

Section 1: Investment Management Process

Managing Investment Portfolios: A Dynamic Process (3 rd edition) by Maginn & Tuttle	
Chapter 1: The Portfolio Management Process and the Investment Policy Statement	3
Chapter 3: Managing Institutional Investor Portfolios	10
Fiduciary Liability Issues for Selection of Investments (V-C136-10)	27
Introduction to the Formation of Investment Strategy for Life Insurance Companies and Pension Plans (V-C137-09)	31
Managing Your Advisor: A Guide to Getting the Most Out of the Portfolio Management Process (V-C138-09)	42
Derivatives: Practices and Principles (V-C126-07) (Section II)	49
SOA Specialty Guide to Economic Capital (V-C140-09)	51
Liability-Relative Strategic Asset Allocation Policies by Waring (V-C127-09)	61
CIA Educational Note: Liquidity Risk Measurement (March 1996)	68

Section 3: Asset Allocation

Managing Investment Portfolios: A Dynamic Process (3 rd edition) by Maginn & Tuttle	
Chapter 5: Asset Allocation	3
Modern Investment Management: An Equilibrium Approach (2003) by Litterman	
Chapter 9: Issues in Strategic Asset Allocation	14
Chapter 10: Strategic Asset Allocation in the Presence of Uncertain Liabilities	16
Creating Value in Pension Plans (or, Gentlemen Prefer Bonds) (V-C111-07)	20
Perspectives on the Equity Risk Premium (V-C148-09)	24
Long-Term Returns on the Original S&P 500 Companies (V-C149-09)	28
Stocks, Bonds, the Sharpe Ratio, and the Investment Horizon (V-C150-09)	31
<i>Asset/Liability Management of Financial Institutions</i> by Tillman	
Chapter 14: Asset/Liability Management for Life Insurers: Lessons Learned and Future Directions (V-C193-10)	32
Deciphering the Liquidity and Credit Crunch 2007-2008 by Markus Brunnermeier (V-C184-11)	38
The U.S. Equity Return Premium: Past, Present, and Future (V-C187-11)	46

Section 2: Asset Classes

<i>Handbook of Fixed Income Securities</i> (7 th edition) by Fabozzi	
Chapter 1 – Overview of the Types and Features of Fixed Income Securities	3
Chapter 10 – U.S. Treasury and Agency Securities (pages 229-231, 241-245)	9
Chapter 11 – Municipal Bonds (pages 251-256)	12
Chapter 12 – Private Money Market Instruments (pages 285-297)	14
Chapter 13 – Corporate Bonds (pages 305-327, 331-335)	18
Chapter 14 – Medium-Term Notes (pages 339-340, 344-350)	25
Chapter 15 – Inflation-Linked Bonds (pages 351-359, 364-369)	27
Chapter 16 – Floating-Rate Securities (pages 373-379, 382-383)	31
Chapter 20 – Emerging Markets Debt (pages 441-453)	34
Chapter 22 – An Overview of Mortgages and the Mortgage Market (pages 487-501)	38
Chapter 23 – Agency Mortgage-Backed Securities (pages 513-527)	43
Chapter 24 – Collateralized Mortgage Obligations	47
Chapter 26 – Residential Asset-Backed Securities (pages 589-595)	61
Chapter 27 – Commercial Mortgage-Backed Securities (pages 615-625)	63
Hedge Funds: Past, Present, and Future (V-C143-09)	67
Hedge Funds: Risk and Return (V-C144-09)	73
The Role of Commodities in Investment Portfolios (V-C146-09) (pages 35-46)	75
The Economics of Structured Finance (V-C179-10)	78
IMF, Global Financial Stability Report, April 2008, Chapter 2 (V-C165-09)	82
Balancing the Opportunities in Real Return Investments (V-C154-09)	89
When Safe Proved Risky: Commercial Paper During the Financial Crisis of 2007-2009 (Study Note V-C186-11)	92

Section 4: Managing Equity and Alternative Asset Portfolios

<i>Managing Investment Portfolios: A Dynamic Process</i> (3 rd edition) by Maginn & Tuttle	
Chapter 7: Equity Portfolio Management	3
Chapter 8: Alternative Investments Portfolio Management	18
Chapter 11: Monitoring and Rebalancing	44
<i>Investment Management for Insurers</i> by Babbel and Fabozzi	
Chapter 26 – The Use of Derivatives in Managing Equity Portfolios	50
<i>Modern Investment Mgmt: An Equilibrium Approach</i> by Bob Litterman	
Chapter 26 – Strategic Asset Allocation and Hedge Funds	57
Chapter 27 – Managing a Portfolio of Hedge Funds	61
<i>The Handbook of Alternative Assets</i> , 2 nd Edition, by Anson (V-C174-09)	
Chapter 20: The Economics of Private Equity	65
Chapter 22: Trends in Private Equity	68
Living with Mortality: Longevity Bonds and Other Mortality-Linked Securities by Blake, Cairns, and Dowd (Sections 3-5) (V-C135-08)	72
Commercial Real Estate Analysis & Investments by Geltner	
Chapter 12: Market Value and Investment Value (V-C192-11)	75

