BIG CHALLENGE.
BIGGER OPPORTUNITY.
CFA Society Italy is Pleased to Bring You the CFA Institute Research Challenge
CFA Institute Research Challenge

- Worldwide intercollegiate competition between teams of students
- Unique educational opportunity to apply what you have learned in the classroom to real-world practice in equity research
- Organized by local CFA Society volunteers
- Winners from the local competitions advance to one of the three regional competitions, culminating in a global final
How it Works

1. Local CFA Society volunteers work in conjunction with participating local universities to assemble teams of 3–5 business and finance students

2. Each team works directly with a mentor to research and prepare an equity research report on a publicly traded company

3. Team findings are locally evaluated by high-profile panels of heads of research, portfolio managers, and chief investment officers from some of the world’s top firms

4. Local champions advance to regional competitions in the Americas, Asia Pacific, and EMEA, and then to the global final
Benefits

- Real-life learning experience as an Equity Analyst
- Get in-depth training in company analysis and presentation skills
- Develop your resume/CV
- Get hands-on mentoring
- Network with professionals and peers to make inroads within the industry
- CFA Program discount
2021 Research Challenge Recap

- 5,000+ Students
- 3,000+ Volunteers
- 150+ CFA Societies
- 900+ Universities
- 113 Local Challenges
- 91 Countries
2021 Research Challenge Results

5 Regional Champions

- University of Sydney, Australia
- BI Norwegian Business School, Norway
- WHU – Otto Beisheim School of Management, Germany
- Appalachian State University, United States
- University of Waterloo, Canada

2021 Global Champions

- BI Norwegian Business School
  Representing CFA Society Denmark & CFA Society Norway

113 Local Challenges
Tournament structure/schedule

Local Competition
October - March 2022

Regional Semifinals
Week of 4-8 April 2022

Regional and Global Finals will be held in
New York City

Regional Finals
17 May 2022

Global Final
17 May 2022
2021 CFA Italian Research Challenge
Milan, March 2021
Building a New Generation of Investment Professionals

The Teams

- Libera Università di Bolzano
- LUISS Guido Carli
- Politecnico di Milano
- Università Ca' Foscari Venezia
- Università Cattolica del Sacro Cuore Milano
- Università di Bologna
- Università degli Studi di Firenze
- Università degli Studi di Napoli Federico II
- Università Politecnica delle Marche
- Università degli Studi di Roma Tor Vergata

In collaboration with ERG

Sponsored by FACTSET

KAPLAN SCHWEZER
Rules Overview

- Each team consists of 3-5 students (undergraduate or graduate)
- Universities may form up to two teams each, depending on Local Host rules
- Students must be enrolled in the university they represent and registered for at least a part-time course load at the time of the kickoff meeting
- Reports and presentations must be the students’ original work
- Students may not have contact with the subject company outside of organized events
- Students may not enlist the help of any professionals other than the mentor or faculty advisor

- Mentors and faculty may NOT contact the company
- Mentors, faculty, and subject company may NOT provide material non-public information
- Written reports must conform to the guidelines set forth by CFA Institute and include the cover and back pages provided by CFA Institute
- Teams may not use props in their oral presentations
- Students, mentors, and faculty must all agree to abide by the CFA Institute Code of Ethics and Standards of Professional Conduct
## Advisor and Mentor Involvement

### Faculty Advisor
- Insight and guidance on research methods and tools as taught in academia
- 10 hours *maximum* of productive time
- Access to faculty for other projects unrelated to the Research Challenge is permitted
- All work must be the original work of the students

### Industry Mentor
- Insight and guidance on industry practice
- 6 hours maximum of productive time
- Face to face or virtual
- Company management question development
- Review first draft of research report
- Presentation development assistance
Ethics Resources

