

Czech CFA Society newsletter

Vol. 3/2009

September 30,2009

Dear Friends!

We are all back to work from our summer holidays, so let me also inform you about new developments in your local CFA Society. A lot of things have happened since the last issue of our newsletter and even more are about to come! In this issue, we cover the topics discussed at our AGM in May as well as the subsequent follow-up by the Board of Directors, specifically the Strategic Planning Session that we held in September and which set our goals for the next 3 years. We briefly describe the Post Exam Party in June, which again broke our attendance record and for the first time the Zvonarka venue was not big enough to accommodate us all!

You can also learn more about the events which are in the pipeline: we are now very busy in preparing our first Investment Research Challenge and if we succeed, we will be the first CEE Society organizing this event. The Mixer will occur in about a week from now, followed by the BPP Business Breakfast in October and the Charter Awarding Ceremony at the end of November. Thomson Reuters has agreed to become our sponsor for the Charter Awarding Ceremony and also to provide the speaker and topic, which definitely shall be attractive for all industry professionals: 'Geopolitics and its impact on investment decisions'. Also, the partnership with Thomson Reuters provides our members with an attractive possibility to test some of their products for free.

Further in this newsletter, we also introduce the CFA Institute European Investment Conference that shall take place in Frankfurt on 21st – 23rd October 2009. Note that CFA Institute members are eligible for a EUR 100 discount through a society-specific promotional code which is available online.

Last but not least, we launch this year's call for volunteers and have 6 CFA Program fees scholarships to offer (4 are reserved for the Investment Research Challenge). We will give preference to those who have volunteered in the past and passed their exams, but we still have the door open for newcomers. If you would like to participate or know about someone who is considering studying the CFA Program, please let us know.

Again, your feedback would be much appreciated. Please contact us through info@czechcfa.cz or find our contact details at www.czechcfa.cz.

Yours sincerely,

Lukas Brych, CFA, ACCA
President

Czech CFA Society partners



I. New Board of Directors and new strategic priorities

The Annual General Meeting took place on 12th May 2009. In total, 16 people attended to discuss current happenings around Czech CFA Society. A new Board of Directors was elected and assigned the following responsibilities:

Lukáš Brych, CFA, ACCA	President
Petra Roberts, CFA	Vice President, Membership Chair, IT Chair
Lubomír Vystavěl, CFA	Program Chair
Jana Jandová, CFA	Treasurer
Marek Jindra, CFA, ACCA	University Outreach Chair
Radka Kučerová	Secretary
George A. Formandl, CFA	Past President

Among the usual topics covered by the AGM were the financial report for 2008 and information on past events. A new announcement was our victory in the 2009 Revitalization Award competition organized by the CFA Institute. This success brings an additional USD 3000 to the Society's 2009/2010 budget, which will be much needed in the current stringent environment. Also, it was announced that the Society's membership fees has increased from USD 50 to USD 60 in the 2009/2010 financial year. Compared to 2002, when the membership fee was introduced, the CZK is currently almost 40% stronger while this is the first hike in the membership fees introduced by the Society; furthermore, funding available from the CFA Institute is USD denominated, while our costs are mostly CZK denominated. This is why the increase in fees was necessary.

The top future initiatives discussed included our relationship to universities (where we seek contacts and plan to organize an Investment Research Challenge), plans to launch a Jobline event/website and plans to increase communication with our members via survey questionnaires. The event ended with a traditional networking dinner/drinks at Los Banditos.

You can review brief bios of the newly elected Board Members and the AGM minutes at www.czechcfa.cz.

On 15th September 2009 the new Board of Directors convened together with Emily Dunbar, CFA Institute Director of Society Relations EMEA to discuss a strategic plan for the Society for the next three to five years. We discussed the current status of the Society and developed a vision where the Czech CFA Society should be by 2012:

The Czech CFA Society is recognised as the membership organisation for financial professionals in the Czech Republic.

To achieve this vision, we shall:

- 1) Build profile with universities/business schools, in particular through encouraging participation in the Global Investment Research Challenge
- 2) Establish a regular media presence.
- 3) Increase participation and involvement of membership.

