

## CACS Paper 2 – Industry & Product Knowledge

### Summary of Updates (June 2024 – Version 1.2)

The updates made to the CACS Paper 2 (June 2024 – Version 1.1) are summarized as follows:

*\*Additions / updates / corrections are indicated in blue italics.*

*Deletions are indicated in strikethrough.*

*Section and page references relate to the updated study guide.*

Chapter	Page No.	Update / Amendment																											
Chapter 6	148	<p><b>6.7.6 Exchange Traded Funds Versus Closed-End and Open-End Funds</b></p> <p>Table 6.7.6: Comparison of ETFs, Closed-end Funds and Open-end Funds</p> <table><tr><th></th><th>ETF</th><th>Closed-end Fund</th><th>Open-end Fund</th></tr><tr><td>Traded on Exchange?</td><td>Yes</td><td>Yes</td><td>No</td></tr><tr><td>Transaction Costs</td><td>Brokerage Charge</td><td>Brokerage Charge</td><td>Sales Charge</td></tr><tr><td>Pricing</td><td>Market Determined</td><td>Market determined</td><td rowspan="2">NAV</td></tr><tr><td></td><td><i>May trade at Substantial Premium or Discount to NAV</i>  Premium or Discount to NAV may be eliminated by arbitrage</td><td>May trade at Substantial Premium or Discount to NAV</td></tr><tr><td>Fund Management</td><td>Passive or Systematic</td><td>Active Management</td><td>Active Management</td></tr><tr><td>Expense Ratio</td><td>Normally Low</td><td>Higher Management Fee</td><td>Higher Management Fee</td></tr></table>		ETF	Closed-end Fund	Open-end Fund	Traded on Exchange?	Yes	Yes	No	Transaction Costs	Brokerage Charge	Brokerage Charge	Sales Charge	Pricing	Market Determined	Market determined	NAV		<i>May trade at Substantial Premium or Discount to NAV</i>  Premium or Discount to NAV may be eliminated by arbitrage	May trade at Substantial Premium or Discount to NAV	Fund Management	Passive or Systematic	Active Management	Active Management	Expense Ratio	Normally Low	Higher Management Fee	Higher Management Fee
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