.</p> <p>S4.3 Measure performance of a client's portfolio</p>	4.11.4	Convey technical information to different audiences <ul style="list-style-type: none"> • Give explanations to others, both orally and in writing, in a clear and unambiguous way taking into account the level and experience of the audience and the purpose • Use technical language correctly using graphics and other tools to aid understanding • Organise ideas logically and coherently • Ask questions to test understanding • Respond to questions of audience/client/customer/colleague • Use appropriate grammar and choice of vocabulary and correct spelling and punctuation 	E1
<p>S4.4 Prepare relevant documentation</p>	4.11.4	Present information and ideas: <ul style="list-style-type: none"> • Present information /ideas orally using non-digital and digital tools and other aids • Speak clearly and confidently using appropriate tone and register that reflects audience and purpose • Organise ideas and information logically • Use appropriate grammar and choice of words in oral speech • Provide supporting documentation in different formats • Respond to questions/feedback from colleagues/clients/customers 	E2

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

	4.11.5	Create texts for different audiences and purposes: <ul style="list-style-type: none"> • Style reflects the type of communication and purpose • Express ideas clearly and concisely • Organise material coherently to suit length and purpose of writing • Use images and other tools to clarify complex information • Provide the appropriate level of detail to reflect audience and purpose. 	E3
	4.11.6	Summarise technical and non-technical information/ideas <ul style="list-style-type: none"> • Select main ideas/key information from written text and summarise concisely (orally or in writing) in style appropriate to audience and purpose • Select fact from opinion • Use appropriate technical terms. 	E4

Skills	Knowledge		English, Maths and Digital Skills
S4.1 Evaluate the level of risk of selected products and services for internal / external customers / clients.	New knowledge content	Using mathematics to assess and communicate risk	
	Students should be able to.		
S4.2 Explain potential risks and benefits of selected products and services for consideration to internal and external customers/clients orally and in writing.	4.12.1	Measure risk with precision: <ul style="list-style-type: none"> • Use raw and processed data to measure risk • Understand how cumulative errors effect values in processing and precision • Critically interpret calculator or spreadsheet displays 	M1
	4.12.2	Use rules and formulae: <ul style="list-style-type: none"> • Choose when particular formulae are relevant to a situation 	M4

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

<p>S4.3 Measure performance of a client's portfolio</p>		<ul style="list-style-type: none"> • Use relevant formulae to calculate answers • Identify the limitations of particular formulae to understand if they provide accurate or approximate answers 	
<p>S4.4 Prepare relevant documentation</p>	<p>4.12.3</p>	<p>Process data:</p> <ul style="list-style-type: none"> • Find data and scrutinise it for its relevance to the intended use • Create visual representations of data such as graphs • Input data into databases and validate it. 	<p>M5</p>
	<p>4.12.4</p>	<p>Understand data:</p> <ul style="list-style-type: none"> • Use data already gathered to solve problems and represent those solutions using methods such as graphs or dashboards • Be able to understand how the way in which data is processed affects its validity in different situations and apply judgement within specific contexts as to its appropriate use • Be able to show graphically error, variations in measurements and other secondary information on graphs • Validate data using standard tools • When extrapolating data be able to show and explain how as the extrapolation gets further from the source data it becomes less accurate 	<p>M6</p>
	<p>4.12.5</p>	<p>Communicate using mathematics:</p> <ul style="list-style-type: none"> • Articulate themselves clearly in both writing and oral presentation so that they can explain mathematical concepts in easily accessible terms. 	<p>M8</p>

Performance Outcome 4: Apply principles of risk management in investment banking and asset and wealth management

