

# (Bitcoin) ETF vs (Bitcoin) Index Fund

## ETF

Entry requirements	<ul style="list-style-type: none"><li>• lower minimum investment amount</li></ul>
Pricing	<ul style="list-style-type: none"><li>• price will fluctuate throughout trading day and is in real time</li><li>• different buy (offer) and sell (ask) prices creating a bid-ask spread</li></ul>
Trading hours	<ul style="list-style-type: none"><li>• trading is throughout the trading day allowing for intra-day trading</li></ul>
Cost	<ul style="list-style-type: none"><li>• lower TER primarily brokerage fees, some operational expenses and the bid-ask spread</li></ul>
Tax	<ul style="list-style-type: none"><li>• more tax-efficient</li><li>• CGT payable on sale of ETF to other investor (buyer)</li></ul>
Underlying investments	<ul style="list-style-type: none"><li>• underlying holdings published daily</li></ul>
Liquidity	<ul style="list-style-type: none"><li>• since traded like shares, relies on the existence of a buyer on the other side of the trade</li></ul>

## Index Fund

Entry requirements	<ul style="list-style-type: none"><li>• higher minimum investment amount</li></ul>
Pricing	<ul style="list-style-type: none"><li>• single-priced i.e buy and sell price are the same</li><li>• unit price based on NAV and buy/ sell price is only known at close of trading day</li></ul>
Trading hours	<ul style="list-style-type: none"><li>• can only be traded at the close of each day.</li></ul>
Cost	<ul style="list-style-type: none"><li>• higher TER since all costs incurred inside of the fund are borne by investor</li></ul>
Tax	<ul style="list-style-type: none"><li>• less tax-efficient</li><li>• CGT payable with or without sale of own share where another investor redeems and tax burden is shared</li></ul>
Underlying investments	<ul style="list-style-type: none"><li>• only required to disclose top holdings</li></ul>
Liquidity	<ul style="list-style-type: none"><li>• fund manager acts as the ready buyer without the need for another market participant</li></ul>