• Ethical Standards for Investment Professionals: An Interactive Case-Based Course
• Ethics Course Module 2: Standard II—Integrity of Capital Markets
• Ethics Course Module 3: Standard III—Duties to Clients
• Ethics Course Module 6: Standard VI—Conflicts of Interest
• Ethics Course Module 7: Standard VII—Responsibilities as a CFA Institute Member or CFA Candidate

Course Objectives

The ethical principles presented in this course
• provide a frame of reference for ethical behavior for all investment professionals.
• heighten your awareness of how you recognize and respond to ethical dilemmas.
• empower you to respond to ethical dilemmas in an appropriate manner.
You will have the opportunity to
• apply the CFA Institute Code of Ethics (Code) and Standards of Professional Conduct (Standards) to real ethical dilemmas in the investment profession.
• determine if an ethical dilemma exists and the best course of action to take.
Sample Report

University of Waterloo Student Research
Retail Sector, Consumer Discretionary Industry
Toronto Stock Exchange ("TSX")

Canadian Tire Corporation

Date: 04-Dec-2015
Ticker: TSX:CTC.A

Closing Price: $129.00
C$1.00/US$0.75
Recommendation: Buy (16.5% Total Return)
Target Price: $148.00 (US$111.00)

Executive Summary
Canadian Tire Corporation, Limited ("CTC" or the "Company") is a Canadian retailer, real estate owner-operator, and financial services provider. These three businesses form CTC’s reportable operating segments: Retail, CT Real Estate Investment Trust ("CT REIT"), and Financial Services ("CTFS").

Investment Recommendation
We issue a Buy recommendation on CTC with a 12-month target price of $148.00 / Class A non-voting share with a projected total return of 16.5% from its December 4, 2015 closing price of $129.00. Our target price is calculated by (1) using a Sum-of-the-Parts approach to arrive at an implied share price valuation for the Class A non-voting shares, and (2) forecasting the 12-month target price by CTC’s cost of equity. Our recommendation is driven by our:

Investment Thesis and Outline
Backed by a stable industry outlook, CTC is well positioned for growth and further market penetration of the Canadian retail sector. The combined result of the Sum-of-the-Parts valuation and current market view of CTC’s dual share class structure suggests that the Class A non-voting shares are presently undervalued. The undervaluation of the Class A non-voting shares represents an opportunity to invest in highly complementary businesses in the Canadian retail sector. After determining CTC’s exposure...
## Report scoring

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<td>Industry Overview &amp; Competitive Positioning</td>
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<td><strong>Total</strong></td>
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Sample Presentation

Conclusion

1. Strong Competitive Positioning

2. Growth Potential

3. Focus on Profitability

UNDervaluation 14.8% TOTAL RETURN\(^1\)

$150.00

BUY

\(^1\)Total return is calculated based on the share price appreciation (13.1%) and forecasted annual dividend (1.7%).
# Presentation scoring

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### Financial Analysis
- How thorough was their analysis of the industry, company, and competitors?

### Valuation
- Were the valuation methodologies appropriate and detailed?

### Environmental, Social, and Governance
- Did the analysis thoroughly incorporate conservation of the natural world, consideration of people and relationships, and standards for running a company?

### Presentation
- How effective/convincing was their presentation? Was it logical and did the facts support the recommendation?

### Question & Answer
- Were they able to answer the questions effectively and with confidence?

### Team Involvement
- Team involvement in the presentation/questions and answers

### Materials
- Quality of slides
Past Subject Companies

- Piaggio (2011)
- Luxottica (2013)
- Autogrill (2014)
- Datalogic (2015)
- Campari (2009)
- Moncler (2018)
- DiaSorin (2016)
- Erg (2021)
- Interpump Group (2019)
- Recordati (2017)
Up for the Challenge?

1. Visit the CFA Institute Research Challenge website: www.cfainstitute.org/researchchallenge

2. Register for the competition
   • Peruse educational materials selected specifically for participants
   • Watch videos of past presentations
   • View past reports from winning teams

3. Students MUST register on the CFA Institute website using the registration form provided by the local host.
Opportunity Starts Here