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**POST GRADUATE DIPLOMA IN FINANCIAL
MARKETS PRACTICE**

Term-End Examination

December, 2017

MFP-003 : COMMODITY MARKETS

Time : 3 hours

Maximum Marks : 100

(Weightage :70%)

Note : Attempt any five questions. All questions carry equal marks.

1. What are Commodity Derivatives ? Explain the various types of Commodity Derivatives and discuss their applications.
2. What do you understand by agricultural spot market ? Discuss the regulatory framework for agricultural spot markets in India.
3. What do you understand by Exchange Risk Management ? Discuss the purpose of risk management and explain the various tools used by commodity exchanges to manage risk.
4. Explain the types of orders that can be submitted by the exchange members based on price related conditions and time related conditions in the Multi Commodity Exchange (MCX)

5. Discuss the domestic and global factors that impact the prices of base metals. Describe the characteristics of Nickel and Lead.
 6. What is the importance of natural gas ? Discuss the factors that impact natural gas price volatility.
 7. Explain the following :
 - (a) Emissions Trading
 - (b) Weather Derivatives
 8. Discuss the various factors that serve as inputs for the option valuation model used to determine the value of option premium.
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