



Your Society News & Updates

A word from the Board

Dear Valerie,

With a new fiscal year upon us, the Board of Directors and its eager volunteers are excited to plan new initiatives and events for our local CFA Society. Naturally, the present health crisis continues to limit many of our traditional in-person activities, but as we have seen, virtual meetings and conferences can take place – and sometimes offer even more convenience to our busy members. While it will likely still be several months before some traditional events can be planned, the Board and our members have expressed a desire to have such gatherings. They will likely be in a modified format and for a smaller number of people, but they are still expected to be just as fun – once we are in a position to offer them again. Until then, members are reminded of the many webinars offered to them, from CFAI, partnering CFA Societies and our organisation here locally. Furthermore, many other digital resources exist for members on the CFA Institute website, such as the FAJ and other publications.

As we get ready for the return to work and school after the Summer break, we wish the best to everyone and hope everyone stays safe and healthy going forward.

We look forward to seeing you again soon, either virtually or in person.

Board of Directors, CFA Society Luxembourg

Local News

Investing in ESG Programme Launched in Q2

Earlier this year, a new certification program was offered to people in Luxembourg interested in learning more about ESG investing. The new program was developed by CFA Society UK in 2019 and has attracted a great deal of interest since its launch in the UK in late 2019. Candidates in Luxembourg will be able to follow the self-study syllabus and take a computer-based exam either at a recognized testing center (in Luxembourg or elsewhere) or at home using the OnVUE Online Proctoring method.

[Click here or to learn more.](#)

Scholarship Application Deadline



The application process for [Access Scholarships](#) opened in May and should run until **September 15**. These scholarships will be for **CFA exams taking place in 2021 and February 2022**.

The Access Scholarships are needs-based opportunities for those unable to afford the full price of the enrollment and registration fees. The scholarships cover the one-time CFA Program enrollment fee (if applicable) and reduce the exam registration fee to US\$250 (and typically include access to the curriculum eBook).



Candidates will be notified about their application status no later than December 1.

If you know of a Candidate who might be able to benefit from an Access Scholarship, please pass this information on and [visit this link](#) to the CFA Institute website for more details on Access Scholarships.

Furthermore, feel free to refer to the CFA Institute website for [additional Scholarship Programs](#).



Join the CFA Society Luxembourg LinkedIn group like more than 1,800 people have already done. Get updates on events and other important announcements delivered straight to you and make connections with other members.

Click [here](#) to visit the LinkedIn page.

CFA News

Reminder: CIPM Exam Registration Deadline



For members seeking a new challenge, registration for the **March 2021 CIPM Exams** is open from **September 1st** and runs until **January 31st** (and early registration – including a registration discount – ends on **November 30th**). The Certificate in Investment Performance Measurement (CIPM)

gives candidates advanced, globally relevant, and practice-based investment performance and risk evaluation skills. CFA Charterholders and others who have passed Level III are now eligible to proceed directly to Level II of the CIPM Program.

[See the site for more details.](#)

Free Investment Foundations Offering (formerly Claritas)

A while back, CFA Institute announced that the Investment Foundations Program (formerly known as Claritas) has evolved to become a fully online learning experience and more importantly available **free** of charge to anyone who would like to better understand the investment management industry. For more information, [click here](#) and **pass the word along to colleagues** and other potentially interested people.

Local Events

Upcoming Events

Due to health-related concerns, no in-person events in Q3 and Q4 of 2020 have been planned. However, watch this space for announcements regarding the return of in-person events, which we hope will be soon.

- [Virtual BusinessRun 2020](#) (Sept. 17-20)
- Soft skills webinar event (tentatively in Q3 or Q4)

Past Events

AGM 2019

On the evening of July 29th, the President of CFA Society Luxembourg, Philippe Bernard, CFA, along with the Board of Directors gathered on a webcast to present the Annual Report covering the last fiscal year (2019) and announced the results of the most recent elections to the Board of Directors. They were happy to confirm another term for Marc Fohr, CFA and new terms for Alexandros Chatziioannou, CFA and Iain Hackston, CFA, both new joiners to the Board. Congratulations to them all.

