



FDP Charter Information Session

Welcome
We will start promptly at 11 AM ET

Please add your questions to the chat box, we will address them during the Q&A.

If you are unable to hear speakers just let us know in the chat box.

Following the webinar, you will receive a link to the recording.
You can find a copy of all our webinar recordings at

www.caia.org/caia-infoseries

www.fdpinstitute.org/webinars



Financial Data Professional Institute

FDP Institute provides world-class training and education to financial professionals to meet the accelerating needs of digital transformation in the industry.

FDP Charter Information Session Q2-2024 Exam

www.FDPInstitute.org



FDP Charter Information Session

Q2-2024 Exam
April 8 – 22, 2024



Hossein Kazemi, PhD, CFA
Senior Advisor
CAIA Association & FDP Institute



Kim Durand
Project & General Operations Manager
FDP Institute

Agenda



- FDP Program Update
- Overview of the FDP Charter
- The FDP Program
 - Do You Have the Background?
 - Outline of Curriculum
- Test Preparation
 - Reading Materials & Study Tools
- Steps to Obtain Your FDP Charter
- Q&A

FDP Program Update

- With a near revolution in AI and machine learning and their implications for the financial industry, it is the right time to be taking a full inventory of our curriculum readings and learning objectives, as the relevancy of our curriculum must never be compromised.
- After the April 2024 exam session closes, the FDP Institute will pause the administration of the FDP exam to review its curriculum.
- While this review is taking place. The FDP Institute, its website, and educational activities such as webinars, will continue to be available.
- FDP Charters will be unaffected by this review.



FDP Mission

- **The FDP Institute's Mission:**
 - To provide financial professionals with the knowledge necessary to succeed in an industry disrupted by the advent of big data and machine learning.
 - To advocate for the highest levels of professional ethics and standards.
 - To establish the FDP Charter as the global professional designation in the area of financial data science.
- **The FDP Institute's Mission will not change as we pause the program to review its curriculum.**

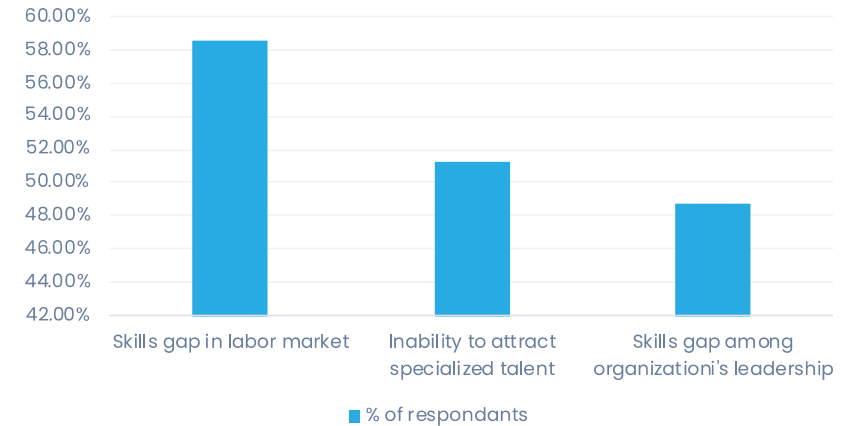
Importance of Quant Skills

The finance industry is a data-driven field.

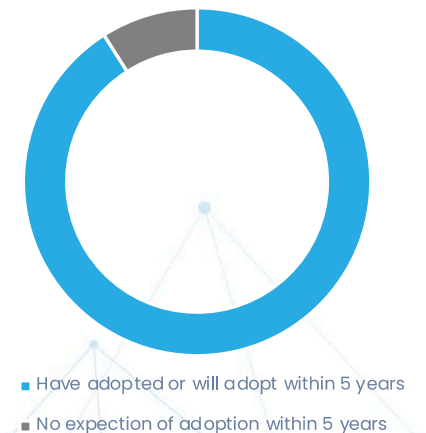
- + With the advent of machine learning and the exponential growth of data available, the importance of quant methods has become even more pronounced.
- + ML/Quant techniques can provide deeper insights, make processes more efficient, and ultimately lead to better financial outcomes.
- + The top 3 job roles in increasing demand across industries:
 1. Data Analysts & Scientists
 2. Machine Learning Engineer
 3. Business Intelligence Analyst
- + Result: 60% higher compensation for financial Analysts with knowledge of ML and other quant skills*