Skills	Knowledge		English, Maths and Digital Skills
S4.1 Evaluate the level of risk of selected products and services for internal / external customers / clients.	New knowledge content	Analyse data to predict risk	
	Students should be able to.		
S4.2 Explain potential risks and benefits of selected products and services for consideration to internal and external customers/clients orally and in writing.	4.13.1	Use digital technology effectively: <ul style="list-style-type: none"> • Access and manage digital information and data effectively and securely • Source information and carry out research, using digital technology and media 	D1
S4.3 Measure performance of a client's portfolio	4.13.2	Process and analyse data: <ul style="list-style-type: none"> • Process and analyse information and data effectively and securely, using relevant digital tools • Use digital tools to gather, model, interrogate and quality assure information and data • Demonstrate understanding of key issues, tools and techniques relating to data processing 	D3
S4.4 Prepare relevant documentation	4.13.3	Be safe and responsible online: <ul style="list-style-type: none"> • Operate effectively and responsibly with digital technology and data, with appropriate data management and systems, networks, and software security measures • Demonstrate understanding of the potential implications, risks, and issues relating to the use of contemporary digital technologies (personally, socially, politically and economically). 	D5

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills	
<p>S5.1 Collect and collate financial information and data from a range of sources</p>	<p>5.1</p>	<p>Research markets and Data Collection</p>		
	<p>Students should be able to:</p>			
	<p>5.1.1</p>	<p>Understand how to research financial markets, selecting and using appropriate secondary market research:</p> <ul style="list-style-type: none"> • To understand the needs of existing and potential clients and counterparties. • To identify competitors and competitor actions in the marketplace. • To identify investment products for client portfolios. • To identify market demand. 		<p>M5, M6, M7, M8 D1, D2, D4, D5</p>
<p>5.1.2</p>	<p>Understand how to carry out research:</p> <ul style="list-style-type: none"> • Identify reliable sources. • Check to ensure that data and information collected is authentic. • Check to ensure that data and information collected is accurate. • Ensure that, where possible, data and information is cross-checked to other sources. • Ensure that the data and information collected is sufficient for the purpose it is required for. 			

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Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

	5.1.3	<p>Collect and collate data from a range of sources:</p> <ul style="list-style-type: none"> • Company websites. • Companies House website. • London Stock Exchange. • Office for National Statistics (ONS). • Government publications. • News updates and press releases. • Financial data providers. • Debt Management Office. • Bank of England. 	
	5.1.4	<p>Collect and collate data from different data sets:</p> <ul style="list-style-type: none"> • Share prices. • Company sales, profits and earnings. • Performance (investment returns) of investment products. • Performance (investment returns) of benchmarks and market indices. • Bond yields. • Asset valuations. • GDP growth rates. • Inflation rates. • Interest rates. • Exchange rates. 	

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills	
<p>S5.4 Examine large volume of data and establish trends and find patterns</p> <p>S5.5 Test data to check for errors or invalid results</p> <p>S5.3 Select and use appropriate tools to perform analysis</p>	5.2	The different ways of analysing and reporting data		
	Students should be able to			
	5.2.1	Examine large volumes of data to: <ul style="list-style-type: none"> • Check for duplicate data. • Sense check data for invalid entries. • Check for incorrect assumptions. 		M2 M5 M6, M7, M8 D1, D2, D3 D5
	5.2.2	Select and use appropriate tools when presenting and analysing data: <ul style="list-style-type: none"> • Charts. • Spreadsheets. • Tables. • Software – word processing, presentation, spreadsheet software. 		
5.2.3	Select and use the appropriate chart when presenting data: <ul style="list-style-type: none"> • Bar chart. • Pie chart. • Line graphs. • Scatter plots. 			

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

<p>S5.2 Manipulate data to come to a conclusion, and make a recommendation on investment decisions</p>	<p>5.2.4</p>	<p>Analyse data:</p> <ul style="list-style-type: none"> • To identify any patterns and trends. • Relative to benchmarks. • Relative to historical data. • Relative to peer group data. • Relative to sector benchmarks. • To calculate price to earnings ratio, dividend yield, earnings per share, return on equity and bond yield. <p>Evaluate:</p> <ul style="list-style-type: none"> • The advantages and limitations of ratio analysis. • The advantages and limitations of comparisons relative to benchmarks and peer groups. 	
	<p>5.2.5</p>	<p>Evaluate forecast data:</p> <ul style="list-style-type: none"> • Extrapolation. • Scenario analysis and stress testing. • Carry out forecasting - calculate an estimated growth rate for dividends using historic data. • Evaluate the limitations of forecasting. 	