Links can be found here to the [2019 Annual Report](#), [Minutes of the 2019 AGM](#) and [Presentation of the 2019 AGM](#).

Upcoming Regional Events & Webinars

Local members should keep in mind that a wealth of information exists on the [CFA Institute website](#) for members who are looking for ways to cope with the present mobility restrictions due to the COVID-19 outbreak.

Specific areas of interest may be:

- [Webinars](#)
- [Podcasts](#)
- [Research](#)

Click on the specific area of interest to see more.

Since the pandemic crisis, our Society has partnered with other Societies e.g., New York and Chicago, to share content and opportunities along with other local virtual offerings.

Improving Transparency and Comparability of Investment Products with ESG-related Features Webinar – 15 Sept. 2020

CFA Institute staff will provide an overview of the Consultation Paper for the development of the CFA Institute ESG Disclosure Standards for Investment Products and answer questions from participants.



[Find out more about the event here](#)

Women in Investment Management 2020 Webinar – 14-15 Oct. 2020

The 2020 Women in Investment Management virtual conference will identify the opportunities brought by change, explore technology to enhance and maintain inclusive

cultures, discuss evolving investment strategies, share developments on using technology to enhance and maintain diversity of thought and inclusive cultures, and provide insight from industry leaders on adapting and thriving. The virtual conference will also offer perspectives from career development experts and unique opportunities for networking and exchanging ideas.

[Find out more about the event here](#)

24th Annual GIPS® Standards Virtual Conference Webinar – 27-29 Oct. 2020

This conference is essential for any performance or compliance professional. Prepare for the changes with subject matter experts who will address the key points you need to know for continued compliance with the GIPS standards in 2021. Regulatory experts will address the upcoming revised SEC Advertising Rule, and ESG experts will discuss developments with ESG investing and attribution. Firms and asset owners that comply with the Global Investment Performance Standards (GIPS®) must comply with the 2020 edition when reporting performance through 31 December 2020.

[Find out more about the event here](#)

Global News

CFA Institute to Transition to Computer-Based Testing For All Levels of the CFA® Program in 2021

CFA Institute has announced that it will transition to Computer-Based Testing (CBT) for all three levels of the CFA Program in 2021. Level II and Level III examinations for 2021 will be administered via CBT, along with the already-announced transition for Level I. The December 2020 administrations will therefore be the final paper-based tests for any CFA Program exam.

The decision to accelerate the move to CBT for Levels II and III is in response to the impact of COVID-19. CFA Institute had been planning this transition as part of a broader effort to deliver exams via computers in secure test centers versus on paper in large testing spaces; this shift is already underway for Level I. This change allows CFA Institute to provide smaller exam settings, more exam dates, and easier scheduling with more locations.

[Click here to learn more](#)

CFA Institute Forms Two Volunteer Groups on ESG

To support development of the CFA Institute ESG Disclosure Standards for Investment Products, CFA Institute is forming two volunteer groups – an ESG Technical Committee, which will guide development of all requirements within the standard, and an ESG Verification Subcommittee, which will guide development of requirements specific to independent examination. Volunteers need not be CFA charterholders or members of CFA Institute. You can find more information about these volunteer opportunities and apply [here](#).

Applications will be accepted through **23 September 2020**.

CFA Institute Joins Virtual Launch Celebrating the Opening of the 8th Global Ethics & Trust in Finance Prize for a Sustainable Future

This essay competition with a USD 20,000 prize invites anyone under 35 years of age to reimagine how financial institutions, together with their stakeholders, can balance the desire for growth, security and stability – particularly for the post-pandemic world.

The Prize, organised by the Observatoire de la Finance, provides under-35s the opportunity to submit an essay reassessing the role of financial institutions and how they can provide a meaningful response to the changing needs of the communities in which they operate. The closing date for essay submission to the 8th edition of this competition is set to 31 of May 2021.

[For more info click here](#)

A study examines the impact of key regulations, including MiFID II and PRIIPS, on the dynamic relationship between manufacturers and distributors

A new study published by CFA Institute suggests that the asset management industry supports the principle of standardisation of investor information across the EU, but the multitude of regulations and directives dealing with product governance and suitability fall short in terms of harmonisation across member-states. It also highlights the challenges and unintended consequences associated with their high levels of complexity.