* Source: Glassdoor

Top 3 Barriers to the adoption of new technologies in financial services industry:



Big Data Analytics



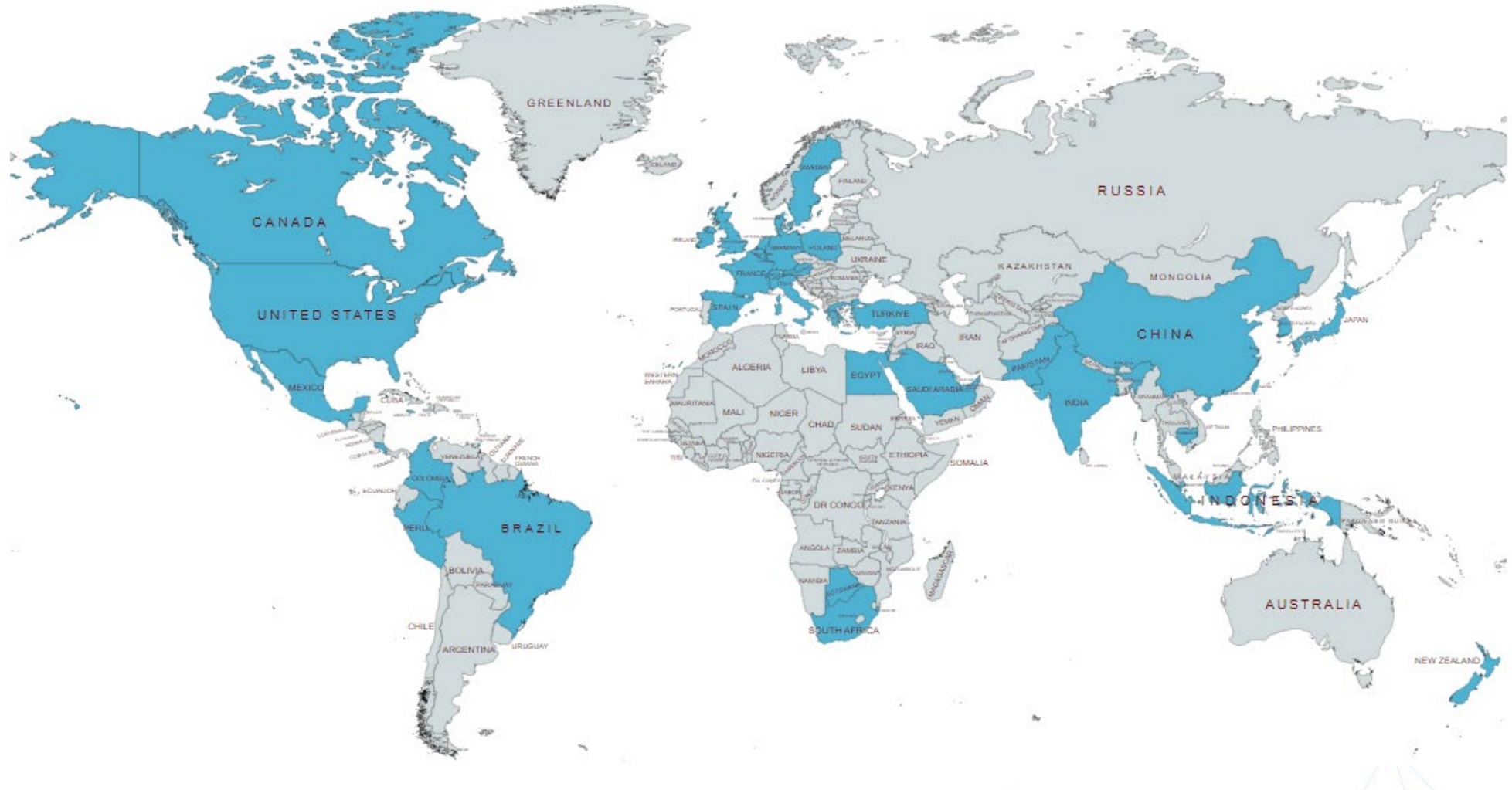
World Economic Forum Future of Jobs Survey 2020



