



Analyst Guide
POWERED BY SOLEADEA

CFA LEVEL 1

Must-Remember CFA Definitions









Flashcards

SAMPLE

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Print the following 2 pages on both sides of the paper and cut out your flashcards. Find more flashcards at:

<https://analyst.guide/#definitions>

<p>real risk-free interest rate = an interest rate expected for postponing consumption</p>		<p>inflation premium = a premium connected with expected inflation = a price of the expected inflation rate</p>	
<p>your notes:</p>	<p>done</p>	<p>your notes:</p>	<p>done</p>
<p>nominal risk-free interest rate = real risk-free interest rate + inflation premium</p>		<p>default risk premium = a premium for the possibility that the entity concerned may fail to meet its financial obligation</p>	
<p>your notes:</p>	<p>done</p>	<p>your notes:</p>	<p>done</p>
<p>liquidity premium = a premium for reduced or no liquidity</p>		<p>maturity premium = a premium connected with the increased sensitivity of the price of a financial instrument with a longer time to maturity to changes in market interest rates</p>	
<p>your notes:</p>	<p>done</p>	<p>your notes:</p>	<p>done</p>
<p>ordinary annuity = an annuity in arrears, where the first payment is made at the end of the first period</p>		<p>annuity due = when cash flows occur at the beginning of each period of an investment, e.g. at the beginning of each month</p>	
<p>your notes:</p>	<p>done</p>	<p>your notes:</p>	<p>done</p>

not done

inflation premium

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you can create at: soleadea.org/study2/start

not done

real risk-free interest rate

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default risk premium

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nominal risk-free interest rate

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not done

maturity premium

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liquidity premium

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not done

annuity due

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ordinary annuity

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