

# Financial Markets Accreditation Program

A PATHWAY TO:

Diploma of Financial Markets

AFMA Accredited Individual Status

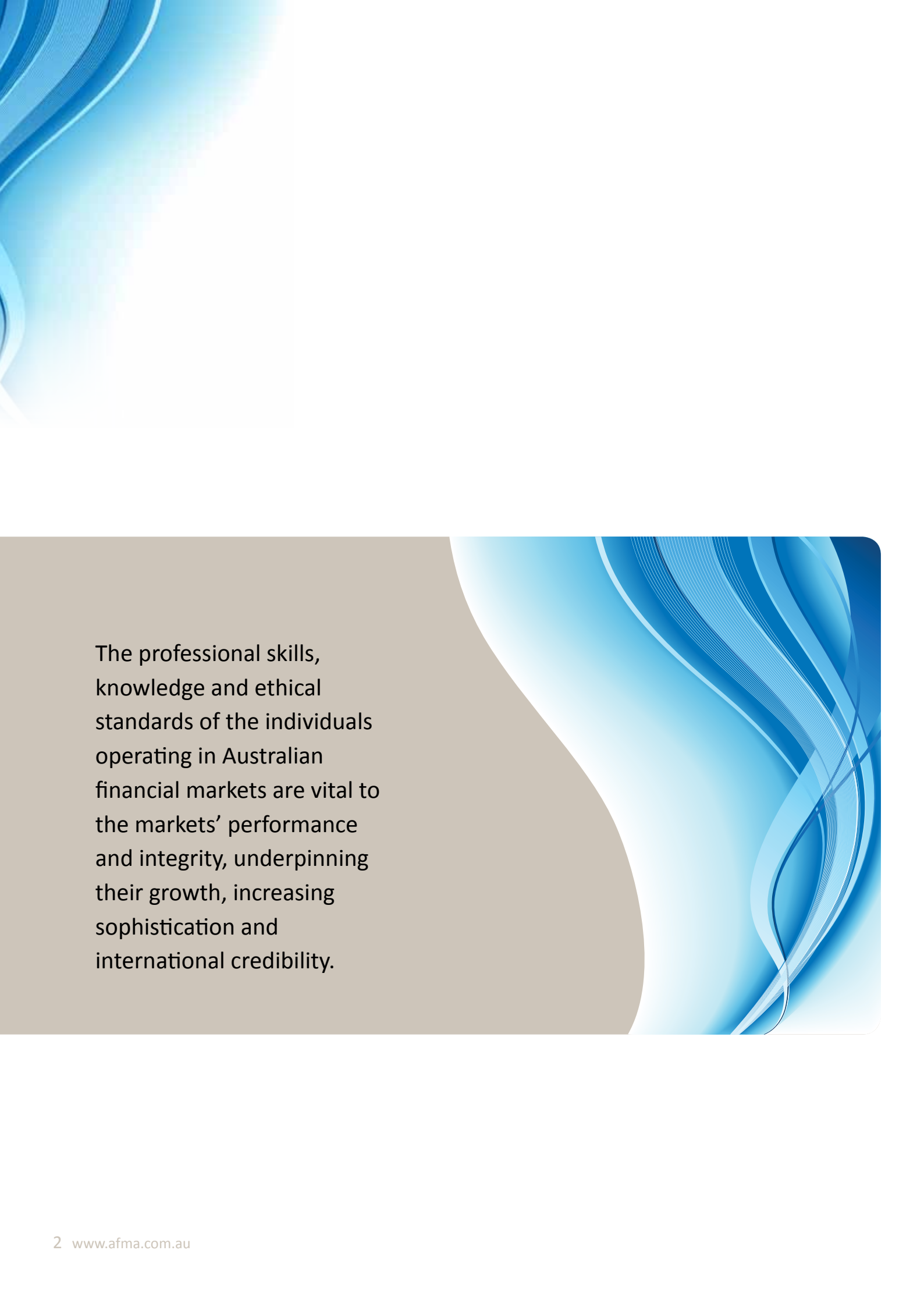
ASIC Regulatory Guide 146

ASIC Regulatory Guide 105

ASX ADA Level 1

ASX AFA





The professional skills, knowledge and ethical standards of the individuals operating in Australian financial markets are vital to the markets' performance and integrity, underpinning their growth, increasing sophistication and international credibility.

