

MFP-1, 2 & 3

Management Programme

**ASSIGNMENT
FIRST SEMESTER
2017**

MFP-1: Equity Markets

MFP- 2: Equity Derivatives

MFP-3: Commodity Markets



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

ASSIGNMENT

Course Code	:	MFP-1
Course Title	:	Equity Markets
Assignment Code	:	MFP-1/TMA/SEM-I/2017
Coverage	:	All Blocks

Note : Attempt all the questions and submit this assignment on or before 30th April, 2017 to the coordinator of your study center.

1. Explain different types of risks in the financial system. Point out the relationship between risk and return in Financial Markets.
2. What do you mean by ‘Application Supported by Blocked Amount’ (ASBA)? Describe the process involved for ASBA and discuss its advantages.
3. What is ‘Rolling Settlement’? Describe the procedure involved in Rolling Settlement and discuss its advantages.
4. Why do the investors need to have trading strategies while investing in Financial Markets? Explain the popular trading strategies and discuss the factors affecting them.
5. What is Arbitration? List down the documents that need to be enclosed with Arbitration Application. What are the Do’s and Don’ts that investors should bear in mind?

ASSIGNMENT

Course Code	:	MFP-2
Course Title	:	Equity Derivatives
Assignment Code	:	MFP-2/TMA/SEM-I/2017
Coverage	:	All Blocks

Note : Attempt all the questions and submit this assignment on or before 30th April, 2017 to the coordinator of your study center.

1. What are derivatives ? Discuss the major types of derivative instruments and elaborate the uses of derivatives. Explain the scrip selection criteria for derivatives segment.
2. List the various corporate actions due to which the prices of derivative contracts has to be adjusted. How is the future price adjusted for dividends, stock split and bonus issue ?
3. Explain the following : (a) Gamma (b) Theta (c) Delta (d) Vega
4. What is 'Clearing and Settlement' ? Discuss the settlement mechanism of option contracts.
5. What is meant by 'Mark to Market Margin'? Explain the concept of Value At Risk (VAR).

ASSIGNMENT

Course Code	:	MFP- 3
Course Title	:	Commodity Markets
Assignment Code	:	MFP- 3/SEM-I/2017
Coverage	:	All Blocks

Note : Attempt all the questions and submit on or before 30th April, 2017 to the Coordinator of your study center.

1. Describe the regulatory framework for future delivery in commodity markets in India and discuss the statutory functions of Forward Market Commission.

2. Explain the various measures adopted by Commodity Exchanges for the purpose of the Exchange Risk Management.

3. What are the important base metals traded internationally on commodity exchanges? Write a note on any two base metals.

4. What is 'Emissions Trading'? Discuss the use of Futures on carbon credits for mitigating risk of increasing costs in control of pollution.

5. How are commodity Futures Contracts priced? Explain the meaning of Cost of Carry, Contango and Backwardation?