The FDP Charter & Program

The FDP Charter provides **skills** relevant to today's financial industry. Every position will require increasing data-analytic thinking. **Financial industry jobs** that would benefit the most from studying financial data science include the following:

- **Risk management:** Identify and assess risks, develop mitigation strategies, and monitor risk exposure.
- **Investment analysis:** Analyze financial data, evaluate investment managers employing quantitative techniques, and develop robust investment strategies.
- **Fraud detection:** Identify fraudulent activity, develop prevention strategies, and mitigate fraud losses.
- **Customer analytics:** Understand customer behavior, develop segmentation strategies, and target marketing campaigns to provide customers with suitable financial products.
- **Compliance:** Identify and assess compliance risks, develop compliance programs, and monitor compliance with regulations.



330 Global Firms
Represented

43 Countries
Represented

16 Industry Leading
Advisory Board Members

9 Exam Cycles
Completed

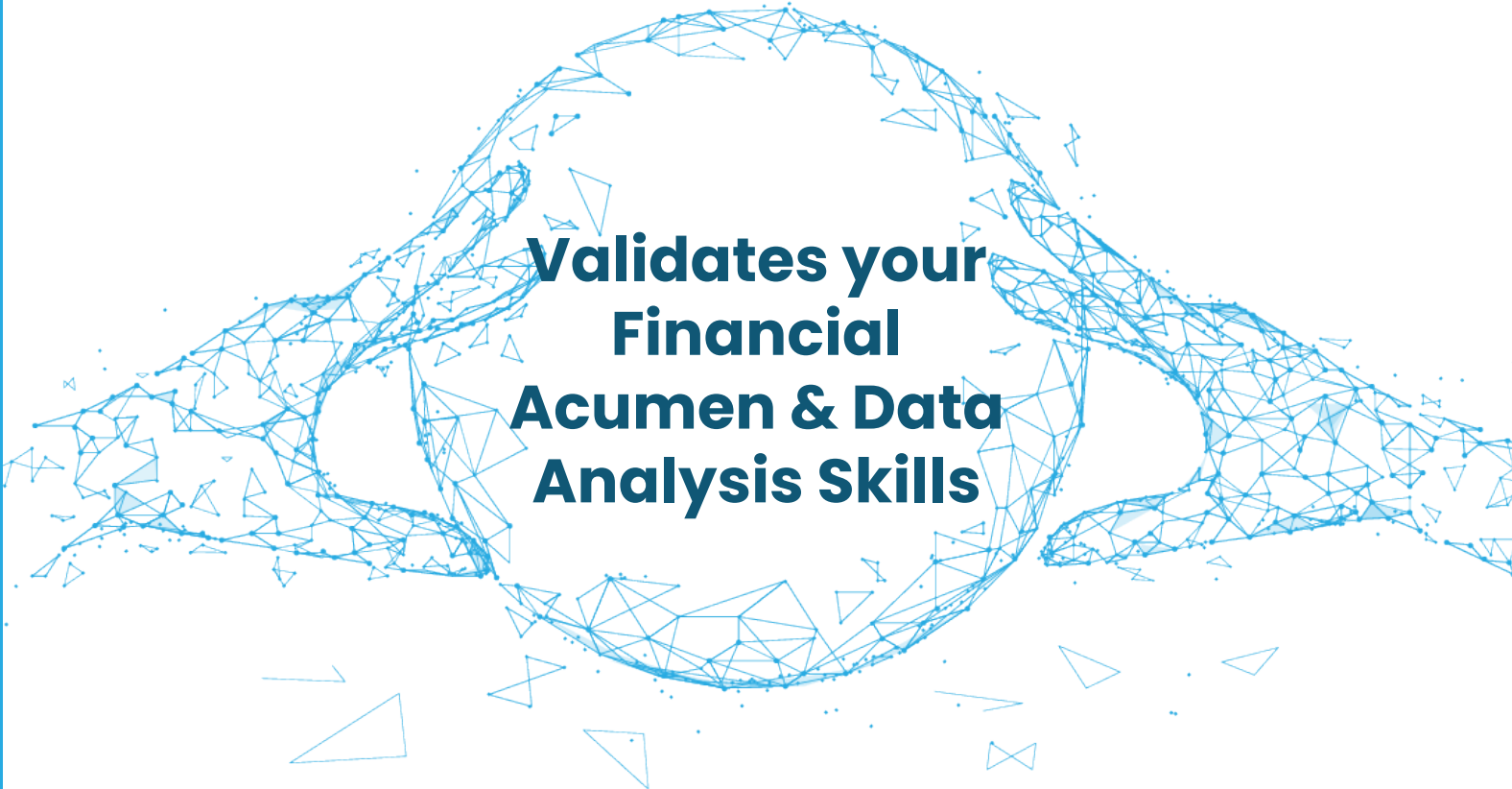


Representative Charterholder Firms

“Employers increasingly seek professionals, who have **the skills to apply data science tools to solve their most challenging problems.**”



The FDP Program



**Validates your
Financial
Acumen & Data
Analysis Skills**



Are you ready?

Experience in the financial industry

- Asset management; Insurance; Banking; Consulting; Accounting

Background assumed by the FDP program

- *Financial Markets and Instruments*: Undergraduate or graduate degree in finance or economics, CAIA, CFA or FRM.
- *Mathematics & Statistics*: Undergraduate courses (basic algebra, calculus, probability, and statistics), CAIA, CFA, or FRM.
- *Computer coding*: No coding questions on the exam.
 - Designated introductory online classes covering either *R* or *Python* must be completed. It can be taken before or after the exam.

Core Topics

- Learn important ML algorithms:
 - Supervised models:
 - Information-based learning (e.g., decision trees and random forest)
