

# UCT advances to regional round in CFA Institute Research Challenge

A team of five students from the University of Cape Town (UCT) has won the South African leg of the 2013-2014 Chartered Financial Analyst (CFA) Institute Research Challenge, beating nine other local universities with their top-notch company analysis.



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The group advances to the regional round in Italy in early April, where they will compete against university teams from Europe, Middle East and Africa.

The CFA Institute Research Challenge is an annual global educational initiative designed to promote best practices in equity research amongst the next generation of analysts. The challenge entails the application of the CFA Institute syllabus, principles and ethics, through teamwork as well as hands-on mentorship from industry volunteers and faculty advisors.

Teams, each consisting of four to five students, write an equity research report with a clear recommendation on a listed company. This year, teams from ten South African universities entered the local challenge and were tasked with compiling a report and recommendation on the telecommunications giant MTN.

The highest-scoring local teams - those from UCT, University of Johannesburg, University of the Witwatersrand and Stellenbosch University - were selected to present their recommendations in person to a group of three judges. The team with the highest combined report and presentation score was the winner of the local challenge.

## World class performance

Nerina Visser, a director of the CFA South Africa Society and one of the six graders of the written reports, says the challenge showcases the spirit of excellence, rigour and integrity that is embedded in the CFA qualification and standards. "The CFA accreditation provides the appropriate methodology and global consistency that makes a competition such as this both feasible and meaningful," she said.

Mark Ingham from Ingham Analytics, one of the judges at the public presentations, described the students' performances as world class. "Any one of these four teams could go on to a world stage; my view is that the bar has been raised steadily in recent years." He was particularly impressed by the teams' ability to respond to the judges' probing questions, highlighting the depth of their knowledge and the quality of their preparation.

Dr Francois Toerien, senior lecturer in Finance at UCT and the faculty advisor for the winning team, confirmed that the preparation was indeed rigorous. "The students go through a very intense process and are thrown in at the deep end with having to analyse the selected company in a professional manner, make judgments and have opinions. The growth and experience offered through the Challenge will stand them in good stead."

The UCT team members are Monique Baars, Sam Barton-Bridges, Alastair Murie, Lauren Reeves and Ben Shaw.

This is the fifth year in which South African universities have participated in the CFA Institute Research Challenge. The global final will take place on 25 April 2014 in Bangkok, Thailand.

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