**Investment Considerations**

**Fact Finding**

**Answers**

1. The general rule is the lower the cost the better. Some indices are more complicated to track than others, so the costs for these will tend to be a little higher. But it’s a very competitive market, so there doesn’t tend to be a big difference between the lowest and highest cost tracker funds.

2. Choosing an index tracker fund is relatively simple. There are four main things to consider:

* what sort of index you want to track and which index it tracks
* its charges/costs
* how long a tracker fund has been in existence
* how much in assets it manages
* how closely it has followed its chosen index over time (called tracking error in investing jargon).