

MFP -4

Management Programme

**ASSIGNMENTS
SECOND SEMESTER
2014**

MFP – 4: CURRENCY AND DEBT MARKETS



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

ASSIGNMENT

Course Code	:	MFP – 4
Course Title	:	Currency and Debt Markets
Assignment Code	:	MFP -4/SEM-II/2014
Assignment Coverage	:	All Blocks

Note: Please attempt all the questions.

1. What are the risks associated with hedging instruments? Explain correlation risk, basis risk, credit risk and opportunity cost.
2. Explain the different types of currency exposures. Discuss the various techniques used for management of currency exposure.
3. What is the purpose of hedging? Describe the risks associated with hedging instruments.
4. What are the different types of government securities? Explain the features of the Government securities.
5. What are credit derivatives? Explain credit default swaps and Total Return Swap.