

**MFP - 004**

**Management Programme (MP) / Post- Graduate Diploma in Financial  
Markets Practice (PGDFMP)**

**ASSIGNMENT  
For  
July 2024 and January 2025 Sessions**

**MFP - 004: Currency and Debt Markets**

**(Last date of submission for July 2024 session is 31<sup>st</sup> October, 2024  
and for January 2025 sessions is 30<sup>th</sup> April, 2025)**



**School of Management Studies  
INDIRA GANDHI NATIONAL OPEN UNIVERSITY  
MAIDAN GARHI, NEW DELHI – 110 068**

## ASSIGNMENT

---

<b>Course Code</b>	<b>:</b>	<b>MFP - 004</b>
<b>Course Title</b>	<b>:</b>	<b>Currency and Debt Markets</b>
<b>Assignment Code</b>	<b>:</b>	<b>MFP - 004/TMA/JULY/2024</b>
<b>Coverage</b>	<b>:</b>	<b>All Blocks</b>

---

**Note: Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for July 2024 session is 31<sup>st</sup> October, 2024 and for January 2025 sessions is 30<sup>th</sup> April, 2025.**

1. Describe the various theories of Exchange Rate Determination. Differentiate between Nominal and Effective Exchange Rate. Discuss the factors impacting exchange rates.
2. What is Forward Rate Arguments (FRA)? Discuss how it can be used for Hedging.
3. What is Currency Futures? Explain the various investment strategies in Futures Market Including Spread Trading.
4. What do you understand by Money Market? Explain the various types of Money Market instruments.
5. What is a 'Bond'? What is its relevance? How is Bond Valued? Explain the concept of Duration and Modified Duration.