 - Similarity-based learning (e.g., Nearest Neighbor algorithm)
 - Probability-based learning (e.g., Naïve Bayesian)
 - Error-Based learning (e.g., regression and LASSO)
 - Deep Learning (e.g., artificial neural networks)
 - Unsupervised models:
 - Clustering (e.g., K-means algorithm)
- Apply ML algorithms:
 - Large language models (e.g., ChatGPT)
- Apply ethical standards:
 - Regulations; privacy; biases; transparency.

Finance Applications

- Applications of time series models to financial data.
- Using LLMs (e.g., ChatGPT) to predict security prices.
- Bias and Ethical Implications of Machine Learning.
- Applications of machine learning to credit analysis.
- Regulating AI.
- AI's role in securities markets.
- Multiple testing and evaluation of trading strategies.
- Applications of textual analysis in the insurance industry



Curriculum Topics

Topics	Approximate Weight %
1. Introduction to Data Science	5-10
2. Linear and Logistic Regression, Support Vector Machines, Regularization, and Time Series	10-15
3. Decision Trees, Supervised Segmentation, and Ensemble Methods	8-12
4. Classification, Clustering, and Naïve Bayes	8-12
5. Neural Networks and Reinforcement Learning	8-12
6. Performance Evaluation, Back-Testing, and False Discoveries	5-10
7. Textual Analysis and Large Language Models	10-15
8. Ethics, Privacy and Regulation	8-12
9. Fintech Applications	15-25

Exam Structure

- **FDP Exam:**
 - One online exam; four hours.
 - **80 Multiple Choice Questions:** 75% of total points (135 minutes)
 - **2-4 Constructed Response Questions:** 25% of total points (65 minutes)
 - **40% - 50%** of total points involve calculations.
- Download the free Study Guide: All exam questions are directly tied to *Learning Objectives* listed in the Study Guide.
- Download the free curriculum readings: Some readings are free of charge through authors' websites.
- Review the **pages assigned** in the Study Guide. *Not everything is covered on the exam.*

Topics, Learning Objectives, Keywords & Action Words

TOPIC 1
Introduction to Data Science

READING 1
Provost, F. & T. Fawcett. (2013)
Data Science for Business
Chapter 1 & 2