[For more info click here](#)

Is the Coronavirus Rocking the Foundations of Capital Markets?

CFA Institute has published a new report and global member survey that analyzes the impact of COVID-19 on the global economy and the investment management industry. A new report by CFA Institute analyzes the effects of the current economic crisis caused by the coronavirus pandemic on the global economy, the capital markets, the investment management industry, as well as assessing the responses from fiscal and monetary governmental entities.



[For more details click here](#)

Latest Research Foundation Publications

The Intraday Timing of Rating Changes

Did you know that when Standard & Poor's (S&P) communicates rating changes after trading hours, the changes are more likely to be downgrades and carry additional consequences? They also tend to be associated with more negative stock price returns and lower trading volume than downgrades announced during trading hours. This suggests that S&P's announcement pattern is consistent with better dissemination of information rather than catering to credit issuers. Since issuer-paid credit ratings are paid for by issuers, rating agencies might try to benefit key credit-issuer clients by timing downgrades so that they are released during periods when investor attention is thought to be lower.

The authors of this research look at the timing of rating changes in an intraday context to better understand their market effects and the possible motivations behind rating agencies' timing choices.

[For more details click here](#)

The Shift from Active to Passive Investing: Risks to Financial Stability?

The authors of this research examined how the shift from active to passive investment strategies affects things like funds' liquidity and redemption risks, market volatility, asset management

industry concentration, and co-movement of returns and liquidity. Overall, the shift appears to be increasing some risks and reducing others. For example, some passive strategies amplify market volatility, while industry concentration has seen an increase. However, some liquidity and redemption risks have actually declined, while evidence on the links between indexing and co-movement of asset returns and liquidity appears mixed.

[Read the full paper here](#)

A Framework for Constructing Equity-Risk-Mitigation Portfolios

The framework of this study finds optimal portfolio weights for the risk-mitigation (or “insurance”) portfolio and the return-seeking component for a variety of desired risk levels. The portfolio weights are calculated in falling markets, defined by the authors as quarters where the S&P 500 Index fell by 3.75% or more. The framework aims to find the most efficient risk-mitigation strategies—those with high Sharpe ratios—so investors achieve the highest possible returns after the costs of “insurance.”

Using the framework, investors can input their equity return targets and their preferred conditional equity betas or risk levels.

[For more details click here](#)

An Empirical Evaluation of Tax-Loss-Harvesting Alpha

This article quantifies how much alpha is available from tax-loss harvesting and in which market environments these strategies are most effective. Advances in financial technology have made tax-loss harvesting more feasible for retail investors than such strategies were in the past. The authors evaluated the magnitude of this “tax alpha” with the use of historical data from the CRSP monthly database for the 500 securities with the largest market capitalizations from 1926 to 2018. Given long-term and short-term capital gains tax rates of 15% and 35%, respectively, the researchers found that a tax-loss-harvesting strategy yielded a before-transaction-cost tax alpha of 1.08% per year for the sample period. When the strategy was constrained by the “wash sale rule,” the tax alpha decreased from 1.08% per year to 0.82% per year.

[For more details click here](#)

Career Corner

Latest Job Offers in Luxembourg

[**Product Risk Manager 156040**](#) – Credit Suisse

[**Asset Management EMEA - Risk Associate**](#) – JP Morgan

[**Senior Manager - RE Fund**](#)

[**Investment Fund Supervisor**](#)

[**Experienced Investment Fund Supervisors**](#)

[**Head of Securities Services Department \(m/f\)**](#)

[**Oversight Risk Manager - NAV Oversight**](#)

[**Portfolio Manager**](#)

[**Fund Life Cycle Manager**](#)

CFA Institute Career Center: Career Tools at Your Fingertips

The Career part of the CFA Institute website is a great tool with excellent information and functionalities for CFAI members. Career Tools, a Career Center Library and a Career Center online job search engine are all available to help members as they progress through their career.

For more information, [visit the webpage here](#).

STAY CONNECTED