# About the Program

## About the Program

The Financial Markets Accreditation Program is the industry benchmark for the training of individuals working within Australia's traded financial markets.

It comprises of two modules, completed via a combination of workshop attendance, self-study and assessment.

The components of the program are:

- » the Financial Markets Core workshop and assessment
- » at least one Product Specialist module and assessment. The six product specialist modules available are Debt Markets; Foreign Exchange Markets; Electricity Financial Markets, Futures Markets, Equity Markets and Managed Investments.

Assessment comprises one multiple-choice exam per module, and one ePortfolio-based skills assessment.

## What can I achieve upon completion of the AFMA Financial Markets Accreditation Program?

Successfully completing the program means you can achieve one or more of the following:

- » Diploma of Financial Markets FNS51011, a nationally recognised workplace qualification in finance
- » Compliance with ASIC Regulatory Guide 146 (depending on the pathway chosen)
- » A pathway by which organisations can ensure their nominated responsible managers meet the appropriate standards for knowledge and skills, as outlined in ASIC Regulatory Guide 105
- » AFMA Accredited Individual status (available only to employees of AFMA Member organisations)

In addition, the Program meets ASIC's ongoing training requirements for Australian Financial Services Licensees.

## Qualification level

The AFMA Financial Markets Accreditation Program has been mapped to the Diploma of Financial Markets FNS51011, a level 5 qualification within the Financial Services Training Package FNS10. As a Registered Training Organisation, AFMA is able to offer national training package qualifications.

# About the Program CONT'

## ASIC Training Register

AFMA's Financial Markets Accreditation Program is listed on the ASIC Training Register as a Tier 1 solution for training that meets the requirements of RG 146.

### PATHWAY TO BECOMING AN ASX ACCREDITED FUTURES ADVISER

Candidates who complete the AFMA Futures module are eligible for recognition as an ASX Accredited Futures Adviser (AFA).

### PATHWAY TO BECOMING AN ASX ACCREDITED DERIVATIVES ADVISER

Candidates who complete both the Financial Markets Core module and Equity Markets module are eligible for recognition as an ASX Accredited Derivatives Adviser (ADA) Level 1.

## Who would benefit?

The program is suitable for individuals:

- » operating in the Australian traded financial markets and seeking formal recognition of their skills and knowledge
- » working for AFMA Member organisations and seeking industry accreditation
- » seeking a nationally recognised workplace qualification in finance
- » aspiring to work in Australian traded financial markets, or seeking to increase their knowledge in this area
- » working in traded financial markets and needing to satisfy the training requirements for their Australian Financial Services License in their respective advice areas
- » seeking information on specific financial market products, i.e. foreign exchange, debt markets, equities, futures, electricity derivatives and managed investments
- » providing advice to retail clients who need to satisfy ASIC's requirements for RG 146.

# Completing the Program

## Program Structure

The program can be completed in two steps:

### **STEP 1.** COMPLETE THE FINANCIAL MARKETS CORE

This is the foundation module, which is compulsory for all students enrolled in the program. To complete it candidates must:

- » complete the self-study manual
- » attend the Financial Markets Core Workshop, a compulsory half-day workshop held in Sydney, Melbourne and Brisbane (also available on DVD for distance learning for participants in SA, WA, NT and overseas)
- » successfully complete an online multiple choice question examination
- » submit workplace evidence via the AFMA ePortfolio for the assessment of skills.