READING 2

KEYWORDS

LEARNING OBJECTIVE 1

LEARNING OBJECTIVE 2

- Keywords**
- Data mining (p. 2)
 - Data Science (p. 2)
 - Data-driven decision making (p.5)
 - Big data (p. 8)
 - Classification (p. 20)
 - Co-occurrence grouping (p. 21)
 - Profiling (p. 22)
 - Link prediction (p. 22)
 - Data reduction (p. 22)
 - Causal modeling (p. 23)

Learning Objectives
Demonstrate proficiency in the following areas:

1.1.1 Data Analytic Thinking (Ch. 1)
For example:

- A. **List** examples of data mining in finance, marketing, and customer relationship management.
- B. **Contrast** data science with data mining.
- C. **Describe** the two types of decisions that can benefit from data-driven decision making.

Action words: Specific Definitions Appear in Study Guide

1.1.2 Business Problems and Data Science Solutions (Ch. 2)
For example:

- A. Describe when each type of data mining algorithm, such as classification, regression, similarity matching, clustering, co-occurrence grouping, profiling, link-prediction, data reduction, and causal modeling, should be used.
- B. Explain the differences between regression and classification.
- C. Contrast supervised learning with unsupervised learning.

Exam Preparation

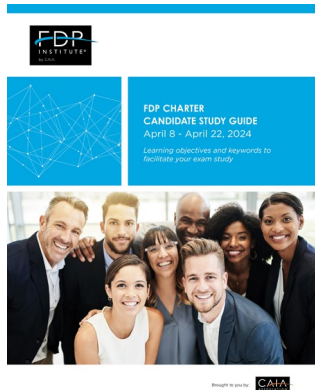


**Relevant &
Practical
Industry and
Academic
Research
Materials**

Preparation



FDP Handbook
Prepare for exam day



FDP Study Guide
Prepare for exam content. **Includes new Appendix with formulas!**

Practice Questions/Problems
Complete Sample Exam

Study Materials



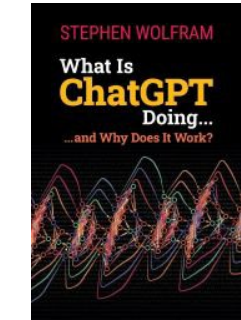
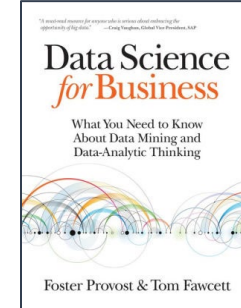
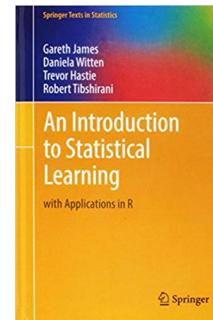
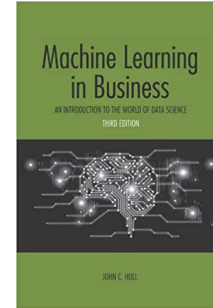
Alternative Data and Machine Learning in the Financial Industry
3 required readings

Free
Exam Registrants



Topics in Financial Data Science
9 required readings

Free
Exam Registrants



- 4 required books**
- Machine Learning in Business
 - Data Science for Business
 - An Introduction to Statistical Learning*
 - What is ChatGPT Doing

* Only about 15% of this book is used in FDP curriculum



Exam Registration & Fees

Q2-2024 FDP Exam: April 8 - 22, 2024

Registration

Registration Opens	Late Registration Begins	Registration Closes	Exam Window
December 11, 2023	March 1, 2024	March 11, 2024	April 8 - 22, 2024

Testing at a Prometric Test Center: April 8-21, 2024

Remote Proctor Testing exam dates: April 21 & April 22, 2024

Exam Fees*

	Registration	Late Registration	Retake
Enrollment Fee (non-refundable)	\$400	\$400	
Registration Fee* (refund policy)	\$950	\$1150	\$450
Total FDP Exam Fee	\$1350**	\$1550 **	\$450**

* Exam registration fees do **not** include the cost of reading materials. We strongly recommend that Candidates act early to obtain the readings in order to allow enough study time.

