



Australian Government

Assessment Requirements for FNSFMK525

Analyse clients' financial risk

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- analyse the financial risk profile of at least two different clients.

In the course of the above, the candidate must:

- interpret and comply with legislative requirements
- assess the impact of financial risks to each client and recommend strategies to control risk
- review and prepare risk assessment findings.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- ethics and regulatory requirements relating to analysing clients' financial risk, including:
 - key features of relevant legal principles
 - disclosure and compliance requirements
- organisational policies and procedures for establishing client risk profiles and required reporting
- key principles for managing investment and risk
- financial information sources and products
- client information required for risk profile assessment
- key risk characteristics
- risk assessment criteria and techniques to assess client risk profile and financial product risk
- incidents and factors in economic environment that impact financial performance, including:
 - characteristics and impacts of economic and business cycles

- government monetary and fiscal policies
- interest rates, exchange rates and inflation
- product and strategy sensitivity to conditions, including to:
 - economic cycle
 - supply and demand
 - economic data
 - exchange rates
 - interest rates
 - government and regulatory policy
 - correlation risk with other markets or asset classes
- key theories of investment and risk management.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- organisational equipment, technology and software
- financial services product information.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>