



TRAINING

New private client unit



Can you help the Chartered Institute for Securities & Investment (CISI) develop a new unit for staff engaged in private client advice?

A level five qualification, the unit will examine planning skills for financial protection, pensions and retirement, as well as the new FSA core content of investment principles and risk, personal taxation, regulation and ethics.

The unit will require some 200 hours of study and it is expected that candidates will sit a three-hour exam paper encompassing case studies and narrative questions. The unit will be suitable for employees who hold the CISI's planned, RDR-compliant, level four qualification in Securities - Retail, who wish to expand their range of activities or extend their knowledge base to embrace a wider range of investment products.

Work to develop the unit syllabus will begin this month, with the first exam planned for June 2011.

If you are interested in joining the development panel for this unit, please contact

ian.worman@cisi.org or margaret.spong@cisi.org



60-second interview

with: **Dennis Cox FCSI**

Q *Is a casino mentality of excessive risk-taking ingrained within the financial services sector?*

No, I do not believe this is the case. Most people working within financial services are conservative by nature and this drives what might be considered natural risk aversion. Of course, some individuals and firms may take excessive risks, just as some people gamble inappropriately, but it is the role of effective risk management and regulation to, where possible, limit the effect of this.

Q *Has the financial services industry learned any lessons from the credit crunch to prevent such a downturn in the future?*

Again, I would probably answer no. I'm disappointed by the analysis that is currently underway, since it appears to miss key elements of the crisis and will create problems for the next generation of bankers. The seeds of the next crisis are being sown in the solutions to the current one.

Q *Is tighter regulation of the industry needed?*

I am not sure I would use the word 'tighter', rather better and more joined up regulation. Rules designed for specific purposes operating in silos are, by their nature, likely to be sub-optimal when reviewed in combination. Clear vision and balanced judgment are required, both of which are in short supply at present.

Q *What is the next big risk area that the industry needs to address?*

There are really two that go together. The first is interest rate volatility and the second is rising inflation. Many of the risk people who are now in the industry will not have had to deal with these risks before.



Dennis Cox is CEO of Risk Reward and chairman of the Chartered Institute for Securities & Investment's (CISI's) risk professional interest forum



Respondents were unconvinced by Mervyn King's predictions for inflation

SURVEY

Inflation concerns remain

More than eight out of ten financial services professionals believe the Consumer Prices Index (CPI) measure of inflation in the UK will exceed the Government's 2 per cent target this summer, a survey by the Chartered Institute for Securities & Investment (CISI) shows.

The CPI has risen sharply, to stand at 3.5 per cent in January, and the survey, conducted on the CISI website, asked what level the key measure would be running at in June.

The results suggest that the industry remains unconvinced by Bank of England governor Mervyn King's recent assurances that the current inflation spike is temporary.

The results:

↔ **47 per cent of respondents felt the CPI would be between 2 and 3 per cent**

↔ **29 per cent thought it would rise to between 3 and 4 per cent**

↔ **8 per cent said the UK faced a CPI of more than 4 per cent**

↔ **16 per cent believed the rate would fall to below 2 per cent.**

See the latest CISI survey at cisi.org

News in brief

Module finishes

The Advanced Investment Schemes Administration module will no longer be offered by the Chartered Institute for Securities & Investment (CISI), since the level of interest from the industry has not justified maintaining it. Candidates will be able to take the exam in June 2010 and a final session will be held in December 2010, for those who are re-sitting.

The end of the module will not affect the Collective Investment Schemes Administration exam, which will continue in its existing form as part of the Investment Administration Qualification.

Accredited training provider

The Coaching Platform, a UK financial services training consultancy, has received accredited training provider status from the Chartered Institute for Securities & Investment (CISI).

The CISI accredits training providers only after a rigorous process to check they can deliver quality training and support for candidates preparing to sit Institute exams.