Curriculum Errata Notice

2024 Pre-Read CFA Program

UPDATED 27 AUGUST 2025

This document outlines the errors submitted to CFA Institute that have been corrected.

Due to the nature of our publishing process, we may not be able to correct errors submitted after 1 September 2024 in time for the publication of the following year's print materials. However, we update all errors in the Learning Ecosystem (LES) and in this document at the end of each month.

We recommend checking either the LES or this document regularly for the most current information. Depending on when you purchase the print materials, they may or may not have the errors corrected.
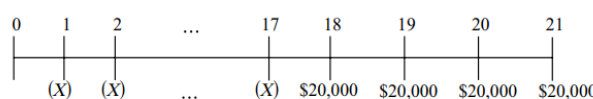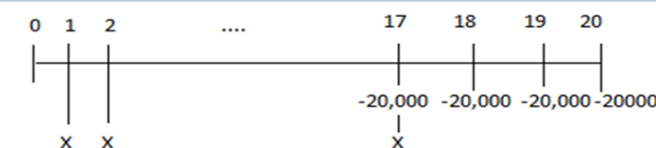
All errors can be submitted via https://cfainst.is/errata

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Quantitative Methods

Interest Rates, Present Value, and Future Value

Lesson	Location	PDF Pg	Revised	Correction	
Solutions	Solution to 24 – part "I"	54	29 January 2024	Replace:	With:
Solutions	Solution to 24 – part "iii"	54	29 January 2024	Replace: The present value of the college costs as of t= 17 is $70,919. $$PV = \$20,000 \left[\frac{1 - \frac{1}{(1.05)^4}}{0.05} \right] = \$70,919$$	With: The present value of the college costs as of t= 17 is **$74,464**. $$PV = \$20,000 \left[\frac{1 - \frac{1}{(1.05)^4}}{0.05} \right] \times 1.05 = 74,464$$
Solutions	Solution to 24 – part "iv"	54	29 January 2024	Replace: $$\$70,919 = \left[\frac{(1.05)^{17} - 1}{0.05} \right] = 25.840366X$$ $$X = \$2,744.50$$	With: $$\$74,464 = \left[\frac{(1.05)^{17} - 1}{0.05} \right] X = 25.840366X$$ **X = $2,881.69**
Solutions	Solution to 24 – part "iv"	54	29 January 2024	Replace: FV $70,919	With: FV **$74,464**

Organizing, Visualizing, and Describing Data

Lesson	Location	PDF Pg	Revised	Correction	
Measures of Central Tendency	Preceding Example 10	112	29 January 2024		Add: The harmonic mean only works for non-negative numbers, so when working with returns that are expressed as positive or negative percentages, we first convert the returns into a compounding format, assuming a reinvestment, as (1 + R), as was done in the geometric mean return calculation, and then calculate (1 + harmonic mean), and subtract 1 to arrive at the harmonic mean return. $$(1+ R_{harmonic}) = n\sum[1/(1+R_n)], R_{harmonic} = n\sum[1/(1+R_n)]-1$$
Measures of Central Tendency	Paragraph following Example 11	113	10 July 2024	Replace: Since they use the same data but involve different progressions in their respective calculations (that is, arithmetic, geometric, and harmonic progressions), the arithmetic, geometric, and harmonic means are mathematically related to one another. While we will not go into the proof of this relationship, the basic result follows: Arithmetic mean × Harmonic mean = Geometric mean². However, the key question is: Which mean to use in what circumstances?	With: Since they use the same data but involve different progressions in their respective calculations (that is, arithmetic, geometric, and harmonic progressions), ~~the arithmetic, geometric, and harmonic means are mathematically related to one another. While we will not go into the proof of this relationship, the basic result follows:~~ ~~Arithmetic mean × Harmonic mean = Geometric mean².~~ ~~However, the key question is: Which mean to use in what circumstances?~~ **The key question is: Which mean to use in what circumstance?**

Probability Concepts

Lesson	Location	PDF Pg	Revised	Correction	
Probability Concepts and Odds Ratios	Example 1 – Solution to 2	159	29 January 2024	Replace: The odds = Probability (passing) / Probability (not passing). If Y = Probability of passing, then 4 = Y / (1 − Y). Solving for Y, we get 0.80 as the probability of passing.	With: **In the example, if the odds against your second colleague passing the exam are 1 to 4, this means the probability of the event is 4/(1 + 4) = 4/5 = 0.80.**