- 4) Build profile and reputation in local investment community with the support of senior non-charterholder investment professionals

Actionable goals have been agreed within these workstreams. We will come back to you with the actions that involve our members and would very much appreciate volunteerism from both CFA Charterholders and candidates. As a good start, below we further highlight the Investment Research Challenge: 15 members of our Society, who are mostly in top industry positions have already volunteered to become either mentors or graders!

II. Post-Exam Party

On 6th June our Society hosted another Post-Exam Party, aimed at CFA Program candidates as well as CFA Charterholders, who came to network and celebrate the relief after the spring filled with studies. We had confirmations from apx. 20 people, but thanks to the posters we posted in the exam centre we had a record attendance of over 50 people! For the first time, the traditional Zvonarka restaurant was not big enough to accommodate our group. Speaking from the perspective of our Society, this enhances our leverage when speaking with sponsors and we are now considering seeking a sponsor to the event itself, which can free up our resources elsewhere. Speaking from the perspective of a Society member, you can find this event similarly useful for networking as the Charter Awarding Ceremony – so do not hesitate to mark June 5, 2010 to join other fellow members and CFA candidates for the next Post-Exam Party!

III. Current events: Investment Research Challenge

A new format which we are trying to adopt now is the Investment Research Challenge, developed and promoted globally by the CFA Institute. This event is aimed at university students, who – with the help of seasoned mentors, CFA Charterholders – compete in developing and presenting a quality research report to a panel of graders made of senior analysts. The purpose of the event is to promote the CFA brand to academia; one may also think of this cooperation as a start for further cooperation in advocacy activities. Additionally, all participants are introduced to and held to the standard of the CFA Institute Code of Ethics and Standards of Professional Conduct.

In the global format, multiple universities compete in a national round, the winning team advances to an EMEA round and subsequently to a global round. Top universities from United States, Western Europe and East Asia competed this year. Given the amount of our resources and the fact that the event is at its first year, we decided to keep the first Investment Research Challenge held in the Czech Republic at the local level and team up with VSE-CEMS. The CFA Institute support to the event was agreed, a reputable company, listed on the Prague Stock Exchange agreed to become the subject of research reports and following the appeal to our CFA Charterholders, we now have a pool of mentors and graders, who are well respected in the local market and can turn this demanding event into a success. In early October the Investment Research Challenge will be officially launched at the VSE premises. Should the first Investment Research Challenge prove successful we intend to push the scope of the event in the next year to the global level and allow the Czech students to compete with students from top international universities, including names such as Harvard University, Yale University, Massachusetts Institute of Technology, London Business School, Bocconi University and many others.

If you want to learn more about the Global Investment Research Challenge, please visit <http://www.cfainstitute.org/society/challenge/index.html>. To follow news on the Investment Research Challenge in the Czech Republic see the Society's website: www.czechcfa.cz.

IV. Partnership with Thomson Reuters

During the summer, we successfully agreed a partnership between our Society and Thomson Reuters. Thomson Reuters was particularly interested in our Charter Awarding Ceremony and became the key sponsor for the event for which they will also provide the speaker. We have also agreed the following specific benefits to our members and CFA Program candidates:

- Until 31/12/2009 all our members and CFA Program candidates in the Czech Republic will have access to Reuters Messaging Chatrooms,
- Upon request, our members will gain access to Reuters 3000 Xtra, Reuters Knowledge and Datastream for 2 month trial period.
- Upon request, our members shall have access to Thomson Reuters Academy – courses covering introduction to Reuters 3000 Xtra and other specific topics.

Should you be interested in any of the services, please let us know at (info@czechcfa.com) or turn directly to Jan Kubik at Thomson Reuters (jan.kubik@thomsonreuters.com). The Czech CFA Society will not provide your contact details or other personal data to Thomson Reuters without your approval.

