

MFP-4

Management Programme

ASSIGNMENT
For
July 2022 and January 2023 sessions

MFP-4: Currency and Debt Markets

(Last date of submission for July 2022 session is 31st October, 2022 and for January 2023 session is 30th April, 2023)



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/TMA/JULY/2022
Coverage	:	All Blocks

Note: Attempt all the questions and submit to the coordinator of your study centre. **Last date of submission for July 2022 session is 31st October, 2022 and for January 2023 session is 30th April, 2023.**

1. Explain the structure of the currency market in India. Who are the participants in the currency market and what are the products traded in the Indian foreign currency market.
2. What are Currency Swaps? Explain how it can be used to reduce the cost of borrowings.
3. Explain the following
 - (a) REPOs
 - (b) Forward Rate Agreements (FRAs)
4. What is interest rate risk? Explain the interest rate sensitivity policy and discuss its broad parameters.
5. What is Duration and Modified Duration? How are they calculated?