Common Probability Distributions

Lesson	Location	PDF Pg	Revised	Correction	
Discrete and Continuous Uniform Distribution	Equation before Exhibit 4	197	29 January 2024	Replace: $$F(x)= \begin{cases} 0 \text{ for } x < a \\ \dfrac{x-a}{b-a} \text{ for } a \leq x \leq b. \\ 1 \text{ for } x < b \end{cases}$$	With: $$F(x) = \begin{cases} 0 \text{ for } x < a \\ \dfrac{x-a}{b-a} \text{ for } a \leq x \leq b \\ 1 \text{ for } x > b \end{cases}$$
Binomial Distribution	Exhibit 7	207	29 January 2024	Replace: Binomial, $B(n,p)$ Np $np(1-p)$	With: Binomial, $B(n,p)$ **np** $np(1-p)$
Solutions	Solution to 25	235	29 January 2024	Replace: A is correct, since it is false.	With: **B is correct, since it is false.**

Basics of Hypothesis Testing

Lesson	Location	PDF Pg	Revised	Correction	
The Process of Hypothesis Testing	Two-Sided vs. One-Sided Hypothesis first sentence	271	20 August 2024	Replace: We would state the null hypothesis as *Ha*: $\mu \neq 6$. and the alternative as *H0*: $\mu = 6$	With: We would state the null hypothesis as **H0: μ = 6.** and the alternative as **Ha: $\mu \neq 6$**
State the Decision Rule	Exhibit 8 – Procedure #2	278	29 January 2024	Replace: Compare the calculated test statistic with the bounds of the confidence interval.	With: Compare the **hypothesized parameter's value** with the bounds of the confidence interval.
Tests Concerning a Single Mean	Example 8 – Solution to 2 – Step 2	289	29 January 2024	Replace: with 1,304 – 1 = 1,303 degrees of freedom.	With: ~~with 1,304 – 1 = 1,303 degrees of freedom.~~
Practice Problems	Question 13	309-310	29 January 2024	Replace: 13. For each of the following hypothesis tests concerning the population mean, μ, state the conclusion regarding the test of the hypotheses.	With: 13. For each of the following hypothesis tests concerning the population **variance**, state the conclusion.
Solutions	Solution to 3	317	29 January 2024	Replace: A is correct.	With: **B is correct.**

Economics

Topics in Demand and Supply Analysis

Lesson	Location	PDF Pg	Revised	Correction

Demand Concepts	Under Equation 3	5	13 August 2025	Replace: The quantity of gasoline demanded is a function of the price of gasoline (6.39 per liter)	With: The quantity of gasoline demanded is a function of the price of gasoline (P_x 6.39 per liter)

Financial Statement Analysis

Inventories

Lesson	Location	PDF Pg	Revised	Correction	
Solutions	Solution to 20	176	29 January 2024	Replace: No LIFO liquidation occurred during 2018; the LIFO reserve increased from ¥10,120 million in 2008 to ¥19,660 million in 2018.	With: No LIFO liquidation occurred during 2018; the LIFO reserve increased from ¥10,120 million in **2017** to ¥19,660 million in 2018.

Non-Current (Long-Term) Liabilities

Lesson	Location	PDF Pg	Revised	Correction	
Accounting for Bond	Example 4 – Solution to 4	248	29 January 2024	Replace:	With:

Lesson	Location	PDF Pg	Revised	Correction	
Amortization, Interest Expense, and Interest Payments				Under the straight-line method, the premium is evenly amortised over the life of the bonds. In this example, the £44,518 premium would be amortised by £8,903.64 (£44,518 divided by 5 years) each year under the straight-line method. So, the annual interest expense under the straight-line method would be £41,096.36 (£50,000 less £8,903.64).	Under the straight-line method, the premium is evenly amortised over the life of the bonds. In this example, the £44,518 premium would be amortised by **8,903.60** (£44,518 divided by 5 years) each year under the straight-line method. So, the annual interest expense under the straight-line method would be **£41,096.40** (£50,000 less **£8,903.60**).