CACS Paper 2 – Industry & Product Knowledge

Summary of Updates
(Nov 2024 – Version 1.2)

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

- *Additions or updates 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
Appendix A Formulae Sheet		
Chapter 2 - 2.6.2 Portfolio Yield	Pg 42	**Example** An investor started a $1 million investment portfolio at the start of the year. During the year: • The bonds within the portfolio paid coupons of $30,000; and • The equities within the portfolio paid dividends of $20,000. At the end of the year, assuming the investor withdrew ~~$30,000~~ *$40,000* from the portfolio, and the portfolio value after the cash ~~withdrawal~~ *distribution* was ~~$1,050,000~~ *$1,040,000.00*:

In the example cell, the formulas are:

Portfolio Return $= (V_E - V_B + I) \div V_B$

$= ($ ~~$1,050,000~~ *$1,040,000* $- \$1,000,000 +$ ~~$30,000~~ *$40,000*$) \div \$1,000,000$

$= \$80,000 \div \$1,000,000 = 8.00\%$

Portfolio Yield $= ($ ~~$30,000~~ *$40,000* $\div \$1,000,000)$

$=$ ~~3.00%~~ *4.00%*