V. Upcoming events

Plenty of events are planned for this autumn:

1. The Mixer

After the interruption in 2008, when our budget was too constrained by a lack of sponsorship funds, we would like to revive the idea of informal networking event which takes place every September. The Mixer idea is to welcome people back from summer holidays, provide opportunities to get in touch with the Society and find new useful contacts within the industry. For CFA candidates it is also a unique opportunity to form study groups for all CFA exam levels. For new CFA Charterholders who have successfully passed the CFA Level III exam and who haven't attended any of the Society's past events, the Mixer can serve as the first contact with the Society, while for the Society Board it will be an invaluable source of informal feedback and suggestions from the society members about future activities and events. You are therefore cordially invited to join us on **October 8th at 18:30 at La Fama Restaurant**, located at Vladislavova 18, Prague 1 (behind OD Tesco). Drinks and food will be at courtesy of the Czech CFA Society.

2. BPP Business Breakfast

Following the agreement with BPP Česká Republika s.r.o., one of the Society partners, we are introducing a new, jointly-organised event - the Business Breakfast. This event includes a presentation on a financial topic of general interest. Also BPP is currently preparing a survey on the financial sector's labour market and intends to present the results at the meeting. If you

are interested, please mark the morning of Monday 26th October for the event and expect further information to follow soon.

3. Charter Awarding Ceremony and Christmas Party

The traditional Charter Awarding Ceremony is poised to catch more interest this year: as mentioned earlier, Reuters became the event's sponsor and will provide an international speaker with a presentation on 'Geopolitics and its impact on investment decisions', a topic which has been presented with great success in Paris, Madrid, Luxembourg, Zurich, Geneva and Madrid. As in recent years, the Charter Awarding Ceremony will take place in CERGE premises (on 26th November 2009, 18:30) and will be followed by a Christmas Party. Additional details about the event will be distributed to you via e-mail closer to the event.

VI. CFA Institute events

On behalf of the CFA Institute, we would like to invite you to the second annual European Investment Conference organized by the CFA Institute for its members and other investment professionals in Frankfurt on 21st – 23rd October 2009. . Taking a hard look at new global investment strategies and risk, the CFA Institute European Investment Conference is a unique forward-looking educational and networking forum for addressing a range of timely opportunities and challenges specific to the European investment community but relevant to all global investors. Come join investment peers and a faculty of expert practitioners and leading researchers from around the world to explore the possible long-term effects of these fast-moving changes and the host of new opportunities and risks they are unleashing.

Note that CFA Institute members are eligible for a EUR 100 discount through a society-specific promotional code which is available online. If you would like to attend the conference or had any questions please visit the CFA Institute website: http://www.cfainstitute.org/mem_resources/conferences/091021/index.html or contact directly sarah.jackson@cfainstitute.org.

VII. CFA Program Scholarships

As in previous years, the Czech CFA society was allocated 10 scholarships for CFA exams from the CFA Institute. However, this year we will initially reserve 4 of them for the Investment Research Challenge. The remaining 6 scholarships will be open to current candidates in the Czech Republic and Slovakia. After last-year record-breaking demand for the scholarship, we expect the allocation process to be more detailed and selective.

If you are interested in having your CFA Program fees funded, please let us know at info@czechcfa.cz. You may apply for a scholarship even if you are already registered for the exam. Please provide the following information when applying for a scholarship:

- Which level of CFA Program exams are you preparing for? If applicable, how many attempts did it take you to pass the previous levels and why, if you had to retake any levels?
- Are you a student or employed?
- Did you ask your employer for funding? Why was your request turned down?

- Short resume including your practical work and international experience, academic background and - if student or recent graduate - study results, semesters abroad, other achievements.
- Are you willing to provide Czech CFA Society with up to 25 hours of volunteer work in event management and administrative support? If so, what is your general time availability?

When selecting scholarship recipients we will favour those candidates who want to actively participate in the Society's activities, are willing to provide help in organizing events to foster the CFA idea and the Society's non-profit status and/or for whom it is difficult to obtain funding for their CFA Program fees. The Society Board will also give priority to those applicants that received scholarships last year, volunteered their time to help out with Society's activities and successfully passed the exam.

The deadline for applications is **15 October 2009**.

The CFA Program is a very challenging and time consuming exercise. While the intention of this scholarship program is to help lessen the financial burden, we expect in exchange an appropriate commitment to study. We reserve the right to request refunding of the value of scholarship if the candidate fails to attend or does not sit the entire exam¹.

¹ Under special circumstances candidate can be excused by the Board of the Czech CFA Society.