### **STEP 2.** COMPLETE A SPECIALIST MODULE RELEVANT TO THE CANDIDATE'S ROLE

After completing the Core, candidates should enroll into a specialist module relevant to their area of work. AFMA offers specialist modules in the following six areas:

- » Foreign Exchange Markets
- » Futures Markets
- » Debt Markets
- » Electricity Financial Markets
- » Equity Markets
- » Managed Investments

To complete the Specialist module candidates:

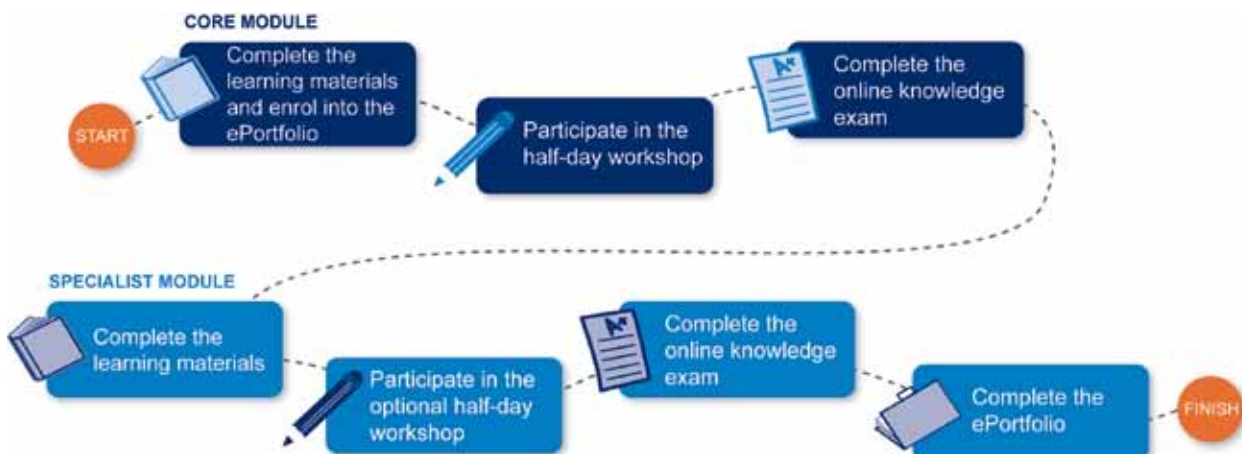
- » must complete the self-study manual
- » can attend an optional exam preparation workshop
- » must successfully complete an online multiple choice question examination
- » must submit workplace evidence via the AFMA ePortfolio for the assessment of skills.



The Financial Markets Accreditation Program is undertaken as a series of face-to-face workshops and self-study.

# The Program at a Glance

## Financial Markets Accreditation Program



### TWO PATHWAYS FOR THE FINANCIAL MARKETS ACCREDITATION PROGRAM

Candidates have a choice of two pathways to complete the Program according to their compliance or accreditation requirements.

#### ADVISING PATHWAY:

- » is for individuals in client advisory roles who need to complete the ASIC competencies for advice giving
- » is recommended for individuals who:
  - » need to comply with ASIC RG 146
  - » need to meet the appropriate standards for knowledge and skills as outlined in RG105
  - » require AFMA Accredited Individual status (AFMA members only)
  - » are seeking a workplace qualification in finance.

#### DEALING PATHWAY:

- » is for individuals in dealing room roles who do not provide advice and therefore do not need to complete the ASIC competencies for advice giving
- » is recommended for individuals who:
  - » need to meet the appropriate standards for knowledge and skills as outlined in RG 105
  - » require AFMA Accredited Individual status (AFMA Members only)
  - » are seeking a workplace qualification in finance.

## Completion Requirement

**STUDY MATERIAL:** Candidates receive the course materials upon enrolment into a module, and must complete these materials before attending the exam preparation workshops. All candidates are expected to have studied the materials thoroughly before attempting the examination.

**ePORTFOLIO:** Upon enrolment into the Accreditation Program and nomination of a pathway, candidates will be enrolled into the ePortfolio system. Candidates are then required to create a portfolio of workplace evidence to demonstrate achievement of underpinning competencies.

The collated evidence is then authenticated by the nominated person within the candidate's organisation; once authenticated the candidate is required to submit their ePortfolio to AFMA for assessment. Further information and log-in details are emailed to candidates upon registration for the Financial Markets Core module and the nomination of a specialist pathway.

*It is a requirement that all candidates enrolled into the AFMA Financial Markets Accreditation Program complete the required study and assessments within a maximum period of two years from the date of program enrolment.*

## FINANCIAL MARKETS CORE

This is the foundation module of the Financial Markets Accreditation Program and provides a broad guide to the financial markets. The content explores the structure of the various markets and their products, and how they operate. It also covers the important areas of regulation in the financial markets.

