

CMFAS Module 6 – Securities Products and Analysis

Summary of Updates

(Dec 2019 – Version 2.8)

The updates made to the CMFAS Module 6 (May 2019 – Version 2.7) are summarized as follows:

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

Deletions are indicated in strikethrough.

Chapter / Section	Page No	Update / Amendment
Chapter 1 – Investments and Financial Markets		
1.3.5 Equity Markets	8	<p>Settlement periods vary amongst the securities markets. – in the US, settlement is on T+3 i.e. 3 business days after the trade date, while in Hong Kong the settlement period is on the 2nd business day after the transaction. In Singapore, settlement is also T+3. Investors would deal with brokers who are intermediaries representing buyers and sellers in a transaction. <i>For example, in China, the settlement period is T+0 (i.e. settlement on the day of the trade date), where the philosophy is that an investor must have the funds on hand to make the purchase. Both the US and Singapore have shortened settlement periods from T+3 to T+2¹ (i.e. 2 business days after the trade date), which is the same as that for Hong Kong.</i></p>

¹ SGX-ST Rule 9.1A.1 – Settlement Basis and Eligibility for Clearing by CDP. Refers to 2 exchange business days after the trade day.