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Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills	
S5.6 Prepare an internal client investment report	5.3.	Management Reports for Internal Review		
	Students should be able to:			
	5.3.1	Explain how the organisation/company generates income through: <ul style="list-style-type: none"> • Selling research to investors. • Asset management. • Brokerage – helping clients trade with each other. • Debt and equity financing. • Investing own money in companies/projects. • Corporate finance – advising clients on mergers and acquisitions and initial public offerings. • New product development. 	E1, E3, E4, E5. M2 M5 M6 M7 M8 D1, D2, D3	
5.3.2	Carry out analysis of internal management data: <ul style="list-style-type: none"> • Client activity. • Sales performance. • Income and fees generated. • Assets under management. • Draw conclusions from the management information analysis and produce reports for internal management using a variety of visualisation and presentation techniques. 			

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills	
	5.4.	Client Servicing and Reporting		
	Students should be able to:			
	5.4.1	Explain the three methods of portfolio valuation: <ul style="list-style-type: none"> • Market. • Cash. • Income. • Calculate a portfolio valuation for a client given asset holding valuations. • Explain why pension funds are concerned about both the valuation of assets and liabilities. 	E1, E2, E3, E4, E5. M2 M4 M5 M6 M7 M8. D1, D2, D4.	
	5.4.2	Provide a breakdown of costs to meet MiFID II rules for fee transparency: <ul style="list-style-type: none"> • Ongoing fees – management, administration custody and audit costs. • Hidden fees - transaction costs (the cost of buying and selling a portfolio's investments) and taxes. • Performance fees. 		
5.4.3	Undertake client servicing: <ul style="list-style-type: none"> • Explain the benefits to clients of investing via an investment fund • Describe what an annual assessment of value • Identify the best suitable investment solutions to suit different needs of clients based on affordability and attitude to risk • Recommend changes to portfolios based on market trends 			

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

<p>S5.7 Prepare a report which captures significant changes to an investment portfolio as instructed by a client</p> <p>S5.8 Sense check information and options. Review changes and trends and be able to arrive at insightful conclusions</p> <p>S5.9 Draw conclusions from analysis and interrogation of data and other financial information</p> <p>S5.10 Present findings to internal and external clients both verbally and in writing using a variety of visualisation and presentation techniques</p>	<p>5.4.4</p>	<p>Produce client reporting:</p> <ul style="list-style-type: none"> • Prepare reports for clients using a variety of visualisation and presentation techniques such as word, power point and excel showing portfolio valuations and analysis of their investment portfolio. • Prepare a report which captures significant changes to an investment portfolio as instructed by a client.
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Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills	
S5.6 Prepare an internal client investment report	5.5.	Conveying information to clients		
	Students should be able to:			
	5.5.1	Know how to convey technical information to different audiences <ul style="list-style-type: none"> • Give explanations to others, both orally and in writing, in a clear and unambiguous way taking into account the level and experience of the audience and the purpose • Use technical language correctly using graphics and other tools to aid understanding • Organise ideas logically and coherently • Ask questions to test understanding • Respond to questions of audience/client/customer/colleague • Use appropriate grammar and choice of vocabulary and correct spelling and punctuation 	E1	
	5.5.2	Know how to present information and ideas: <ul style="list-style-type: none"> • Present information/ideas orally using digital tools • Speak clearly and confidently using appropriate tone and register that reflects audience and purpose • Organise ideas and information logically • Use appropriate grammar and choice of words in oral speech • Provide supporting documentation in different formats 	E2	
	5.5.3	Summarise technical and non-technical information/ideas <ul style="list-style-type: none"> • Select main ideas/key information from written text and summarise concisely (orally or in writing) in style appropriate to audience and purpose • Use appropriate technical terms correctly 	E4	
5.5.4	Synthesise information from different sources:	E5		

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

		<ul style="list-style-type: none">• Select different sources to gather information for a particular purpose• Read, understand and synthesise information in a way that suits the audience and purpose.	
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Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