Section 5: Managing Fixed Income Portfolios

<i>Managing Investment Portfolios: A Dynamic Process</i> (3 rd edition) by Maginn & Tuttle	
Chapter 6: Fixed-Income Portfolio Management	3
<i>Handbook of Fixed Income Securities</i> (7 th edition) by Fabozzi	
Chapter 48 – Dedicated Bond Portfolios	20
Long-Term Economic and Market Trends and Their Implications for Asset/Liability Management of Insurance Companies (V-C159-09)	22
Value of Security Selection versus Asset Allocation in Credit Markets: Part II – An Imperfect Foresight Study (V-C164-09)	26
Modeling of Mortgage Defaults, January 2008 (V-C182-10)	32
<i>Risk Management</i> by Crouhy	
Chapter 7 – Credit Rating Systems	37
Chapter 12 – Hedging Credit Risk	44
Bond-CDS Basis Handbook, February 2009 (V-C183-10) (pages 3-48)	51
Mind the Gap: Using Derivative Overlays to Hedge Pension Duration, Financial Analysts Journal, Volume 65 #4, CFA Institute (V-C185-11)	59

Section 7: Performance Measurement

<i>Handbook of Fixed Income Securities</i> (7 th edition) by Fabozzi	
Chapter 44 – Quantitative Management of Benchmarked Portfolios	3
<i>Managing Investment Portfolios: A Dynamic Process</i> (3 rd edition)	
Chapter 12 – Evaluating Portfolio Performance	10
<i>Investment Management for Insurers</i> by Babbel and Fabozzi	
Chapter 3 – A Performance Measurement System for Insurers	28
Fixed Income Attribution: A Unified Framework – Part 1 by Murira and Sierra Journal of Performance Measurement, Fall 2006 (V-C168-09)	32
Fixed Income Attribution: A Unified Framework – Part 2 by Murira and Sierra Journal of Performance Measurement, Winter 2006/2007 (V-C169-09)	37

Section 6: Credit Risk

<i>Risk Management</i> by Crouhy	
Chapter 8 – The Credit Migration Approach to Measuring Credit Risk	3
Chapter 9 – The Contingent Claim Approach to Measuring Credit Risk	9
Chapter 10 – Other Approaches: The Actuarial and Reduced-Form Approaches to Measuring Credit Risk	17
Chapter 11 – Comparison of Industry-Sponsored Credit Models and Associated Back-Testing Issues	21
Quantitative Risk Management, 2005 (V-C181-10) (pages 400-408)	23
Modern Valuation Techniques by Jarvis, Southall, and Varnell (V-C141-09)	26
Fair Valuation of Insurance Liabilities: Principles and Methods – AAA	36
<i>Investment Management for Insurers</i> by Babbel and Fabozzi	
Chapter 17: Effective and Ineffective Duration Measures for Life Insurers	45
<i>Handbook of Fixed Income Securities</i> (7 th edition) by Fabozzi	
Chapter 47 – Bond Immunization: An Asset/Liability Optimization Strategy	46
Default Risk and the Effective Duration of Bonds Financial Analysts Journal, January 1997 (V-C188-11)	50
Mortgage Durations and Price Moves, Salomon Smith Barney (V-C189-11)	53
Introduction to Credit Risk Modeling by Bluhm, Overbeck and Wagner Chapter 1: The Basics of Credit Risk Management (V-C190-11)	60
<i>Fixed Income Securities</i> by B. Tuckman (V-C191-11)	
Chapter 5: One-Factor Measures of Price Sensitivity	68
Chapter 6: Measures of Price Sensitivity Based on Parallel Yield Shifts	72
Chapter 7: Key Rate and Bucket Exposures	77

Section 8: Market Expectations and Behavioral Finance

From Efficient Markets Theory to Behavioral Finance by Robert Shiller (V-C119-07)	3
The Efficient Market Hypothesis and Its Critics by Burton Malkiel (V-C120-07)	6
Anomalies: The Law of One Price in Financial Markets by Owen Lamont and Richard Thaler (V-C122-07)	10
<i>Stocks for the Long Run</i> (3rd edition) by Jeremy Siegel	
Chapter 7: The Great Bull Market, the New Economy, the Age Wave, and Future Stock Returns (V-C124-07)	12
“Behavioral Finance: Theory and Evidence” by Byrne and Brooks	16
Behavioral Finance and Investment Committee Decision Making (V-C171-09)	21
Managing the Credit Cycle: A Behavioral Risk Interpretation (V-C172-09)	24
What Are Stock Investors’ Actual Historical Returns? Evidence from Dollar-Weighted Returns (V-C173-09)	27
The Three P’s of Total Risk Management (V-C180-10)	30
Case Study: Wonka Life (2011 Revision)	34