Module and workshop includes:

- » financial markets
- » the economic environment
- » investment analysis
- » financial market products
- » the dealing process
- » risk and risk management frameworks
- » regulatory environment.

Upon successful completion of the module and related assessment tasks, candidates will be awarded for the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSFMK501A Analyse financial markets and information  
FNSFMK502A Analyse financial market products for clients  
FNSFMK503A Advise clients on financial risk  
FNSCUS505A Determine client requirements and expectations  
BSBCOM406A Conduct work within a compliance framework  
FNSRSK502A Assess risks  
FNSINC401A Apply principles of professional practice to work in the financial services industry

### DEALING PATHWAY

FNSFMK501A Analyse financial markets and information  
BSBCOM406A Conduct work within a compliance framework  
FNSRSK502A Assess risks  
FNSINC401A Apply principles of professional practice to work in the financial services industry  
FNSFMK509A Apply knowledge of transaction documentation and processing

# Product Specialist Modules

AFMA has developed in conjunction with industry a suite of specialist modules mapped to distinctive knowledge and skill areas within traded markets.

## FOREIGN EXCHANGE MARKETS

This module examines the foreign exchange market and how its products are used for trading, risk management and speculation.

Module and workshop include:

- » the foreign exchange market
- » spot foreign exchange
- » forward foreign exchange
- » futures and CFDs
- » options
- » trading strategies for foreign exchange markets
- » providing advice in foreign exchange.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICV503A Provide advice in Derivatives

FNSASICS503A Provide advice in Foreign

Exchange

FNSCUS506A Record and implement client instructions

FNSIAD501A Provide appropriate services, advice and products to clients

FNSINC501A Conduct product research to support recommendations

### DEALING PATHWAY

FNSFMK601A Price financial transactions

FNSFMK602A Hedge financial products

FNSFMK511A Apply limits when trading

FNSFMK510A Prepare trading strategies for clients

## DEBT MARKETS

This module examines Australian debt markets, the products used and how, and typical participant strategies. This module includes two optional workshops.

Module and workshop include:

- » debt markets overview
- » short-term debt products
- » long-term debt products
- » FRAs, swaps and futures
- » options and other derivatives
- » trading and managing interest rate risk
- » providing advice in derivatives.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICV503A Provide advice in Derivatives

FNSASICW503A Provide advice in Securities

FNSCUS506A Record and implement client

instructions

### DEALING PATHWAY

FNSFMK601A Price financial transactions

FNSFMK602A Hedge financial products

FNSFMK511A Apply limits when trading

FNSFMK510A Prepare trading strategies for clients

AFMA has introduced a second optional workshop for the Debt Markets Module, Debt Market Maths. This additional optional workshop has been designed to assist candidates in gaining a thorough understanding of the financial maths necessary to demonstrate competence in the Debt Markets exam.

## FUTURES MARKETS

This module explains futures contracts and provides an understanding of their role in financial markets. It covers how contracts are created; who uses them and why; and their role in managing risk.

Module and workshop include:

- » introduction to futures markets
- » trading equity futures and options
- » trading interest rate futures and options
- » trading international futures and options
- » trading commodity futures
- » block trading and EFP strategies
- » trading contracts for difference
- » trading, clearing and settling
- » providing advice in derivatives.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICV503A Provide advice in Derivatives

FNSCUS506A Record and implement client

instructions

### DEALING PATHWAY

FNSFMK601A Price financial transactions

FNSFMK602A Hedge financial products

FNSFMK511A Apply limits when trading

FNSFMK510A Prepare trading strategies for clients

## ELECTRICITY FINANCIAL MARKETS

This module examines the National Electricity Market and the range of financial products used – and strategies underpinning them – to manage its unique risks.

Module includes:

- » the National Electricity Market
- » risks in the National Electricity Market
- » electricity financial market products
- » environmental markets
- » providing advice in derivatives.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICV503A Provide advice in Derivatives  
FNSCUS506A Record and implement client instructions

### DEALING PATHWAY

FNSFMK601A Price financial transactions  
FNSFMK602A Hedge financial products  
FNSFMK511A Apply limits when trading  
FNSFMK510A Prepare trading strategies for clients

## EQUITY MARKETS

This module covers the equity and equity derivatives markets in Australia.