Skill content	Knowledge		English, Maths and Digital skills
<p>S5.1 Collect and collate financial information and data from a range of sources</p>	5.6.	Using mathematics to analyse and interpret data	
	Students should be able to:		
<p>S5.3 Select and use appropriate tools to perform analysis</p> <p>S5.4 Examine large volume of data and establish trends and find patterns</p> <p>S5.5 Test data to check for errors or invalid results</p>	5.6.1	Estimate, calculate and check for errors when analysing data: <ul style="list-style-type: none"> • Make reasonable approximations for common calculations in context. • Judge whether a calculated answer falls within the expected range of solutions by estimation • Use standard methods to calculate more accurate answers to problems. 	M2
<p>S5.6 Prepare an internal client investment report</p> <p>S5.7 Prepare a report which captures significant changes to an investment portfolio as instructed by a client</p>	5.6.2	Use rules and formulae: <ul style="list-style-type: none"> • Use formulae to calculate answers • Choose when particular formulae are relevant to a situation • Identify the limitations of particular formulae to understand if they provide accurate or approximate answers. 	M4
<p>S5.8 Sense check information and options. Review changes and trends and be able to arrive at insightful conclusions</p>	5.6.3	Process data: <ul style="list-style-type: none"> • Find data and scrutinise it for its relevance to the intended user • Create visual representations of data such as graphs • Input data into databases and validate it. • Manage and maintain data sources and databases to ensure their continued relevance. 	M5
<p>S5.9 Draw conclusions from analysis and interrogation of data and other financial information</p> <p>S5.10 Present findings to internal and external clients both verbally and in writing using a variety of visualisation and</p>	5.6.4	Understand data: <ul style="list-style-type: none"> • Use data already gathered to solve problems and represent those solutions using methods such as graphs or dashboards • understand how the way in which data is processed affects its validity in different situations and apply judgement within specific contexts as to its appropriate use 	M6

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

presentation techniques		<ul style="list-style-type: none"> show graphically error, variations in measurements and other secondary information on graphs Validate data using standard tools When extrapolating data be able to show and explain how as the extrapolation gets further from the source data it becomes less accurate 	
	5.6.5	Representing data with mathematical diagrams: <ul style="list-style-type: none"> Produce diagrams, charts and tables to summarise key points from data. Highlight keys points within these diagrams to provide evidence for decision making. Understand where specific notation is required on diagrams in line with their industry standards. 	M7
	5.6.6	Communicating using mathematics: <ul style="list-style-type: none"> Articulate themselves clear in both writing and oral presentation so that they can explain mathematical concepts in easily accessible terms. 	M8

Skill content	Knowledge		English, Maths and Digital skills	
S5.1 Collect and collate financial information and data from a range of sources S5.3 Select and use appropriate tools to perform analysis S5.4 Examine large volume of data and establish trends and find patterns S5.5 Test data to check for errors or	5.7.	Using digital technology to analyse and present data		
	Students should be able to:			
	5.7.1	Use digital technology effectively: <ul style="list-style-type: none"> make effective use of digital devices and software to complete investment reports. 	D1	
	5.7.2	Create and edit documents: <ul style="list-style-type: none"> Produce content in appropriate media for investment banking and asset and wealth management contexts. 	D2	
	5.7.3	Process and analyse data:	D3	

Performance Outcome 5: Analyse financial information and data and present reports to internal and external customers/clients/counterparties

<p>invalid results</p> <p>S5.6 Prepare an internal client investment report</p> <p>S5.7 Prepare a report which captures significant changes to an investment portfolio as instructed by a client</p>		<ul style="list-style-type: none"> • Process and analyse information and data effectively and securely, using relevant digital tools. • Use digital tools to gather, model, interrogate and quality assure information and data • Demonstrate understanding of key issues, tools and techniques relating to data processing 	
<p>S5.8 Sense check information and options. Review changes and trends and be able to arrive at insightful conclusions</p> <p>S5.9 Draw conclusions from analysis and interrogation of data and other financial information</p>	5.7.4	<p>Be safe and responsible online:</p> <ul style="list-style-type: none"> • Operate effectively and responsibly with digital technology and data, with appropriate data management and systems, networks, and software security measures. 	D5

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