

FRM Review**Part One: Qunats Analysis**

1. Bays rules
2. Variance(ax+by)
3. Confidence interval estimate 简单的计算,已知置信水平,标准差,mean
4. P-value
5. $R^2 = SSR/SST$
6. Correlation coefficient 计算
7. 极值定理,比课堂讲得考的深,问到了具体的密度函数公式中的内容

Part two: market risk

1. 已知 几个 bonds' effective duration, market prices, and face values. Calculate portfolio's duration
2. Convexity 对 bond 价格的影响
3. IO strips and PO strips 那个 duration 是负的
4. Forward price 的计算 有 dividend yield 和 convenience yield
5. Commodity forward price 的计算
6. 那个案例是 basis risk
7. Interest swap present value 的计算
8. Currency swap 单个 cash flow 的计算
9. AMERICAN option 什么情况下可提前执行, upper and lower bounds
10. Covered call + protective put = collar
11. Strap 的运用在什么条件下
12. Binary option
13. Shout option
14. Portfolio VaR 计算
15. GARCH persistence factor
16. Greek letters 考 gamma vega 调整,考调整 vega 后买 stock 最后 delta 为零

Part three: credit risk

1. 国家 credit rating 和 6 个 影响国家信用的比例列表,问该投资哪国国债
2. Though the cycle, at the point 哪个 procyclicality
3. Merton model 计算 value of equity ,没有公式一定要很清楚的记住 d 的求法
4. Neyman pearson decision rule
Use the statistical concept of Type 1 and Type 2 errors
5. Altman credit scoring 没有要求计算
It is an example of a subgroup model, where as logit models give a score that can be interpreted as the probability of default.
6. probability of default 的计算 3-5 题
7. concentration limit 的计算
8. Novation
9. Hot collateral= "on special"
Difficult to obtain

10. 列表 7 笔交易 5 项 netting 2 项 non netting agreement 算一方的 credit exposure
11. risk neutral mean loss rate
12. multiyear restructuring agreement 的计算
13. ISDA TRIGGERING EVENTS
A downgrade from a rating agency is not defined as a credit event.
14. Settlement amount of credit default swap
Note: don't forget "accrued interest"
15. n-to-default swap 和 basket default swap
Note that the probability of any one (or nth) reference entity defaulting is lower when the Assets are highly correlated, but higher when they are less correlated.
16. Cancelable default swap= having the right to cancel the swap
Callable default swap=buyer of the swap
Putable default swap=seller of the swap
17. TROR 在 libor 变化时 receiver 的 cash flow 变化
Protect payers from interest risk
18. Credit spread option payoff 的计算
Schweser notes 3 / page 125
19. Cash CDOs and synthetic CDOs 区别
In Cash CDOs , the issuer directly buys the actual securities
In synthetic CDOs, the issuer buys risk-free assets and sells default swaps.
20. BISTRO 和 j-port 区别
Both are synthetic structures. Pls refer to Schweser note3 /page 138-139
21. Dollar VaR 的计算

Part four: optional risk

1. BIS 定义中不包含的风险
Not include strategic and reputational risk
Include legal risk
2. Connectivity model two techniques 要详细看,考的很细
3. Parametric model: convolution 的定义,案例题 convolution 的应用原理,公式
4. Contingent credit line 和 risk prevention control 的定义
5. Cat bond 的 payoff 免赔 共保
6. LVAR 的计算
7. Close out
8. Economic of scale and scope 案例题
9. Model risk 定义,案例题判断是不是 model risk
10. 市场假说对 risk management 的影响
11. Flight to the quality 案例
12. Financial conglomerates diversification benefits
13. Hub and spoke 定义
14. 3+1 pillars legal firewall
15. 新 basel 风险权重函数是有 basel committee 给出不能自己设
16. Basel back testing 99% daily, one year historical data, time lag 6 months
17. Case study SUMITOMO, BARINGS,LTCC 主要考风险原因

18. Asian crisis (Thailand), may not be tested again
19. For 2007, Amaranth Debacle

Part five: investment management

1. Pure diversifier 的定义
2. Style drift 的表现形式,和考察方法
3. Convertible arbitrage strategy
4. Regulation D
5. ASSETS ALLOCATION 是一到案例题
6. Treynor measurement 分子上减的是 risk free rate
7. Tracking error 的计算案例题 给出两组数据
8. MSD(半方差)计算给出 information ration , sortino ratio