Candidates who successfully complete the examinations for the Core and Equity Markets modules are eligible for recognition as an ASX Accredited Derivatives Adviser (ADA) Level 1.

Module and workshop include:

- » equity securities, equity markets and equity market participants
- » processing equity transactions
- » executing trading strategies
- » tracking market performance
- » using futures and options to control risk
- » constructing and managing option or warrants strategies
- » trading, settling and clearing options and warrants on the ASX
- » advising clients in equities, options and warrants.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICV503A Provide advice in Derivatives  
FNSASICW503A Provide advice in Securities  
FNSCUS506A Record and implement client instructions

### DEALING PATHWAY

FNSFMK601A Price financial transactions  
FNSFMK602A Hedge financial products  
FNSFMK511A Apply limits when trading  
FNSFMK510A Prepare trading strategies for clients

## MANAGED INVESTMENTS

This module covers the managed investments market in Australia.

Module and workshop include:

- » key participants in the managed investments industry
- » comparing the different managed funds
- » portfolio management strategies
- » managed investments funds and the product disclosure statement
- » providing advice on managed investments.

Upon successful completion of the module and related assessment tasks, and meeting the prerequisite requirements, candidates will be awarded the following units from the Diploma of Financial Markets FNS51011:

### ADVISING PATHWAY

FNSASICT503A Provide advice in Managed Investments  
FNSCUS506A Record and implement client instructions  
FNSIAD501A Provide appropriate services, advice and products to clients  
FNSINC501A Conduct product research to support recommendations

### DEALING PATHWAY

FNSFMK601A Price financial transactions  
FNSFMK602A Hedge financial products  
FNSFMK511A Apply limits when trading  
FNSFMK510A Prepare trading strategies for clients

# Other Means of Completing the Program

## Course Exemption

### RECOGNITION OF PRIOR LEARNING/RECOGNITION OF CURRENT COMPETENCE (RPL/RCC)

Experienced candidates may be eligible to demonstrate their competence and expertise through Recognition of Current Competence (RCC).

Those with formal training, life experience and work experience, may be eligible to apply for Recognition of Prior Learning (RPL).

Applicants are required to compile a portfolio of evidence that demonstrates they possess the knowledge and skills they would otherwise achieve through a formal training program.

In considering RPL/RCC applications, only evidence of study undertaken or industry experience gained during the last 8 years will be eligible for assessment.

### MUTUAL RECOGNITION OF QUALIFICATIONS

Candidates may be able to obtain advanced standing into the Financial Markets Accreditation Program using Statements of Attainment achieved at other Registered Training Organisations.

Course exemption may be obtained through either recognition of prior learning (RPL)/recognition of current competence (RCC) or mutual recognition (MR) of qualifications for a maximum of 50% of the course.

*Please note that course exemption for Equity Markets module will not give the Level 1 Accredited Derivatives Adviser recognition. If candidates require ADA Level 1 recognition, they must successfully complete an online multiple-choice examination in addition to the course exemption.*

### INDIVIDUAL ASSESSMENT

ASIC Regulatory Guides 146 and 105 recognise individual assessment as an option whereby financial market participants can meet the training and assessment requirements for these regulatory guides. To be eligible for an individual assessment, candidates must have at least 5 years out of the past 8 years relevant experience in a role that enables them to meet the responsibilities and requirements of their current role.

An individual assessment is conducted by an authorised assessor and involves the candidate compiling evidence to substantiate their experience, and undertaking a one-on-one question and answer session that demonstrates they have the necessary knowledge and skills.

## In-house training

Modules of the Financial Markets Accreditation Program can also be delivered in-house at a time and location suitable to the organisation. Modules can also be customised to suit the individual requirements of organisations provided they remain within the national qualification framework.

## Enquiries

Email [education@afma.com.au](mailto:education@afma.com.au) or speak to an Education & Training representative on 02 9776 7914.

The Financial  
Markets  
Accreditation  
Program is listed on  
the ASIC Training  
Register and meets  
RG 146 compliance  
requirements.



## Australian Financial Markets Association

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