** Canadian taxes will be applied where applicable.

Available Discounts



CAASA
CANADIAN ASSOCIATION OF
ALTERNATIVE INVESTORS & ANALYSTS



JADAA
日本投資アナリスト協会



FIAM
Forum International
d'Alternatives de
Investment Forum

Learn more about our Association Partnerships at <https://fdpinstitute.org/Association-Partners>



[Register here for the April 2024 FDP Exam](#)

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- [CURRICULUM MATERIALS ▶](#)
- [PREPARING](#)
- [PREPARATION PROVIDERS](#)
- [RESERVE YOUR EXAM SEAT ▶](#)
- [PRACTICE QUESTIONS AND SAMPLE EXAM ▶](#)
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Charter Candidates



THERE'S NEVER BEEN A MORE CRUC

As the global financial industry be...ve, the professionals who succeed are the ones who can demonstrate their ability to add value to an organization.



CHARTER CANDIDATES

Financial Data Professionals help organizations make the most of the data they collect by finding trends, patterns and errors that might otherwise go unnoticed. Successful Financial Data Professionals have the skills to work with data, the acumen to understand the business side of the organization and the ability to communicate that information to people across their organization.

[Curriculum Materials](#)

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Prep Course Providers

FDP Institute's exclusive third-party independent Prep Provider to help Candidates find the best fit for their study needs. The **Revision and Exam** program may include:

- **Video Review** covering all 9 topics
- Full set of revision **notes** in PDF format
- **Formula sheet**
- Full practice **exam** with solutions

For details and registration:

<https://www.edgedesignations.com>

*Edge Designations is an independent provider and not affiliated with CAIA or FDP. The FDP Study Guide is the only approved Study Guide. Prep course is not included in registration fee.

Taking the Exam

- ❑ Exam Options:
 - ❑ Physical Locations managed by Prometric
 - ❑ Remote (virtual) exam
 - For this option, we highly recommend taking the free Demo Exam.
 - Set up like a real exam.
 - Familiarize yourself with login and security procedures.

Steps to Obtain Your FDP Charter

Candidate Checklist

- ☑ Register for the FDP Exam
- ☑ Obtain the Curriculum Materials
- ☑ Reserve Your Exam Seat
 - ☑ Option 1 - Test Center - please contact us at info@fdpinstitute.org if you do not see availability on the date needed.
 - ☑ Option 2 - Remote Online Proctoring
- ☑ Complete Online Course Requirements

Webinars for FDP Candidates

WEBINAR

FDP INSTITUTE[®]
by CAA ✓


**FDP Charter
Info Session**

Join FDP Experts to learn about the FDP Charter, achieving exam success, and more.

**January 9
at 11 AM ET**

Road map of learning
journey & expectations

**Testing options
January 25 @ 11 AM ET**



WEBINAR

FDP INSTITUTE[®]
by CAA

**Q2-2024 FDP Review of
Prometric Test Center
and ProProctor
(Remote Testing)**

Learn about study tools, exam prep
and testing options with the FDP team

**January 25, 2024
at 11 AM ET**

FDP INSTITUTE[®]
by CAA

WEBINAR

**FDP Q2-2024
Candidate Orientation**

**March 14
at 11 AM ET**



Get ready for YOUR exam day!
March 14 @ 11 AM ET



Other webinars www.fdpinstitute.org/webinars

Q & A

You are invited to join us for our upcoming webinars!
<https://fdpinstitute.org/Webinars/>

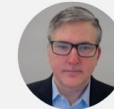
Jan 17@ 11 AM ET
[Register Here](#)



WEBINAR

Governance of AI & ML in Financial Services

January 17, 2024 | 11:00 AM



**Aaron Johnson, CFA,
FRM, FDP**
Senior Examiner, Federal
Housing Finance Agency



Kathryn Wilkens, PhD, CAIA
Founder of Pearl
Quest LLC,
FDP Curriculum Advisor

[Register now](#)



WEBINAR

AI for Startups

Kathryn Wilkens, PhD, CAIA
Founder of Pearl
Quest LLC, FDP
Curriculum Advisor

**Dr. Stylianos
Kampakis**
CEO, The Tesseract
Academy

February 13, 2024 | 10 AM ET



Feb 13 @ 10 AM ET
[Register Here](#)



Thank You

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