RO2 LEARNING OUTCOME 6

Chapter 7- Indirect Investments- Unit Trusts, OEICs and Investment Trust Companies Risk (Learning outcome 6)

CLASSES OF SHARES

- Ordinary Shares
- Preference Shares
- Split Capital Shares

OFFSHORE UNDERLYING INVESTMENTS

- Equities
- Fixed Interest
- Currencies
- Fund Denomination
- Specialist Funds

MULTI MANAGER PRODUCTS

- Fund of funds
- Manager of managers funds

CALCULATION OF THE BUYING AND SELLING PRICES

- The buyer or offer prices
- Selling or bid price
- Bid-offer spread
- Maximum spread
- Offer basis
- Bid basis
- The Box
- Single Pricing
- The valuation point

INVESTMENT TRUSTS CAPITAL STRUCTURE

- Conventional trusts
- Split capital trusts

ALTERNATIVE INVESTMENT FUNDS (AIFs)

- Hedge funds
- Private equity funds
- Retail Investment funds
- Investment companies
- Real estate funds

ELIDGIBLE MARKET MUST BE:

- Regulated
- Operating regularly
- Recognised
- Open to the public

INVESTMENT STRATEGY

- Index- tracking funds
- Ethical funds

INVESTMENT ASSOCIATION SECTORS

- Capital protection
- Income
- Growth
- Specialist funds
- Those principally targeting an outcome